

CITY OF NAPLES, FLORIDA

AGREEMENT (PROFESSIONAL SERVICES)

Bid/Proposal No. 023-10

Contract No. _____

Project Name Employee Benefit Insurance Brokerage Services

THIS AGREEMENT (the "Agreement") is made and entered into this **5th day of May, 2010**, by and between the City of Naples, a Florida municipal corporation, (the "CITY") and **Gehring Group**, a Florida corporation, **115 05 Fairchild Gardens Ave., Suite 202, Palm Beach Gardens, FL 33410**, (the "CONTRACTOR").

WITNES S:

WHEREAS, the CITY desires to obtain the services of the CONTRACTOR concerning **certain services specified in this Agreement** (referred to as the "Project"); and

WHEREAS, the CONTRACTOR has submitted a proposal for provision of those services; and

WHEREAS, the CONTRACTOR represents that it has expertise in the type of professional services that will be required for the Project.

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained herein, the parties hereto agree as follows:

ARTICLE ONE CONTRACTOR'S RESPONSIBILITY

1.1. The Services to be performed by CONTRACTOR are generally described as employee benefit insurance brokerage services, and may be more fully described in the Scope of Services, attached as Exhibit A and made a part of this Agreement.

1.2. The CONTRACTOR agrees to obtain and maintain throughout the period of this Agreement all such licenses as are required to do business in the State of Florida, the City of Naples, and in Collier County, Florida, including, but not limited to, all licenses required by the respective state boards and other governmental agencies responsible for regulating and licensing the professional services to be provided and performed by the CONTRACTOR pursuant to this Agreement.

1.3. The CONTRACTOR agrees that, when the services to be provided hereunder relate to a professional service which, under Florida Statutes, requires a license, certificate of authorization or other form of legal entitlement to practice such services, it shall employ or retain only qualified personnel to provide such services.

1.4. CONTRACTOR agrees to employ and designate, in writing, within 5 calendar days after receiving its Notice to Proceed, or other directive from the CITY, a qualified licensed professional to serve as the CONTRACTOR's project manager (the "Project Manager"). The Project Manager shall be authorized and responsible to act on behalf of the CONTRACTOR with respect to directing, coordinating and administering all aspects of the services to be provided and performed under this Agreement.

1.5. The CONTRACTOR has represented to the CITY that it has expertise in the type of professional services that will be required for the Project. The CONTRACTOR agrees that all services to be provided by CONTRACTOR pursuant to this Agreement shall be subject to the CITY's review and approval and shall be in accordance with the generally accepted standards of professional practice in the State of Florida, **as may be applied to the type of services to be rendered**, as well as in accordance with all published laws, statutes, ordinances, codes, rules, regulations and requirements of any governmental agencies which regulate or have jurisdiction over the Project or the services to be provided and performed by CONTRACTOR. In the event of any conflicts in these requirements, the CONTRACTOR shall notify the CITY of such conflict and utilize its best professional judgment to advise CITY regarding resolution of the conflict.

1.6. The CONTRACTOR agrees not to divulge, furnish or make available to any third person, firm or organization, without CITY's prior written consent, or unless incident to the proper performance of the CONTRACTOR's obligations hereunder, or in the course of judicial or legislative proceedings where such information has been properly subpoenaed, any non-public information concerning the services to be rendered by CONTRACTOR hereunder, and CONTRACTOR shall require all of its employees, agents, subconsultants and subcontractors to comply with the provisions of this paragraph. **However, the CONTRACTOR shall comply with the Florida Public Records laws.**

1.7 The CONTRACTOR agrees not to employ or offer to employ any Elected Officer or City Managerial Employee of the CITY who in any way deals with, coordinates on, or assists with, the professional services provided in this Agreement, for a period of 2 years after termination of all provisions of this Agreement. For purposes of this paragraph, the term "Elected Officer" shall mean any member of the City Council. For purposes of this paragraph, the term "City Managerial Employee" shall mean the City Manager, the Assistant City Manager, the City Clerk, and any City department head or director. If the CONTRACTOR violates the provisions of this paragraph, the CONTRACTOR shall be required to pay damages to the CITY in an amount equal to any and all compensation which is received by the former Elected Officer or City Managerial Employee of the CITY from or on behalf of the contracting person or entity, or an amount equal to the former Elected Officer's or City Managerial Employee's last 2 years of gross compensation from the CITY, whichever is greater.

~~1.8 The CONTRACTOR agrees not to provide services for compensation to any other party other than the CITY on the same subject matter, same project, or scope of services as set forth in this Agreement without approval from the City Council of the CITY.~~

1.9. Except as otherwise provided in this Agreement, the CONTRACTOR agrees not to disclose or use any information not available to members of the general public and gained by reason of the CONTRACTOR's contractual relationship with the CITY for the special gain or benefit of the CONTRACTOR or for the special gain or benefit of any other person or entity.

ARTICLE TWO CITY'S RESPONSIBILITIES

2.1. The CITY shall designate in writing a project coordinator to act as the CITY's representative with respect to the services to be rendered under this Agreement (the "Project Coordinator"). The Project Coordinator shall have authority to transmit instructions, receive information, interpret and define the CITY's policies and decisions with respect to the CONTRACTOR's services for the Project. However, the Project Coordinator is not authorized to issue any verbal or written orders or instructions to the CONTRACTOR that would have the effect, or be interpreted to have the effect, of modifying or changing in any way whatever:

- (a) The scope of services to be provided and performed by the CONTRACTOR;
- (b) The time the CONTRACTOR is obligated to commence and complete all such services; or

- (c) The amount of compensation the CITY is obligated or committed to pay the CONTRACTOR.

Any such modifications or changes ((a) (b) or (c)) shall only be made by or upon the authorization of the CITY's city manager as authorized by city council in the enabling legislation or in the CITY's procurement policies.

