

City of Redmond



Agenda

Tuesday, January 6, 2026

4:30 PM

**City Hall: 15670 NE 85th St; Remote: Comcast Ch. 21/321, Ziply Ch. 34,
Facebook (@CityofRedmond), Redmond.gov/rctvlive, or 510-335-7371**

Committee of the Whole - Planning and Public Works

Committee Members

Jessica Forsythe

Vanessa Kritzer

Angie Nuevacamina

Vivek Prakriya

Menka Soni

Melissa Stuart

Vacant

Meetings can be attended in person, viewed live on RCTV (redmond.gov/rctvlive), Comcast Channel 21/321, Ziply Channel 34, Facebook/YouTube (@CityofRedmond), or listen live at 510-335-7371

AGENDA

ROLL CALL

A. Action Items - 5 minutes

1. Resolution Documenting Completion of Redmond 2050, the [CM 26-001](#)
Periodic Update of the Comprehensive Plan
[Attachment A: Resolution](#)

Department: Planning and Community Development, 5 minutes

Requested Action: Consent, January 20th

B. Feedback for Study Session - 10 minutes

1. 2025 Q4 Capital Investment Program (CIP) Status Update [CM 26-002](#)
including a Look Ahead to 2026, and an Update on the MOC
Campus Rebuild Project
[Attachment A: DRAFT 2025 CIP Quarter 4 Projects Updates](#)
[Attachment B: DRAFT Projects List - Council Handout](#)

Department: Public Works, 10 minutes

Requested Action: Study Session, January 27th

C. Informational - N/A

D. Read Only - N/A

E. Items from Other Committees - 30 minutes

1. Proposed Fifth Amendment to the Gallagher Services Contract [CM 26-003](#)
[Attachment A: Proposed Fifth Amendment to Gallagher Contract](#)
[Attachment B: Fourth Amendment to Gallagher Contract](#)
[Attachment C: Third Amendment to Gallagher Contract](#)
[Attachment D: Second Amendment to Gallagher Contract](#)
[Attachment E: First Amendment to Gallagher Contract](#)
[Attachment F: Original Gallagher Contract-2021](#)

Department: Human Resources, 10 minutes

Requested Action: Consent, January 20th

2. 2026 E, N, N-S, G-S Pay Plan Update [CM 26-004](#)

[Attachment A: Proposed Salary Ordinance for Executive Pay Plan](#)

[Exhibit 1: 2026 Executive Pay Plan "E"](#)

[Attachment B: Proposed Salary Ordinance for Non-Represented and Non-Represented](#)

[Exhibit 1: 2026 Non-Represented Pay Plan "N"](#)

[Exhibit 2: 2026 Non-Represented Supplemental Pay Plan "N-S"](#)

[Attachment C: Proposed Salary Ordinance for General Supplemental Pay Plan](#)

[Exhibit 1: 2026 General Supplemental Pay Plan "G-S"](#)

[Attachment D: 2026 Pay Plan Updates - Summary of Changes](#)

[Attachment E: 2026 Executive Org Chart](#)

Department: Human Resources, 20 minutes

Requested Action: New Business, January 6th

ADJOURNMENT

Meeting videos are usually posted by 12 p.m. the day following the meeting at redmond.legistar.com, and can be viewed anytime on Facebook/YouTube (@CityofRedmond) and OnDemand at redmond.gov/OnDemand



City of Redmond

15670 NE 85th Street
Redmond, WA

Memorandum

Date: 1/6/2026

Meeting of: Committee of the Whole - Planning and Public Works

File No. CM 26-001

Type: Committee Memo

TO: Committee of the Whole - Planning and Public Works

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107
------------------------------------	---------------	--------------

DEPARTMENT STAFF:

Planning and Community Development	Jeff Churchill	Long-Range Planning Manager
Planning and Community Development	Glenn Coil	Senior Planner
Planning and Community Development	Seraphie Allen	Deputy Director

TITLE:

Resolution Documenting Completion of Redmond 2050, the Periodic Update of the Comprehensive Plan

OVERVIEW STATEMENT:

The Redmond 2050 Comprehensive Plan was adopted on Nov. 19, 2024, by ordinances 3181 through 3190. A 10-day notice of adoption was submitted to WA Dept. of Commerce on Nov. 27, 2024.

