

**FIRST AMENDMENT
PROFESSIONAL SERVICES AGREEMENT
BY AND BETWEEN
COUNTY OF HUMBOLDT
AND
MUNICIPAL RESOURCE GROUP, LLC
FOR FISCAL YEAR 2021-2022**

This First Amendment to the Professional Services Agreement dated July 21, 2021, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as “COUNTY,” and Municipal Resource Group, LLC, a California limited liability Company, hereinafter referred to as “CONTRACTOR,” is entered into this ____ day of _____, 2022.

WHEREAS, COUNTY, by and through its Human Resources Department, desired to retain a qualified professional organization to provide certain specified consultation and personnel support services; and

WHEREAS, on July 21, 2021, COUNTY and CONTRACTOR entered into a Professional Services Agreement regarding the provision of such consultation and personnel support services; and

WHEREAS, the parties now desire to amend certain provisions of the Professional Services Agreement in order to expand the scope of services provided, and increase the maximum amount payable, thereunder and modify the budgetary, invoicing, noticing and signature requirements set forth therein.

NOW THEREFORE, the parties mutually agree as follows:

1. The first paragraph of the Professional Services Agreement is hereby amended to read as follows:

This Agreement, entered into this 21st day of July, 2021, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as “COUNTY,” and Municipal Resource Group, LLC, a California limited liability company, hereinafter referred to as “CONTRACTOR,” is made upon the following considerations:

2. The first recital of the Professional Services Agreement is hereby amended to read as follows:

WHEREAS, COUNTY, by and through its County Administrative Office – Budget and Management Team, desires to retain a qualified professional organization to provide consultation and personnel support services that are designed to assist COUNTY with performing certain Human Resources and Risk Management functions; and

3. The fourth recital of the Professional Services Agreement is hereby amended to read as follows:

WHEREAS, CONTRACTOR represents that it is adequately trained, skilled, experienced and qualified to provide the consultation and personnel support services required by COUNTY.

4. Section 1 – Description of Services of the Professional Services Agreement is hereby amended to read as follows:

1. DESCRIPTION OF SERVICES:

CONTRACTOR hereby agrees to provide the services described in Exhibit A – Scope of Services, which is attached hereto and incorporated herein by reference as if set forth

in full. In providing such services, CONTRACTOR agrees to fully cooperate with the Humboldt County Administrative Officer, or a designee thereof, hereinafter referred to as "County Administrative Officer."

5. Section 4 – Compensation of the Professional Services Agreement is hereby amended to read as follows:

4. COMPENSATION:

A. Maximum Amount Payable. The maximum amount payable by COUNTY for any and all services provided, and costs and expenses incurred, pursuant to the terms and conditions of this Agreement is Three Hundred Forty-Six Thousand One Hundred Fifty Dollars (\$346,150.00). CONTRACTOR hereby agrees to perform any and all services required by this Agreement for an amount not to exceed such maximum dollar amount. However, if local, state or federal funding or allowance rates are reduced or eliminated, COUNTY may, by amendment, reduce the maximum amount payable hereunder or terminate this Agreement as set forth herein.

B. Schedule of Rates. The specific rates and costs applicable to this Agreement are set forth in Exhibit B – Schedule of Rates, which is attached hereto and incorporated herein by reference as if set forth in full.

C. Additional Services. Any additional services not otherwise set forth herein shall not be provided by CONTRACTOR, or compensated by COUNTY, without COUNTY's prior written authorization. Any and all unauthorized costs and expenses incurred above the maximum payable amount set forth herein shall be the responsibility of CONTRACTOR. CONTRACTOR shall notify COUNTY, in writing, at least six (6) weeks prior to the date upon which CONTRACTOR estimates that the maximum payable amount will be reached.

6. Section 5 – Payment of the Professional Services Agreement is hereby amended to read as follows:

5. PAYMENT:

CONTRACTOR shall submit to COUNTY monthly invoices substantiating the costs and expenses incurred pursuant to the terms and conditions of this Agreement no later than thirty (30) days after the end of each month in which services are provided hereunder. CONTRACTOR shall submit a final invoice for payment within thirty (30) days following the expiration or termination of this Agreement. Invoices shall be prepared using a format that is substantially similar to the format set forth in Exhibit C – Sample Invoice Form, which is attached hereto and incorporated herein by reference as if set forth in full. Payment for any and all costs and expenses incurred pursuant to the terms and conditions of this Agreement shall be made within thirty (30) days after the receipt of approved invoices. Any and all invoices submitted pursuant to the terms and conditions of this Agreement shall be sent to COUNTY at the following address:

COUNTY: Humboldt County Administrative Office
Attention: Neftali Miller-Rubio, Senior Administrative Analyst
825 Fifth Street, Room 112
Eureka, California 95501