2.2. The Project Coordinator shall:

- (a) Review and make appropriate recommendations on all requests submitted by the CONTRACTOR for payment for services and work provided and performed in accordance with this Agreement;

- (b) Arrange for access to and make all provisions for the CONTRACTOR to enter the Project site to perform the services to be provided by the CONTRACTOR under this Agreement; and

- (c) Provide notice to the CONTRACTOR of any deficiencies or defects discovered by the CITY with respect to the services to be rendered by the CONTRACTOR hereunder.

2.3. The CONTRACTOR acknowledges that access to the Project Site, to be arranged by the CITY for the CONTRACTOR, may be provided during times that are not the normal business hours of the CONTRACTOR.

ARTICLE THREE TIME

3.1. Services to be rendered by the CONTRACTOR shall be commenced subsequent to the execution of this Agreement upon written Notice to Proceed from the CITY for all or any designated portion of the Project and shall start July 1st, 2010 through June 30, 2013 with the city's option for two (2) additional one-year renewals. Time is of the essence with respect to the performance of this Agreement.

3.2. Should the CONTRACTOR be obstructed or delayed in the prosecution or completion of its services as a result of unforeseeable causes beyond the control of the CONTRACTOR, and not due to its own fault or neglect, including but not restricted to acts of God or of public enemy, acts of government or of the CITY, fires, floods, epidemics, quarantine regulations, strikes or lock-outs, then the CONTRACTOR shall notify the CITY in writing within 5 working days after commencement of such delay, stating the cause or causes thereof, or be deemed to have waived any right which the CONTRACTOR may have had to request a time extension.

3.3. No interruption, interference, inefficiency, suspension or delay in the commencement or progress of the CONTRACTOR's services from any cause whatsoever, including those for which the CITY may be responsible in whole or in part, shall relieve the CONTRACTOR of its duty to perform or give rise to any right to damages or additional compensation from the CITY. The CONTRACTOR's sole remedy against the CITY will be the right to seek an extension of time to its schedule. This paragraph shall expressly apply to claims for early completion, as well as claims based on late completion.

3.4. Should the CONTRACTOR fail to commence, provide, perform or complete any of the services to be provided hereunder in a timely and reasonable manner, in addition to any other rights or remedies available to the CITY hereunder, the CITY at its sole discretion and option may withhold any and all payments due and owing to the CONTRACTOR until such time as the CONTRACTOR resumes performance of its obligations hereunder in such a manner so as to reasonably establish to the CITY's satisfaction that the CONTRACTOR's performance is or will shortly be back on schedule.

**ARTICLE FOUR
COMPENSATION**

4.1. The total compensation to be paid the CONTRACTOR by the CITY for all Services shall not exceed \$75,000.00 annually and shall be paid in the manner set forth in the "Basis of Compensation", which is attached as **Exhibit B** and made a part of this Agreement.

**ARTICLE FIVE
MAINTENANCE OF RECORDS**

5.1. The CONTRACTOR will keep adequate records and supporting documentation which concern or reflect its services hereunder. The records and documentation will be retained by the CONTRACTOR for a minimum of five 5 years from the date of termination of this Agreement or the date the Project is completed, whichever is later. the CITY, or any duly authorized agents or representatives of the CITY, shall have the right to audit, inspect and copy all such records and documentation as often as they deem necessary during the period of this Agreement and during the 5 year period noted above; provided, however, such activity shall be conducted only during normal business hours. **If the CONTRACTOR desires to destroy records prior to the minimum period, it shall first obtain permission from the CITY in accordance with the Florida Public Records laws.**

**ARTICLE SIX
INDEMNIFICATION**

6.1. The CONTRACTOR agrees to indemnify and hold harmless the City from liabilities, damages, losses and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness, or intentional wrongful misconduct of the CONTRACTOR and persons employer or utilized by the CONTRACTOR in the performance of the Contract.

**ARTICLE SEVEN
INSURANCE**

7.1. CONTRACTOR shall obtain and carry, at all times during its performance under **this Agreement**, insurance of the types and in the amounts set forth in the document titled General Insurance Requirements, which is attached as **Exhibit C and made a part of** this Agreement.

**ARTICLE EIGHT
SERVICES BY CONTRACTOR'S OWN STAFF**

8.1. The services to be performed hereunder shall be performed by the CONTRACTOR's own staff, unless otherwise authorized in writing by the CITY. The employment of, contract with, or use of the services of any other person or firm by the CONTRACTOR, as independent contractor or otherwise, shall be subject to the prior written approval of the CITY. No provision of this Agreement shall, however, be construed as constituting an agreement between the CITY and any such other person or firm. Nor shall anything contained in this Agreement be deemed to give any such party or any third party any claim or right of action against the CITY beyond such as may otherwise exist without regard to this Agreement.

**ARTICLE NINE
WAIVER OF CLAIMS**

9.1. The CONTRACTOR's acceptance of final payment shall constitute a full waiver of any and all claims, except for insurance company subrogation claims, by it against the CITY arising out of this Agreement or otherwise related to the Project, except those previously made in writing and identified by the CONTRACTOR as unsettled at the time of the final payment. Neither the acceptance of the CONTRACTOR's services nor payment by the CITY shall be deemed to be a waiver of any of the CITY's rights against the CONTRACTOR.

**ARTICLE TEN
TERMINATION OR SUSPENSION**

10.1. The CONTRACTOR shall be considered in material default of this Agreement and such default will be considered cause for the CITY to terminate this Agreement, in whole or in part, as further set forth in this section, for any of the following reasons: (a) failure to begin work under the Agreement within the times specified under the Notice(s) to Proceed, or (b) failure to properly and timely perform the services to be provided hereunder or as directed by the CITY, or (c) the bankruptcy or insolvency or a general assignment for the benefit of creditors by the CONTRACTOR or by any of the CONTRACTOR's principals, officers or directors, or (d) failure to obey laws, ordinances, regulations or other codes of conduct, or (e) failure to perform or abide by the terms or spirit of this Agreement, or (f) for any other just cause. The CITY may so terminate this Agreement, in whole or in part, by giving the CONTRACTOR at least **30** calendar days' written notice.