In November 2025, Commerce staff notified the city that per WAC 365-196-610, the city must also take legislative action declaring that the periodic review is complete. Furthermore, if the city took multiple legislative actions as part of the periodic update process, the final ordinance or resolution should reference all prior legislative actions.

This resolution declares the Redmond 2050 comprehensive plan periodic update complete and references all legislative actions taken to complete the periodic update.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

Receive Information

Provide Direction

Approve

REQUEST RATIONALE:

• Relevant Plans/Policies:

n/a

• Required:

RCW 36.70A.130, WAC 365-196-610

- **Council Request:**
n/a
- **Other Key Facts:**
n/a

OUTCOMES:

Adoption of the resolution will complete the Redmond 2050 periodic update and allow the WA Dept. of Commerce to track eligibility for state grants and loans.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:
\$5,350,743

Approved in current biennial budget: Yes No N/A

Budget Offer Number:
0000304 - Community and Economic Development

Budget Priority:
Vibrant and Connected

Other budget impacts or additional costs: Yes No N/A

If yes, explain:
N/A

Funding source(s):
General Fund

Budget/Funding Constraints:
N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
1/20/2026	Business Meeting	Approve

Time Constraints:

The Washington State Department of Commerce requests prompt adoption of the resolution in order to properly document the completion of Redmond 2050.

ANTICIPATED RESULT IF NOT APPROVED:

The Redmond 2050 Comprehensive Plan will not be formally considered complete and may impact the City's eligibility for state programs, grants, and funds that rely on the adoption of an approved comprehensive plan.

ATTACHMENTS:

Resolution - Completing the Redmond 2050 Comprehensive Plan Periodic Update

**REDMOND CITY COUNCIL
RESOLUTION NO. _____**

**AN RESOLUTION OF THE CITY OF REDMOND,
WASHINGTON, COMPLETING THE REDMOND 2050
COMPREHENSIVE PLAN PERIODIC UPDATE**

WHEREAS, the Growth Management Act (GMA) requires that comprehensive plans and development regulations shall be subject to continuing evaluation and review; and

WHEREAS, the GMA requires that Redmond complete a periodic update of its comprehensive plan by December 31, 2024; and

WHEREAS, the City of Redmond last completed a periodic update on December 6, 2011, Ordinance No. 2638; and

WHEREAS, the Redmond Comprehensive Plan has been amended several times through annual docket processes since 2011; and

WHEREAS, the City began the work of updating the Redmond Comprehensive Plan in late 2020 and refers to the update as Redmond 2050; and

WHEREAS, the purpose of updating the Comprehensive Plan is to extend the planning horizon from 2030 to 2050; to incorporate the themes of equity and inclusion, sustainability, and resilience; to reflect changes in the GMA, regional, and countywide planning documents since 2011; and to reflect City actions or studies since the 2011 Comprehensive Plan update; and

WHEREAS, on October 6, 2020, the City Council adopted Resolution No. 1538, which established the scope, timeline, and community involvement plan for Redmond 2050; and

WHEREAS, throughout Redmond 2050 the City executed a multifaceted community involvement program to engage Redmond's diverse community, using methods such as a digital city hall lobby, online questionnaires, virtual workshops, in-person workshops, social media, videos, yard signs, utility bill inserts, newsletters, focus groups, contracting with community-based organizations, office hours, tabling at community events, pop-up engagement around the city, translating materials, a community advisory committee, a technical advisory committee, and attending board and commission meetings; and

WHEREAS, on October 12, 2020, the City of Redmond issued determination of significance for Redmond 2050 under the State Environmental Policy Act; and