7. Section 6 – Notices of the Professional Services Agreement is hereby amended to read as follows:

6. NOTICES:

Any and all notices required to be given pursuant to the terms and conditions of this Agreement shall be in writing and either served personally or set by certified mail, return receipt requested, to the respective addresses set forth below. Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

COUNTY: Humboldt County Administrative Office
Attention: Neftali Miller-Rubio, Senior Administrative Analyst
825 Fifth Street, Room 112
Eureka, California 95501

CONTRACTOR: Municipal Resource Group
Attention: Mary Egan, Chief Executive Officer
P.O. Box 561
Wilton, California 95693

8. Section 15(C) – Insurance Notices of the Professional Services Agreement is hereby amended to read as follows:

C. Insurance Notices. Any and all insurance notices required to be given pursuant the terms and conditions of this Agreement shall be sent to the addresses set forth below in accordance with the notice requirements set forth herein.

COUNTY: County of Humboldt
Attention: Risk Management
825 Fifth Street, Room 131
Eureka, California 95501

CONTRACTOR: Municipal Resource Group
Attention: Mary Egan, Chief Executive Officer
P.O. Box 561
Wilton, California 95693

9. Section 17 – Compliance with Applicable Laws, Regulations and Standards of the Professional Services Agreement is hereby amended to read as follows:

17. COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND STANDARDS:

A. General Legal Requirements. CONTRACTOR hereby agrees to comply with any and all local, state and federal laws, regulations, policies, procedures and standards applicable to the services provided pursuant to the terms and conditions of this Agreement.

B. Licensure Requirements. CONTRACTOR hereby agrees to comply with any and all local, state and federal licensure, certification and accreditation standards applicable to the services provided pursuant to the terms and conditions of this Agreement.

C. Accessibility Requirements. CONTRACTOR hereby agrees to comply with any and all applicable accessibility requirements set forth in the Americans with Disabilities Act, Section 508 of the Rehabilitation Act of 1973, as amended, and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, including, without limitation, the federal accessibility standards set forth in 36 C.F.R. Section 1194.1, all as may be amended from time to time.

D. Conflict of Interest Requirements. CONTRACTOR hereby agrees to comply with any and all applicable conflict of interest requirements set forth in the California Political Reform Act and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, including, without limitation, COUNTY's Conflict of Interest Code, all as may be amended from time to time.

10. Section 29 – Advertising and Media Release of the Professional Services Agreement is hereby amended to read as follows:

29. ADVERTISING AND MEDIA RELEASE:

Any and all informational material related to this Agreement shall receive approval from COUNTY prior to being used as advertising or released to the media, including, without limitation, television, radio, newspapers and internet. CONTRACTOR shall inform COUNTY of any and all requests for interviews by the media related to this Agreement before such interviews take place. COUNTY shall be entitled to have a representative present at any and all interviews related to the services provided pursuant to the terms and conditions of this Agreement. Any and all notices required by this provision shall be given to the County Administrative Officer in accordance with the notice requirements set forth herein.

11. Section 36 – Force Majeure of the Professional Services Agreement is hereby amended to read as follows:

36. FORCE MAJEURE:

Neither party hereto shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control, and without the fault or negligence, of such party. Such events shall include, without limitation, acts of God, strikes, lockouts, riots, acts of war, epidemics, pandemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism or other disasters, whether or not similar to the foregoing.

12. The Professional Services Agreement is hereby amended to include the following provision regarding counterpart execution:

39. COUNTERPART EXECUTION:

This Agreement, and any amendments hereto, may be executed in one (1) or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. This Agreement, and any amendments hereto, may be signed by manual or electronic signatures in accordance with any and all applicable local, state and federal laws, regulations and

standards, and such signatures shall constitute original signatures for all purposes. A signed copy of this Agreement, and any amendments hereto, transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement and any amendments hereto.

13. The Professional Services Agreement is hereby amended to delete Exhibit A – Scope of Services (“Exhibit A”) and replace it in its entirety with the modified version of Exhibit A that is attached hereto and incorporated herein by reference as if set forth in full. The modified version of Exhibit A attached hereto shall supersede any and all prior versions thereof as of the effective date of this First Amendment.
14. The Professional Services Agreement is hereby amended to delete Exhibit B – Schedule of Rates (“Exhibit B”) and replace it in its entirety with the modified version of Exhibit B that is attached hereto and incorporated herein by reference as if set forth in full. The modified version of Exhibit B attached hereto shall supersede any and all prior versions thereof as of the effective date of this First Amendment.
15. The Professional Services Agreement is hereby amended to include Exhibit C – Sample Invoice Form, which is attached hereto and incorporated herein by reference as if set forth in full.
16. Except as modified herein, the Professional Services Agreement dated July 21, 2021 shall remain in full force and effect. In the event of a conflict between the provisions of this First Amendment and the original Professional Services Agreement, the provisions of this First Amendment shall govern.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have entered into this First Amendment as of the first date written above.