10.2. If, after notice of termination of this Agreement as provided for in paragraph 10.1 above, it is determined for any reason that the CONTRACTOR was not in default, or that its default was excusable, or that the CITY otherwise was not entitled to the remedy against the CONTRACTOR provided for in paragraph 10.1, then the notice of termination given pursuant to paragraph 10.1 shall be deemed to be the notice of termination provided for in paragraph 10.3 below and the CONTRACTOR's remedies against the CITY shall be the same as and limited to those afforded the CONTRACTOR under paragraph 10.3 below.

10.3. The CITY shall have the right to terminate this Agreement, in whole or in part, without cause upon 7 calendar day's written notice to the CONTRACTOR. In the event of such termination for convenience, the CONTRACTOR's recovery against the CITY shall be limited to that portion of the fee earned through the date of termination, together with any retainage withheld and any costs reasonably incurred by the CONTRACTOR that are directly attributable to the termination, but the CONTRACTOR shall not be entitled to any other or further recovery against the CITY, including, but not limited to, anticipated fees or profits on work not required to be performed.

**ARTICLE ELEVEN
CONFLICT OF INTEREST**

11.1. The CONTRACTOR represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of services required hereunder. The CONTRACTOR further represents that no persons having any such interest shall be employed to perform those services.

**ARTICLE TWELVE
MODIFICATION**

12.1. No modification or change in this Agreement shall be valid or binding upon the parties unless in writing and executed by the party or parties intended to be bound by it.

**ARTICLE THIRTEEN
NOTICES AND ADDRESS OF RECORD**

13.1. All notices required or made pursuant to this Agreement to be given by the CONTRACTOR to the CITY shall be in writing and shall be delivered by hand or by United States Postal Service Department, first class mail service, postage prepaid, return receipt requested, addressed to the following CITY's address of record:

City of Naples
735 Eighth Street South
Naples, Florida 34102-3796
Attention: **A. William Moss**, City Manager

13.2. All notices required or made pursuant to this Agreement to be given by the CITY to the CONTRACTOR shall be made in writing and shall be delivered by hand or by the United States Postal Service Department, first class mail service, postage prepaid, return receipt requested, addressed to the following CONTRACTOR's address of record:

Gehring Group
11505 Fairchild Gardens Ave., Suite 202
Palm Beach Gardens, FL 33410
Attn: Kurt Gehring, President

13.3. Either party may change its address of record by written notice to the other party given in accordance with requirements of this Article.

ARTICLE FOURTEEN MISCELLANEOUS

14.1. The CONTRACTOR, in representing the CITY, shall promote the best interest of the CITY and assume towards the CITY a duty of the highest trust, confidence, and fair dealing.

14.2. No modification, waiver, suspension or termination of the Agreement or of any terms thereof shall impair the rights or liabilities of either party.

14.3. This Agreement is not assignable, in whole or in part, by the CONTRACTOR without the prior written consent of the CITY.

14.4. Waiver by either party of a breach of any provision of this Agreement shall not be deemed to be a waiver of any other breach and shall not be construed to be a modification of the terms of this Agreement.

14.5. The headings of the Articles, Exhibits, Parts and Attachments as contained in this Agreement are for the purpose of convenience only and shall not be deemed to expand, limit or change the provisions in such Articles, Exhibits, Parts and Attachments.

14.6. This Agreement constitutes the entire agreement between the parties hereto and shall supersede, replace and nullify any and all prior agreements or understandings, written or oral, relating to the matter set forth herein, and any such prior agreements or understanding shall have no force or effect whatever on this Agreement.

Sec. 14. 7. The CONTRACTOR shall comply fully with all provisions of state and federal law, including without limitation all provisions of the Immigration Reform and Control Act of 1986 ("IRCA") as amended, as well as all related immigration laws, rules, and regulations pertaining to proper employee work authorization in the United States. The CONTRACTOR shall execute the Certification of Compliance with Immigration Laws, attached hereto as **Exhibit "D"**.

ARTICLE FIFTEEN APPLICABLE LAW

15.1. Unless otherwise specified, this Agreement shall be governed by the laws, rules, and regulations of the State of Florida, and by the laws, rules and regulations of the United States when providing services funded by the United States government. Any suit or action brought by either party to this Agreement against the other party relating to or arising out of this Agreement must be brought in the appropriate Florida state court in Collier County, Florida.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for the day and year first written above.

ATTEST:

CITY:

CITY OF NAPLES, FLORIDA,
A Municipal Corporation

By: _____
Tara A. Norman, City Clerk

By: _____
A. William Moss, City Manager

Approved as to form
and legal sufficiency:

By: _____
Robert D. Pritt, City Attorney

CONTRACTOR:
Gehring Group
A Florida Corporation

By: _____
Its _____

Witness

(CORPORATE SEAL)

General Contract (not Architects/Engineers)

EXHIBIT A

SCOPE OF SERVICES

The Services to be provided under this Agreement are those set out below [or in Exhibit A-1 through A-], attached and made part of this Exhibit A.