WHEREAS, the City of Redmond issued a Draft Environmental Impact Statement (EIS) on June 16, 2022, a Supplemental Draft EIS on September 20, 2023, and a Final EIS on December 15, 2023, for Redmond 2050; and

WHEREAS, state agencies were sent 60-day notices of Redmond's proposed Comprehensive Plan amendments on several occasions during

the plan development process, and were sent the entire Comprehensive Plan on July 3, 2024; and

WHEREAS, from May 27, 2020, to July 31, 2024, the Planning Commission conducted study sessions and held public hearings for all portions of Redmond 2050 and subsequently transmitted recommendations to the City Council for consideration; and

WHEREAS, from November 17, 2020, to September 24, 2024, the City Council received staff reports and held study sessions, first to review early drafts of the Comprehensive Plan and later to study the Planning Commission's recommendations; and

WHEREAS, having considered the Planning Commission's recommendations and community input, the City Council desired to repeal and replace the Redmond Comprehensive Plan; and

WHEREAS, on November 19, 2024, the City Council adopted Ordinances 3181, 3182, 3183, 3184, 3185, 3186, 3187, 3188, 3189 and 3190 to implement Redmond 2050, the periodic update of the comprehensive plan; and

WHEREAS, the City submitted to the Department of Commerce a 10-day notice of adoption on November 27, 2024; and

WHEREAS, Washington Administrative Code 365-196-610 requires that cities take legislative action declaring that the periodic update process is complete.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND,
WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

The Redmond 2050 Comprehensive Plan, the periodic update of the comprehensive plan, is complete with the adoption of ordinances 3181 through 3190 on November 19, 2024.

ADOPTED by the Redmond City Council this 20th day of January,
2026.

CITY OF REDMOND

ANGELA BIRNEY, MAYOR

ATTEST:

CHERYL XANTHOS, MMC, CITY CLERK

(SEAL)

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
RESOLUTION NO.



City of Redmond

15670 NE 85th Street
Redmond, WA

Memorandum

Date: 1/6/2026

Meeting of: Committee of the Whole - Planning and Public Works

File No. CM 26-002

Type: Committee Memo

TO: Committee of the Whole - Planning and Public Works

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Public Works	Aaron Bert	425-556-2786
--------------	------------	--------------

DEPARTMENT STAFF:

Public Works	Tess Wilkinson	Capital Program Planner
Public Works	Steve Gibbs	Capital Division Manager
Public Works	Brandon Buehler	Acting Deputy Director

TITLE:

2025 Q4 Capital Investment Program (CIP) Status Update including a Look Ahead to 2026, and an Update on the MOC Campus Rebuild Project

OVERVIEW STATEMENT:

Public Works will provide fourth quarter updates on active CIP projects and share an overview of what is to come in 2026. The purpose of this update is to provide an overview of the CIP progress and to receive feedback or answer questions about specific projects.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

Receive Information **Provide Direction** **Approve**

REQUEST RATIONALE:

• Relevant Plans/Policies:

CIP

• Required:

N/A

• Council Request:

N/A

• Other Key Facts:

None

OUTCOMES:

Quarterly updates are provided to showcase progress on active CIP projects to allow Council to ask questions and provide feedback.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
N/A
- **Outreach Methods and Results:**
N/A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:

N/A

Approved in current biennial budget: Yes No N/A

Budget Offer Number:

CIP

Budget Priority:

N/A

Other budget impacts or additional costs: Yes No N/A

If yes, explain:

N/A

Funding source(s):

CIP

Budget/Funding Constraints:

N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
1/7/2025	Committee of the Whole - Planning and Public Works	Provide Direction

Date: 1/6/2026

Meeting of: Committee of the Whole - Planning and Public Works

File No. CM 26-002

Type: Committee Memo

1/14/2025	Study Session	Receive Information
4/1/2025	Committee of the Whole - Planning and Public Works	Provide Direction
4/22/2025	Study Session	Receive Information
7/1/2025	Committee of the Whole - Planning and Public Works	Provide Direction
7/15/2025	Business Meeting	Receive Information
10/7/2025	Committee of the Whole - Planning and Public Works	Provide Direction
10/14/2025	Study Session	Receive Information