TWO SIGNATURES ARE REQUIRED FOR LIMITED LIABILITY COMPANIES PURSUANT TO THE CALIFORNIA CORPORATIONS CODE:

- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND
- (2) SECRETARY, CHIEF FINANCIAL OFFICER OR TREASURER; OR
- (3) ANY OTHER PROPERLY AUTHORIZED OFFICIAL OR EMPLOYEE.

MUNICIPAL RESOURCE GROUP, LLC:

By: Mary Egan
Mary Egan, Chief Executive Officer

Date: 1-26-2022

By: Mike Oliver
Mike Oliver, President

Date: 1.27.2022

COUNTY OF HUMBOLDT:

By: _____
Virginia Bass, Chair
Humboldt County Board of Supervisors

Date: _____

INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:

By: Kelly Barnes
Risk Management

Date: 02/01/2022

LIST OF EXHIBITS

- Exhibit A – Scope of Services
- Exhibit B – Schedule of Rates
- Exhibit C – Sample Invoice Form

EXHIBIT A
SCOPE OF SERVICES
Municipal Resource Group, LLC
For Fiscal Year 2021-2022

1. SERVICES:

The consultation and personnel support services provided pursuant to the terms and conditions of this Agreement shall include, without limitation, all of the following:

- A. Interim Human Resources Services: CONTRACTOR Consultant Dar Rhodes will provide on-going in-person and remote services to manage the current workload and needs of the HR Department, serving as the Interim HR Director during the active recruitment for the position.
- B. Executive Consultation: Consultation and strategic advice in support of the Director of Human Resources and CAO. Ongoing communications with CONTRACTOR Principal Mary Egan as needed;
- C. HR On-Demand: Serving as trusted advisor, CONTRACTOR Consultants will provide guidance and counsel on a full range of simple to more complex HR issues on a regular basis. With further review and research, CONTRACTOR will assist the County in determining which concerns are escalated for legal review. HR project-based services are also provided upon request and as needed:

1. Recruitment, Selection & Assessment:

- a. Review job description and duties for possible updates;
- b. Prepare recruitment plan and outreach;
- c. Assist in the review process and candidate communications;
- d. Policy development (IIPP and CPP); and
- e. Analysis of the pending minimum wage increase.

2. Classification Analysis:

- a. Conduct job analysis, needs analysis and reclassification evaluations;
- b. Train staff on Classification and Compensation general practices;
- c. Analyzing data and information related to salary and compensation; and
- d. Develop new, compliant job descriptions and related application materials, if necessary.

3. Discipline and Retention:

- a. Review current progressive discipline, employee, and agency documents to prepare disciplinary documentation;

- b. Developing and administering performance improvement plans; and
 - c. Consider implementation of Coaching program associated with performance evaluation systems.
4. Staff Development and Training, Critical and Most-Requested Programs, including:
- a. LX EVOLVE - Management/Leadership Development;
 - b. Building a High Trust Workplace;
 - c. Coaching For Excellence;
 - d. Being Your Best at Work (a companion to Coaching for Excellence);
 - e. Individual and Team Assessments;
 - f. Professional development coaching and mentoring;
 - g. Succession Planning; and
 - h. Executive, Board or Management Retreats.
5. Strategic Planning:
- a. Facilitate leadership team strategic planning workshop; and
 - b. Recommend specific metrics to evaluate strategic success.
6. Organizational Assessments/Change Management:
- a. Department review for functional efficiencies, compliance, and best practice recommendations;
 - b. Prepare and facilitate an internal customer service survey to assess the effectiveness of a department;
 - c. Review the departmental structure, compare benchmarks to similar agencies;
 - d. Assist in the messaging and strategic planning for Change Management in an agency to align with Executive mission and vision.
- D. Human Resources Reclassification and Minimum Wage Tier Compaction Analysis: CONTRACTOR proposes to continue assist the county and specifically the Human Resources team in utilizing the Koff Study working on a list of reclassifications and Minimum Wage implications. The following list includes the proposed services and associated estimate of hours.
1. Advisory Services:
- a. General HR Technical Assistance (Est. 30 hours).