REQUEST FOR QUALIFICATIONS

**CITY OF NAPLES
PURCHASING DIVISION
270 RIVERSIDE CIRCLE
NAPLES, FL 34102**

PH: 239-213-7100 FX: 239-213-7105

NOTIFICATION DATE: 3/1/10	TITLE: EMPLOYEE BENEFIT INSURANCE BROKERAGE SERVICES	NUMBER: 023-10	OPENING DATE & TIME: 2:00PM 3/25/10
PRE-PROPOSAL CONFERENCE: DATE, TIME AND LOCATION:			

NAME OF PARTNERSHIP, CORPORATION OR INDIVIDUAL: Gehring Group	
MAILING ADDRESS: 11505 Fairchild Gardens Ave., Suite 202	
CITY-STATE-ZIP: Palm Beach Gardens, FL 33410	
PH: 800-244-3696 OR 561-626-6797	EMAIL: cindy@gehringgroup.com/kurt@gehringgroup.com
FX: 561-626-6970	WEB ADDRESS: www.gehringgroup.com

I certify that this proposal is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting a proposal for the same materials, supplies, or equipment or services and is in all respects fair and without collusion or fraud. I agree to abide by all conditions of this proposal and certify that I am authorized to sign this proposal for the proposer. In submitting a proposal to the City of Naples the proposer offers and agrees that if the proposal is accepted, the proposer will convey, sell, assign or transfer to the City of Naples all rights, title, and interest in and to all causes of action it may now or hereafter acquire under the Anti-trust laws of the United States and the State of FL for price fixing relating to the particular commodities or services purchased or acquired by the City of Naples. At the City's discretion, such assignment shall be made and become effective at the time the City tenders final payment to the proposer.

AUTHORIZED SIGNATURE 	DATE 3/24/10	PRINTED NAME/TITLE Kurt Gehring, President
Please initial by all that apply I acknowledge receipt of the following Addendum		
Addendum #1	Addendum #2	Addendum #3
		Addendum #4

PLEASE NOTE THE FOLLOWING:

- > This page **must be completed and returned** with your proposal.
- > Proposals must be **submitted in a sealed envelope, with the proposal number & closing date.**
- > Proposals received after the above closing date and time will not be accepted.
- > Proposal tabulations will be available on the City of Naples web site www.naplesgov.com, Departments, Finance, Purchasing.

Gehring Group is a leading provider of employee benefits whose success is driven by our expertise, experience, independence and integrity as well as our people and our commitment to remain the agent of choice to our clients. Below is a comprehensive of services provided and available:

Comprehensive Inclusive Employee Benefits Program Brokerage Services

1. Generate the Request for Proposal (RFP) within purchasing guidelines or upon request for all lines of employee benefits insurance
2. Negotiate renewals for all lines of employee benefits insurance
3. Evaluate plan designs and funding options
4. Produce in-depth evaluation booklets
5. Make recommendations to Staff
6. Make presentations to decision makers
7. Present to insurance committees and/or union representatives
8. Design and provide open enrollment communication materials, including employee benefits booklet, payroll stuffers and posters as requested
9. Implement programs and changes
10. Coordinate and make presentations at enrollment meetings upon request
11. Coordinate and review all plan documents and summary plan descriptions
12. Review insurance contracts for conformity with client requirements
13. Translate benefit offerings at new employee orientations
14. Formulate PowerPoint presentation for New-Hire Orientations to ensure consistency
15. Meet with Staff regularly to review overall program efficiency
16. Coordinate and attend health fairs and wellness seminars
17. Provide updates on trends affecting client's benefits plans on an ongoing basis
18. Develop special plan design options as needed (i.e., high deductible plans, three tiered medical options, flex benefit plans, etc.)
19. Generate employee education materials as requested
20. Resolve employee claims issues and expedite employer resolution of contractual, coverage, eligibility and billing disputes
21. Provide guidance with regard to interpretation of the health care benefit policy
22. Represent client with best efforts regarding its employee benefits and when dealing with service providers.
23. Obtain specific reports and information from service providers in a timely manner
24. Remain fully knowledgeable and up-to-date in order to interpret benefit policy and provide expert information regarding benefits issues
25. Develop, conduct and summarize the results of a variety of surveys including physician selection, employee satisfaction, and industry trends
26. Develop, conduct, and summarize benefits surveys of public employers, focusing on benefits, contribution practices, funding, premium structures, FMLA waiting period, etc.

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27. Independently bid, evaluate and assist with development of on-site clinic
28. Assist in clinic implementation process
29. Provide on-site clinic follow up savings analysis
30. Assist with Medicare Part D Reimbursement filing (if applicable)
31. Provide annual actuarial filing of self-funded health plan via independent actuary
32. Develop, conduct, and summarize surveys for other purposes, such as disruption reports
33. Provide the staff/resources/consultants that possess expertise in the following fields:
 - a. Project Management
 - b. Developing Requests for Proposals
 - c. Senior level administration
 - d. Group insurance underwriting
 - e. Actuarial science
 - f. Claims auditing
 - g. Statistical analysis
 - h. Plan design
 - i. Cost containment
 - j. Federal and State compliance regarding employee benefits
 - k. Communications materials
34. Provide legislative updates
35. Assist with compliance issues, including but not limited to:
 - a. OPEB
 - b. COBRA
 - c. Section 125 Cafeteria Plan
 - d. FMLA
 - e. Federal mandated benefits, such as HIPAA
 - f. State mandated benefits
 - g. Federal Form 5500 preparation
36. Provide periodic training sessions to educate staff regarding benefit options and considerations for decision-making as requested
37. Conduct detailed reviews, analysis and projection sessions with decision makers at key points throughout the year: mid-year, fourth quarter, and/or pre-renewal

Gehring Group provides all of the above services within the agent of record/consultant appointment. We would also like to confirm that Gehring Group provides all the services as outlined in the Scope of Services of RFQ No. 023-10 as follows:

A. General Services

- 1) Provide dedicated personnel to be the main contact for managing account relationship. The contact will be readily accessible to City Human Resources personnel.**

Confirmed. Each Gehring Group client is assigned an account manager as the primary contact for a client, and a back up account manager is also assigned. A primary and back up analyst is also assigned to each account, as well as an implementation manager and IT programmer for our clients who utilize BenTek®, our internet enrollment and administration system. These professionals, along with an easily accessed upper management staff and our

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corporate philosophy regarding our team approach, provides assurance that our clients have access to experienced professionals who are aware of, or can easily access their files, to provide resolution and answers at all times. (Additional information regarding these individuals is included in **Tab C**.) The service of the client as a whole is overseen by Gehring Group's Managing Director, Anna Maria Studley, and a member of Executive Staff.