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
1/27/2026	Study Session	Receive Information

Time Constraints:

N/A

ANTICIPATED RESULT IF NOT APPROVED:

None

ATTACHMENTS:

Attachment A - DRAFT CIP Quarter 4 Projects Update

Attachment B - DRAFT Projects List - Council Handout



CIP Quarterly Projects Update

Quarter 4, 2025 and a look ahead to 2026



Redmond
WASHINGTON

Capital Division Portfolio Reporting

2025-2026 CIP

CIP Projects	2025 Q3	2025 Q4
Active	34	33

Completion	2025	2026
Targeted for Completion	18	14
Total Complete	11	0
Percent complete	61%	0%



Completed & Soon to be Completed Projects

Completed Projects	Soon to be Completed Projects	Substantial Completion	Budget	Expected Cost
EV Charging	Hardscape Project - Meadow Park Sport Court Replacement	January 2026	\$593,901	\$590,000
10,000 Block of Avondale Erosion	Fire Station 17 Siding Replacement	March 2026	\$1,299,620	\$1,199,000
PPE Management - Storage and Extractors	Bel-Red Buffered Bike Lanes (30th St. to WLSP)	April 2026	\$5,201,204	\$5,720,000
Control & Telemetry	Sidewalk Repair Projects - Avondale Way (170th Ave to UHR)	April 2026	2,601,176	\$2,000,000
40 th St. Sidewalks (156 th Ave to Bel-Red Rd.)	ADA Facilities Improvements	May 2026	\$300,000	\$300,000
Overlake Station Vault - Stormwater Hatch	Old Fire House Teen Center Demolition	May 2026	\$425,000	\$425,000
Pavement Mgmt. - West Lake Samm. Pkwy (N. of Marymoor to Leary Way)				
Redmond Central Connector Phs 3				
Sustainability LED Lighting Building Retrofit				
Turf Replacement Harman Park Baseball Infield				
Turf Replacement Grass Lawn Park Softball Field 1				

Completed in 2025



Turf Replacement - Grass Lawn Softball Field 1 and Hartman Park Baseball Infield

These projects replaced degraded synthetic turf, preserving a vital park asset and helping the Parks Department continue to provide safe and functional recreational facilities for the community.