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2. Reclassification: Individual Reclassification Analysis:
 - a. Approximately 10 reclassifications over the next year. (Est. 106 hours).
3. Compaction/Equity Analysis @ Minimum Wage Tier Ranges:
 - a. Phase 1 (Est. 285 hours): Minimum Wage Compaction and Equity Analysis: CONTRACTOR has been assigned this work and is listed in the a memoranda of understanding (MOUs) that were being negotiated in early December 2021. The focus of this work is the classifications that are located at or near the minimum wage of \$15/hour where there are major compaction or equity issues.
 - b. An additional comprehensive analysis of equity and compaction issues for all classifications is NOT included in this analysis and would occur subsequently.
 - c. Review and analyze salaries after Cost of Living Adjustments (COLAs), develop families and benchmarks (utilizing Koff Study), prepare Compaction adjustment and Equity recommendations, review with Management and CAO, Meet with Departments, make updates, create presentation, orientation for Labor Groups and finalize.
4. Manage Request for Proposal Process:
 - a. Phase 2 (Est. 29 hours): Manage Request for Proposal (RFP) Process for New Classification and Compensation Firm to assist the County in review, update and implementation of the Koff Classification and Compensation documents.
 - i. Draft RFP, communicate with vendors.
 - ii. Work with HR on selection process, prepare questions, facilitate interviews, reference checks, transition project expectations.

EXHIBIT B
SCHEDULE OF RATES
Municipal Resource Group, LLC
For Fiscal Year 2021-2022

1. RATE OF COMPENSATION:

COUNTY shall compensate CONTRACTOR for any and all consultation and personnel support services provided pursuant to the terms and conditions of this Agreement at the following maximum rates of compensation:

| Project Area | Hourly Rates | Estimated Cost |
|-----------------------------------|---|--|
| Interim HR Services | \$215/hr. up to 650 hours \$101/night lodging \$69/day meals & incidentals \$0.59/mile | \$147,750.00 (Includes expenses + Per Diem) |
| Exec. Consultation & HR On Demand | \$215/hr. – HR Consulting \$250/hr. – Principal Human Resources | \$60,000.00 (Includes up to \$10,000 expenses) |
| Recruiting Support | \$215/hr. up to 110 hours | \$25,000.00 (Includes up to \$1,350.00 expenses) |
| HR Assessment | \$250/hr. | \$12,500.00 |
| HR Reclass/Min. Wage Analysis | \$215/hr. up to 460 hours | \$98,900.00 |
| | Total: | \$346,150.00 |

2. EXPENSES

The County shall reimburse Municipal Resource Group LLC for all costs and expenses incurred, including, but not limited to, lodging reimbursement, and mileage reimbursed at the current 2021 and 2022 IRS mileage rate of .59 cents/mile. Consultant shall obtain consent before incurring any item of cost in excess of \$250. To the extent Contractor pays third-party vendors on behalf of County, Contractor will include these charges in billing statements to County. Specifically, CONTRACTOR has not included time for consultants to be engaged in meet and confer time with labor groups after the orientation of the compaction/equity analysis.

3. PAYMENT METHOD:

CONTRACTOR prefers invoices to be paid electronically. Please contact Barbara Bullock for ACH information and to provide your agency form. Barbara can be reached at bbullock@solutionsMRG.com.

If paying by check, please remit to the address below:

Municipal Resource Group, LLC
P.O. Box 561
Wilton, California 95693

EXHIBIT C
SAMPLE INVOICE FORM
Municipal Resource Group, LLC
For Fiscal Year 2021-2022

[Sample Invoice on Following Page]

Invoice

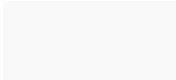


Invoice ID: 00-00-000
P.O. Number: XXXXXX
Issue Date: 00/00/0000
Due Date: 00/00/0000
Subject: Interim CAO Recruitment (MRG# 321116-HUM-07)

To: Humboldt, County of_
825 5th Street
Eureka, CA 95501
Email: ehayes@co.humboldt.ca.us

From: MRG, LLC
Please Remit To:
Municipal Resource Group, LLC P.O.
Box 561, Wilton, CA 95693
cmatsumoto@solutions-mrg.com
phone: 916-687-7601
EIN 26-4149793

| Item | Description | Quantity | Unit Price | Total |
|-------|--|----------|------------|---------|
| Hours | 01/01/01: Team meeting and discussion. | 1.00 | \$00.00 | \$00.00 |
| Hours | 01/01/01: Prepare for recruitment presentation | 1.0 | \$00.00 | \$00.00 |
| Hours | 01/01/01: Teleconference with Interim CAO. Provide update. Review draft material. Attend BOS meeting to discuss CAO recruitment. | 1.0 | \$00.00 | \$00.00 |



| | | | | |
|--|--|--|-------------|----------|
| | | | Total | \$00.00 |
| | | | Amount Paid | - \$0.00 |
| | | | Amount Due | \$00.00 |

Notes

CONFIDENTIAL INVOICE - Questions on this invoice, please call 866-774-3222