2) Provide general and technical guidance on employee benefit issues to include market analysis, trends, contract and statute interpretation and cost containment methods.

Confirmed. Gehring Group staff has the capabilities, education, technical skills and training to meet and exceed the service expectations of the City. We understand the bid process and public record laws while maintaining familiarity with the constantly changing and complex Statutes that apply to governmental organizations. Our large public sector client base will also provide your group with the necessary negotiating strength when dealing with various insurance carriers during the renewal season and throughout the year. Gehring Group represents you, not the insurance company. And, we are well-versed in dealing with issues relating to public entities. Gehring Group provides expert analysis, progressive solutions and top level negotiating skills. Our firm has negotiated the savings of millions of dollars in premiums for our clients in addition to providing enhanced benefits through our program analysis and creative plan placement.

3) Assist in the development and review of communication materials written by the City's benefit administrators and other participating organizations for content, appearance, compliance and accuracy.

Confirmed. As part of Gehring Group's services, we provide an employee benefits handbook and various communication materials, customized for and subject to the approval of the City. At the beginning of each new plan year we compile all of the information regarding your insurance coverages and summarize it in an employee friendly benefit booklet. This booklet has proven to be a valuable resource to our client's employees and has reduced the number of inquiries received by our client's HR and Benefits staff. This service is offered at no additional cost. We will provide you with enough copies for open enrollment and as needed for new-hire orientations throughout the plan year. Please refer to **Exhibit 5: Sample Employee Benefit Booklets** for examples. In addition, we have the ability to produce customized communication pieces based on the specific needs of the City. **Exhibit 6: Sample Employee Communications** includes such examples for your review. Our staff is also available as a resource to review City communication materials for accuracy and compliance.

4) Assist the City on a regular basis and in a timely manner to provide information, analysis and guidance on any and all aspects of City benefit program policy and administration.

Your Gehring Group Account Manager will maintain continuous communication throughout the plan year to provide support to staff with administrative, legislative, enrollment and billing questions and are also available to assist our clients' staff with the resolution of claim problems and other issues such as policy interpretation. They are also available to provide

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on-site assistance with new-hire orientations and employee benefits fairs. In addition to your Account Manager and Analyst, our clients also have access to our in-house account service representatives to lend assistance. Our graphics department will customize an employee benefit handbook in which becomes an invaluable concise resource to the staff and employees.

5) Provide a qualified representative to attend the City's Health Insurance Committee and employee meetings as requested or needed.

Confirmed. Gehring Group staff is available to attend or conduct group insurance committee meetings as well as meetings with employees and management as needed. The employee benefits committee is a concept that is prevalent amongst our public sector clients and plays an important role in communicating and educating the employees of the group regarding the various aspects of the employee benefits program and the costs associated. Gehring Group earnestly supports such committees and is an active participant in numerous committees currently engaged at such clients as the Charlotte County Board of County Commissioners, the City of Key West, the Martin County School District, the City of Clearwater and the Town of Jupiter, just to name a few. These committee meetings provide the opportunity to review renewal projections based on the group's claims experience and also educate employees more thoroughly on the renewal and underwriting process.

6) Review all plan documents for accuracy and compliance with appropriate laws and regulations, appropriateness of items to be included in a Section 125 Plan and review of annual required filings.

Confirmed. Your Gehring Group team of experts is available to assist the City in reviewing all plan documents, plan amendments and flexible benefits plans for compliance and accuracy.

7) Advise and assist the City in negotiating renewal rates and plan provisions.

Confirmed. Gehring Group's large public sector client base will provide your group with the necessary negotiating strength when dealing with various insurance carriers during the renewal season and throughout the year. Gehring Group represents you, not the insurance company. And, we are well-versed in dealing with issues relating to public entities. Gehring Group provides expert analysis, progressive solutions and top level negotiating skills. Our firm has negotiated the savings of millions of dollars in premiums for our clients in addition to providing enhanced benefits through our program analysis and creative plan placement.

8) Assist the City in annual enrollment meetings or health fairs as needed.

Confirmed. Each of our Account Managers has extensive experience in coordinating and conducting open enrollments and new hire orientations and wellness fairs.

9) Proposers are required to be HIPPA compliant.

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PUBLIC FINANCIAL SERVICES

Gehring Group is HIPAA compliant and has established HIPAA/PHI and electronic transfer security procedures to ensure legislative compliance.

10) Apprise the City of current issues in the areas of benefits law and administration.

Gehring Group provides you with regular updates regarding any changes in applicable laws and how they might affect your benefits program. **Exhibit 7: Sample Employee Benefit Newsletters** includes several examples of such notifications on legislative changes such as:

- Children's Health Insurance Program Reauthorization Act of 2009
- Changes to HIPAA Rules: American Recovery and Reinvestment Act of 2009
- Autism Coverage Legislation Implementation
- COBRA provisions within Stimulus Package
- Dependent Health Coverage Extended to Age 30 in Florida

Gehring Group is proactive on follow-up and will also contact you directly in the event of any legislative changes that may affect your group or your coverage. We are also available to review your processes and procedures to make recommendations with regard to compliance issues, HIPAA, FMLA, COBRA, etc.

11) Act as liaison with Third Party Claims Administrator on insurance/contract issues.

Confirmed. Our Account Managers are truly an extension of, and valuable resource to the benefits administration and human resources staff. They will be the liaison between your insurance providers/TPA and staff relating to benefits and contract issues. In addition to your account manager, Gehring Group also employs in-house account representatives that are accessible to assist with claims issues and to answer questions, and will assist the account managers in their servicing of your account.