Completed: October

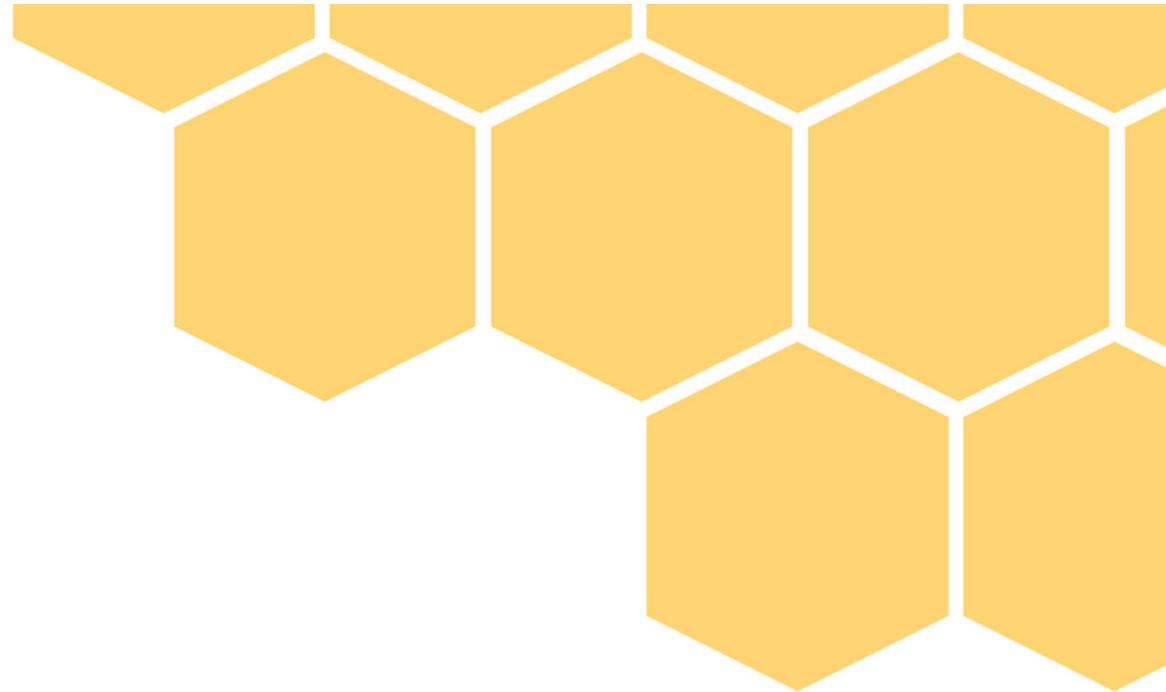


Sustainability LED Lighting Building Retrofit

This project replaced existing lighting at City Hall with new lighting fixtures, controllers, and energy-efficient LEDs.

Completed: September





Project & Program Reporting

.....

Scope, Schedule & Budget Indicators

	Green ●	Yellow ●	Red ●
Scope	Scope OK	Some scope issues	Major scope issues
Schedule	On or ahead of schedule	1-3 months behind	Over 3 months behind
Budget	On or under budget (without contingency)	Within budget + contingency	Over budget + contingency

Funding (Budget)

Funding number is budget as approved by Council; most recent number shown.

Program Report - General Government (Facilities)

Active projects managed by the Construction Division

Program Manager: Quinn Kuhnhausen

Project Name	Phase	Targeted Completion	Project Standing	Budget	CIP Inclusion	Information
Electric Vehicle Charging Stations	Complete	January 2025	N/A	\$734,334	2023-2024	
PPE Management - Storage and Extractors	Complete	April 2025	N/A	\$505,000	2019-2020	
Sustainability LED Lighting Building Retrofit	Complete	September 2025	N/A	\$741,187	2019-2020	
Fire Station 17 Siding Replacement	Construction	March 2026	●	\$1,119,620	2023-2024	
Facilities ADA Improvements	Construction	May 2026	●	\$300,000	2019-2020	Construction has begun.
Old Fire House Teen Center Demo	Design	May 2026	●	\$425,000	2025-2026	
Sustainability Building Automation (Energy Management System)	Design/Construction	July 2026	●	\$506,408	2019-2020	ESCO project, final design is considered as part of the Construction phase.
Public Safety Building Phase 2 (Mechanical and Electrical)	Design/Construction	July 2026	●	\$3,075,096	2017-2018	ESCO project, final design is considered as part of the Construction phase.
Electric Vehicle Charging Stations Phs 2	Design	January 2027	●	\$794,946	2025-2026	
MOC Campus Redevelopment	Design	2030	●	\$225,000,000	2023-2024	
Upcoming in 2026						
ADA Improvements - Parks Restrooms	Targeted initiation	February 2026		\$1,000,332	2023-2024	Renovate park restrooms to address priority ADA needs identified in the 2019 Parks ADA Transition Plan.

MOC Campus Redevelopment

Project #: 2501 Project start: 2024 Construction Start: Q1~Q2 2027

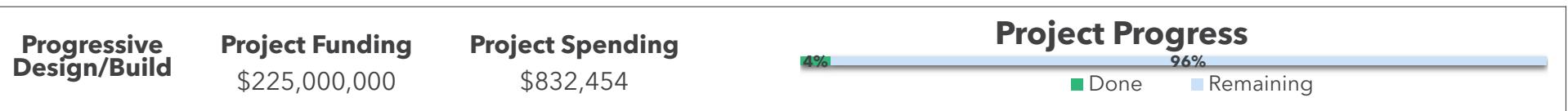
Targeted completion: Q1~Q2 2029

Scope ●

Schedule ●

Budget ●

Total Project Budget: \$225,000,000



➤ Project Progress

- Team build-out completed with key sub-partners
- 4 site and dispersed operations developed and narrowed down to 2 for further evaluation
- Property search for temporary and potential permanent sites underway
- Benchmarking of facilities and systems to support scope and cost analysis