B. Technical Services

- 1) Health Plan Comparison/Utilization Analysis – The broker/consultant is expected to work with the City in securing and analyzing financial and claims data from each of the carriers on a quarterly basis, and/or as requested by the City, in order to monitor City benefit plans. Once analyzed, the broker/consultant is expected to provide a summary explanation of the data emphasizing any important trends, emerging problems, etc. It is preferred that the broker/consultant have in-house utilization analysis of all City medical relationships, including managed-care alternatives.**

Confirmed. Gehring Group's Analytical Services Department staff members are experts in the evaluation skills necessary to present complex insurance information in an easy to understand format. We monitor claims experience on a monthly basis, providing detailed reports, and alert you regarding large claims or cost trends impacting your experience. For many of our groups, we also prepare an annual presentation in which we present a summary of the benefit plan year. In this presentation we summarize the significant events relating to your employee benefits plan such as plan changes, carrier changes, claims trends and the

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implementation of any new cost saving strategies. **Exhibits 3 and 4** include samples of claim reports and presentations to client staff regarding claims utilization for your review.

- 2) Compliance – The broker/consultant will advise the City on any federally mandated compliance testing requirements relevant to City plans and providing guidance, when requested, in developing testing strategies.**

Confirmed. Gehring Group staff is available to advise the City on any federally mandated compliance testing and provide guidance as necessary.

- 3) Self-Funded Programs – The broker/consultant will provide guidance on the annual budgets, allocations of payroll deductions, stop loss purchases and attachment points for the City’s self-funded programs.**

Confirmed. Gehring Group will perform renewal projections on a frequent basis to determine whether your self-funded program remains within budget (sample projections included in **Exhibit 3**.) We can also make budget recommendations for future budget years based on current claims data and advise on employer contributions and payroll deductions. As part of this process, we conduct a local entity survey in order to measure the City’s benefits and contributions against those of comparable entities. This is one of the most valuable tools in determining an effective employer contribution strategy is a local entity survey (sample included **Exhibit 8**.)

We will also make recommendations on your specific stop loss deductible and aggregate attachment points based on our review and analysis of your claims data. Additionally we will make recommendations regarding which type of funding arrangement would best meet the needs of the City.

- 4) Actuary Report – The broker/consultant will assist in the preparation of materials required for an annual actuary’s review of the City’s Self-Funded Health Care program. An independent actuary firm selected by the City will prepare the actuary report itself.**

Confirmed. Gehring Group currently assists all of our self-funded clients such as the Martin County Board of County Commissioners, City of Vero Beach and Clerk & Comptroller Palm Beach County in the preparation of all materials required to complete the annual actuarial filing with the State of Florida. Gehring Group currently engages the actuarial services of Wakely Consulting Group to perform the annual filing required under Florida Statute 112.08 for self funded programs inclusive in our proposed fee. However, we are open to discussion regarding the selection of an actuarial firm in the event the City has already selected an independent actuary firm. Again, all costs for the actuarial services outlined herein are inclusive of Gehring Group’s proposed annual consulting fee as outlined in **Tab C**.

- 5) Section 125 Plan – The broker/consultant will participate in the review of all plan documents for accuracy and compliance with appropriate laws and regulations, and appropriateness of items to be included in the plan. This includes a review of IRS Form 5500 annually submitted by the City for accuracy and compliance.**

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Confirmed. Gehring Group is available to review and assist with the filing of all required forms and advise on issues relating to items to be included in the City's Section 125 plan.

6) Wellness/Disease Management Programs – The broker/consultant will assist the City in evaluation, implementing and measuring the effectiveness of wellness and disease management programs.

At the Gehring Group, we believe in the education and involvement of employers concerning their organization's benefit program. This interaction leads to high morale, and often serves to improve the health of its members. As part of this philosophy, we believe in assisting with, coordinating and participating in Wellness Programs. Also, whenever possible, we negotiate wellness dollars and initiatives with the applicable insurance carriers.

The key considerations for developing a wellness program are to obtain measurable results which are obtained through periodic health risk assessments and screenings; structured and non-structured activities that are provided by internal and external resources; incentive programs are needed to encourage and sustain participation; there must be support of management in order to effectively communicate and encourage participation; and budgeting of the program. The simplest of Wellness Programs can cost next to nothing; however, Wellness Programs in which health risk assessments are conducted for the entire employee population and measured throughout several plan years can incur substantial cost to the group.

For many of our smaller clients who may not have a "wellness budget", Gehring Group has enlisted the client's EAP provider or health insurance carrier to provide more extensive disease management and educational wellness seminars. We have assisted some of our larger clients in implementing a full blown wellness plan that includes incentives for lifestyle changes such as weight loss, smoking cessation, lowering their cholesterol, exercise, etc. For example, the Charlotte County Board of County Commissioners conducts an annual employee health fair where employees can take advantage of free medical screenings including cholesterol, body mass index (BMI), blood pressure and blood glucose level.

Another specific example of Gehring Group's involvement in implementing wellness initiatives is the City of Clearwater. During their 2008 plan year renewal, Gehring Group was able to negotiate with their health insurance carrier to provide a comprehensive wellness program valued at over \$200,000 at no cost to the City. The program includes monthly educational sessions regarding specific medical issues, incentives to attend the sessions, ability to earn rewards such as gift cards from popular retailers, and many other benefits. There are smoking cessation and weight loss programs and numerous other resources that employees now have at their disposal.

Lastly, we assisted the City of Sarasota in implementing a customized wellness program that incorporated five measureable targets and alternative incentive rewards. The successful implementation of this program included the negotiation with the carrier to process the testing of the measureable targets inclusively without any co-pays as well as the roll out of a provider confirmation process that was HIPAA compliant.

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PROFESSIONAL SERVICES

- 7) **Litigation – On rare occasions, the City may be involved in litigation arising from requests for proposals, contracting, or employee grievances. If such a situation should occur, the broker/consultant will be expected to assist the City and the administration in providing necessary materials and testify if required.**

Confirmed. Gehring Group will assist the City in providing necessary materials and testimony in the event of any litigation relating to the above.