➤ Issues and Solutions for Yellow/Red Indicators

- No issues



➤ Key Upcoming Activities in the next month

- Continue evaluation of 2 shortlisted options
- Evaluate availability of an alternate permanent site
- Sustainability Workshop

➤ Wins

- Successful narrowing of the project options with executive committee
- City staff contributing to minimizing temporary needs for cost reduction

Funding Sources: General Fund, REET, Stormwater CIP, Water CIP, Wastewater CIP, Bond Issuance

Program Report - Parks

Active projects managed by the Construction Division

Program Manager: Dave Tuchek

Project Name	Phase	Targeted Completion	Project Standing	Budget	CIP Inclusion	Information
Redmond Central Connector Phs 3	Complete	August 2025	N/A	\$8,075,000	2019-2020	
Turf Replacement, Grass Lawn Park Softball Field 1	Complete	October 2025	●	\$1,851,216	2019-2020	Construction is complete
Turf Replacement, Hartman Park Baseball Infield	Construction	October 2025	●	\$599,245	2019-2020	Construction will be completed by the end of this month
Meadow Park Sports Court Replacement	Construction	January 2026	●	\$593,910	2019-2020	
Reservoir Park Sports Court Replacement	Construction	July 2026	●	\$1,181,682	2019-2020	Recent change order has pushed this project over budget
Idylwood Park Parking Lot Expansion and Frontage Improvements	Design	May 2027	●	\$4,476,663	2025-2026	This is a joint project with Traffic Operations
SE Redmond Park	Pre-Design	October 2028	●	\$13,757,591	2025-2026	
Upcoming in 2026						
Hartman Park Playground Replacement	Targeted initiation	January 2026		\$1,338,559	2025-2026	Replacement of existing wood play structure, containment area, adjacent walkways, and park furniture.



Program Report - Traffic Operations

Active projects managed by the Construction Division unless otherwise noted

Program Manager: Paul Cho

Project Name	Phase	Targeted Completion	Project Standing	Budget	CIP Inclusion	Information
Pavement Management -West Lake Samm Pkwy (Marymoor - Leary Way)	Complete	July 2025	●	\$3,267,693	2019-2020	
Pavement Management - NE 24 th St. (WLSP - 172 nd Ave.)	Construction	August 2027	●	\$14,443,553	2017-2018	
Pavement Management - 154 th Ave NE (Redmond Way - 85 th St.)	Design	October 2026	●	\$1,688,026	2023-2024	
Pavement Management - Avondale Rd. (90 th St. - Novelty Hill Rd.)	Design	September 2027	●	\$11,366,766	2019-2020	Project includes replacement of AC watermain.
Pedestrian & Bicycle Safety Projects (164 Ave NE; East Lk Samm Pkwy; NE 104 St)	Design	October 2026	●	\$2,061,877	2023-2024	
ADA Improvements - Curb Ramps	Design	October 2027	●	1,200,000	2021-2023	
Upcoming in 2026						
150 th Ave Improvements	Targeted initiation	August 2026		\$2,971,913	2021-2023	This project will complete missing bike lane connections on 150th Avenue between 40th Street and 51st Street.