C. Request for Proposal Services

- 1) **Develop RFP's for various City Benefits programs**
- a. **In conjunction with the Human Resources representative, prepare Requests for Proposals in compliance with the City's purchasing requirements, exploring all feasible plan designs, for employee benefit programs as needed.**
 - b. **Develop evaluation criteria.**
 - c. **Address any questions from vendors in the RFP process.**
 - d. **Be present and may be asked to participate at oral interviews.**
 - e. **Prepare a report analyzing the proposals using the evaluation criteria.**
 - f. **If requested, prepare recommendations and defense of said recommendations.**

Having developed a strong niche in the public sector market, public entities represent a predominant portion of the company's current client base. Based on this level of experience in such a specialized market, our firm is uniquely qualified in its understanding of public entity issues. We understand the bid process and public record laws while maintaining familiarity with the constantly changing and complex Statutes that apply to governmental organizations. Due to Gehring Group's large public sector client base and thus, significant premium volume with the insurance carriers, we have been very successful in negotiating competitive renewal rates with carriers.

In addition, we have significant experience in conducting a formal competitive bid process in conjunction with our clients' Purchasing/Procurement Divisions. We can be as involved as the group would like us to be in the formulation and release of the RFP to the market and will be very involved in finalist presentations and best and final negotiations. Gehring Group will consistently provide thorough examination of all proposals received during a bid process. We will compare all proposals to the in-force program and illustrate the program differences to include the advantages and disadvantages of each. This will include a detailed cost comparison which outlines the total cost of the program in addition to breaking down the costs related to employer and employee contributions in an easy to understand format. During this process, we will also compare provider networks to determine which proposers may be considered viable options.

Finally, we will be intimately involved in finalist negotiations, making recommendations and overseeing the implementation process. This includes gathering all relevant information such as claims experience, rate history, contracts, and other information required for an RFP and ensuring receipt of all implemented contracts.

- 2) **Appeals – Prepare response to any administrative RFP appeals**

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- a. **Assist City Attorney in preparation of defense if any litigation should result from the RFP process.**
- b. **Testify in court at the request of the City attorney if litigation should result from the RFP process.**

Confirmed.

3) **Contracts**

- a. **Assist with the development of contracts with vendors.**
- b. **Work with the City attorney to ensure contract legality.**
- c. **Conduct any required negotiations of benefits; plan design, premiums rates and performance guarantees.**

Confirmed. Gehring Group is available to assist with and review vendor contracts in conjunction with the City Attorney. In addition, we have assisted several of our clients in negotiating performance guarantees for claims administration. The availability and depth of such guarantees will depend on various factors such as group size, funding arrangement and plan design.

4) **Implementation**

- a. **Serve as an intermediary (ombudsman) between the vendors and City during the implementation of new programs.**
- b. **Prepare rate-deduction spreadsheets.**
- c. **Review new program announcement material for content, appearance, compliance and accuracy.**

Confirmed. Gehring Group staff will be intricately involved in all aspects of the implementation process. We envision our role to be a partner in your benefits program's success through the services we provide and are truly an extension of your human resources and/or employee benefits department. Gehring Group provides extensive assistance during program implementation and the open enrollment process. After the RFP and evaluation process, Gehring Group staff remains involved in:

- Coordinating implementation process with all selected carriers.
- Assisting with employee meetings at all sites as determined by client.
- Developing education materials and employee benefit booklets (samples included in **Exhibits 5 and 6**) based on new programs and updates in current plans.
- Aiding in cancellation or renewal of current insurer upon written acceptance from the client.

In addition to the processes above, your Gehring Group Account Manager will maintain continuous communication throughout the plan year to provide support to staff with administrative, legislative, enrollment and billing questions.

Your Gehring Group Analyst responsibilities include formulating RFP's for review, approval and distribution by the City, reviewing all proposals received and producing clear, concise evaluation spreadsheets upon completion of analysis. His evaluation and analysis

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accomplishes the Gehring Group's goal of presenting complex analytical information language that can be understood by staff and the public-at-large.

- 5) **Ongoing Contract Services – It is expected that the broker/consultant will:**
- a. **Participate in negotiations with vendors on proposed rates and benefits changes to existing contracts.**
 - b. **Audit existing contracts on an annual basis for satisfactory performance and contract compliance.**
 - c. **Provide quarterly written analysis of the medical plan's claims experience.**
 - d. **Periodically provide market analysis of current renewal actions for similar sized employers in southwest Florida and analysis of quality of services and value provided by various managed care vendors.**

Confirmed. Gehring Group will lead the negotiations whether at renewal or during the RFP process and will compile all necessary reports for management staff. **Exhibit 4: Sample Presentation to Executive Staff** includes a sample management report resulting from the renewal negotiation process for your review. Gehring Group provides expert analysis, progressive solutions and top level negotiating skills. Our firm has negotiated the savings of millions of dollars in premiums for our clients in addition to providing enhanced benefits through our program analysis and creative plan placement.

We will review all existing contracts annually for accuracy and compliance and will provide claims reporting on a monthly and quarterly basis. **Exhibit 3: Sample Analytical Reports** includes samples of such reports for your review.

Additionally, Gehring Group periodically conduct a market analysis of entities similar in size and location to the City of Naples. The results of this survey would enable the City to measure your program benefits and costs against other public sector entities of like size and composition. We realize the value in maintaining a competitive benefits package as it relates to employee hiring and retention. A sample of a local entity survey conducted for another Gehring Group client is included in the section labeled **Exhibit 8: Sample Local Entity Survey**. This information would aid the City in maintaining a benefits program that remains competitive in comparison to its local market.

EXHIBIT B

BASIS OF COMPENSATION

As consideration for providing the Services as set forth in the Agreement, the CITY agrees to pay, and the CONTRACTOR agrees to accept payment on a time and reimbursement cost basis *[or other basis]* as follows *[or in Exhibit B-1, which is attached and made part of this Agreement]*:

Gehring Group's proposed annual fee of \$75,000 is all inclusive for all services outlined in our response to question C-2 above. There are no additional fees for the proposed services and Gehring Group will waive all commissions in lieu of the proposed flat fee.

END OF EXHIBIT B

EXHIBIT C

GENERAL INSURANCE REQUIREMENTS

The Contractor shall not commence work until he has obtained all the insurance required under this heading, and until such insurance has been approved by the CITY, nor shall the Contractor allow any subcontractor to commence work until all similar insurance required of the subcontractor has also been obtained and approved by the CITY.

Certificates of insurance must be issued by an authorized representative of the insurance company at the request and direction of the policyholder and must include sufficient information so as to identify the coverage and the contract for CITY's improvements for which they are issued. Certificates of insurance must be issued by a nationally recognized insurance company with a Best's Rating of no less than B+VII, satisfactory to the CITY, and duly licensed to do business in the state of said Contract.

The Contractor shall procure and maintain, during the life of this Contract, Workmen's Compensation Insurance for all of his employees to be engaged in work under this Contract, and he shall require any subcontractor similarly to provide Workmen's Compensation Insurance for all of the latter's employees to be engaged in such work, unless such employees are covered by the protection afforded by the Contractor's insurance. In case any employees are to be engaged in hazardous work under this Contract, and are not protected under this Workmen's Compensation statute, the Contractor shall provide, and shall cause each subcontractor to provide, adequate coverage for the protection of such employees. It is acceptable to use a State-approved Workmen's Compensation Self-Insurance fund.

The Contractor shall take out and maintain during the life of this Contract, Public Liability and Property Damage and shall include Contractual Liability, Personal Injury, Libel, Slander, False Arrest, Malicious Prosecution, Wrongful Entry or Eviction, Broad Form Property Damage, Products, Completed Operations and XCU Coverage to be included on an occurrence basis, and to the full extent of the Contract to protect him, the CITY, and any subcontractor performing work covered by this Contract from damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from operations under this contract, whether such operations be by himself or by a subcontractor, or by anyone directly or indirectly employed by either of them. The Contractor shall also maintain automobile liability insurance including "non-owned and hired" coverage. The entire cost of this insurance shall be borne by the Contractor.

The amount of such insurance shall be no less than \$1,000,000 annual aggregate for bodily injury and property damage combined per occurrence.

The City of Naples and their contractor must be named as **Additional Insured** on the insurance certificate **and the following must also be stated on the certificate.** "These coverages are primary to all other coverages the City possesses for this contract only." The City of Naples shall be named as the Certificate Holder. **The Certificate Holder shall read as follows:**

**The City of Naples
735 Eighth Street South
Naples, Florida 34102**

No City Division, Department, or individual name should appear on the Certificate.
No other format will be acceptable.

Thirty (30) days cancellation notice required.

The Certificate must state the bid number and title.

When using the "Accord" form of insurance certificate, please note that under the cancellation clause, the following must be deleted: "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company"

[If other insurance or insurance requirements or any waivers, attach as Exhibit C-1 through C-__]

EXHIBIT D

CERTIFICATION OF COMPLIANCE WITH IMMIGRATION LAWS

The undersigned, is the _____ of **Gehring Group** (“the CONTRACTOR”), and hereby certifies to the following:

1. The CONTRACTOR is in full compliance with all provisions of the Immigration Reform and Control Act of 1986 (“IRCA”), as well as all related immigration laws, rules, regulations pertaining to proper employee work authorization in the United States.

2. The undersigned has verified that the CONTRACTOR has obtained and maintains on file, and will continue to obtain and maintain on file, all documentation required by law, including but not limited to, Form I-9, Employment Eligibility Verification, for all persons employed by or working for the CONTRACTOR in any capacity on any project for the City of Naples (CITY). All such persons have provided evidence of identity and eligibility to work to the CONTRACTOR in accordance with the IRCA and related law. The undersigned hereby affirms that no person has been or will be employed by the CONTRACTOR to work on projects for the CITY who is not authorized to work under law. The undersigned further affirms that the CONTRACTOR’s files will be updated by written notice any time that additional employees work on projects for the CITY.

3. The CONTRACTOR will have its contractors, subcontractors, suppliers and vendors who are involved in projects for the CITY to sign a written acknowledgment that they too are in compliance with immigration law. It is understood that failure to do so could result in the CONTRACTOR being liable for any violation of the law by such third parties.

4. The CONTRACTOR will fully cooperate with and have its contractors, subcontractors, suppliers and vendors to fully cooperate with, all inquiries and investigations conducted by any governmental agency in connection with proper compliance with the laws pertaining to appropriate work authorization in the United States.

5. The undersigned, on behalf of the CONTRACTOR, acknowledges that this Certification may be relied upon by the CITY, its officers, directors, employees, and affiliates or related persons and entities.

6. If it is found that the CONTRACTOR has not complied with the laws pertaining to proper employment authorization, and any legal and administrative action ensues against the CITY, the CONTRACTOR will indemnify, defend and hold the CITY harmless along with their officers, directors, employees, and affiliated or related persons and entities.

7. The CONTRACTOR acknowledges that the CITY by their authorized representatives shall have the right, at any time, upon 24 hours notice, to examine the CONTRACTOR’s books and records to confirm that the CONTRACTOR is in compliance with the terms of this certification.

Executed this _____ day of _____, 2010.

By: _____

ACKNOWLEDGMENT

STATE OF _____

COUNTY OF _____

SWORN TO AND SUBSCRIBED before me this _____ day of _____, 2010.

The Affiant, _____, is [] personally known to me or [] has produced _____ as identification, which is current or has been issued within the past five years and bears a serial number or other identifying number.

Print Name:

NOTARY PUBLIC - STATE

OF _____

Commission Number: _____

My Commission Expires: _____

(Notary Seal)