Program Report - Transportation Planning

Active projects managed by the Construction Division unless otherwise noted

Program Manager: Michael Hintze

Project Name	Phase	Targeted Completion	Project Standing	Budget	CIP Inclusion	Information
Sidewalk Repairs - NE 40 th St. (156 th - Bel-Red Rd.)	Complete	May 2025	N/A	\$2,066,361	2017-2018	
Bel-Red Buffered Bike Lanes	Construction	April 2026	●	\$4,132,269	2019-2020	
Sidewalk Repairs - 166th Ave (80th - 85th), Avondale Way (170th Ave. - Union Hill Rd),	Construction	April 2026	●	\$2,705,371	2019-2020	The 166 th sidewalk is complete; work on Avondale Way will begin this month.
NE 70th Street Shared Use Path & Crosswalk (Redmond Way to 180th Avenue NE)	Design	December 2026	●	\$3,116,863	2019-2020	The shared-use path is complete, and the crosswalk work will be advertised in January.
40 th Shared Use Path (163 rd Ave. to 172 nd)	Pre-Design	March 2027	●	\$7,106,922	2019-2020	
156th Ave NE Shared Use Path (4300 block to 51st St.)	Pre-Design	December 2027	●	\$4,970,518	2023-2024	
Upcoming in 2026						
148 th Ave Shared Use Path	Targeted initiation	January 2026		\$5,133,199	2025-2026	Provide a multi-use trail on the east side of 148th Avenue NE connecting the 520 Trail to NE 31st Street.
NE 36 th St. Bike Facilities	Targeted initiation	January 2026		\$2,267,831	2025-2026	Add bike lanes to 36th Street from 148 th Avenue to 150 th Avenue



Program Report - Utilities

Active projects managed by the Construction Division unless otherwise noted

Program Manager: Chris Stenger

Project Name	Phase	Targeted Completion	Project Standing	Budget	CIP Inclusion	Information
10,000 Block of Avondale Rd. Erosion	Complete	March 2025	●	\$4,091,986	2019-2020	Joint project with Transportation.
Control System and Telemetry Upgrades Phase 2 and Phase 3	Complete	May 2025	●	\$5,205,057	2017-2018	
Overlake Station Vault - Stormwater Hatch	Complete	June 2025	●	\$155,000	2023-2024	
Reservoir Park Water Tank Repairs	Construction	September 2025	●	\$735,000	2019-2020	
Lift Station Equipment Upgrades Phs 2	Ad & Award	February 2028	●	\$3,526,685	2023-2024	
Evans Creek Relocation	Design	October 2026	●	\$19,003,074	2009-2010	Construction start delayed one year to complete permitting requirements and finish land acquisition.
Willows Rd. Watermain Extension	Pre-Design	January 2027	●	\$2,936,825	2021-2022	
Control and Telemetry Upgrades Phs 4	Pre-Design	May 2028	●	\$3,481,308	2017-2018	
AC Watermain Replacement - Viewpoint	Pre-Design	October 2028	●	\$10,555,742	2021-2022	Reviewing the scope and phasing
Upcoming in 2026						
Stormwater Infrastructure Replacement Improvement Project #2 - Sunrise Vue	On-Hold	October 2026	●	\$331,834	2015-2016	Project is on hold and being re-sscoped.
Monticello Pond Deep Sediment Removal	On-Hold	March 2026	●	225,736	2019-2020	The project is on hold until summer for lower water levels.
Ardmore Stormwater Pond Repair	Targeted initiation	January 2026	●	\$269,067	2019-2020	



Evans Creek Relocation

Project #: 0995 Project start: 2019 Design start: Mar 2020

Targeted completion: October 2027

Scope	Schedule	Budget	Design Progress	
Phase	Design Phase Funding	Design Phase Spending	80%	20%
Design	\$2,368,419	\$2,113,238	Done	Remaining

➤ Project Progress

- King County permitting is underway.

➤ Issues and Solutions for Yellow/Red Indicators

- The project will not be advertised in 2026 due to King County permitting delays.
- Anticipate construction in 2027.
- Project cost overruns are larger than projected. Estimated to be ~ 2.5M

➤ Key Upcoming Activities in the next month

- 3P for Study Session on February 17, 2025
- King County
 - Operations and Maintenance negotiation
 - Resubmit the Clear and Grade permit and the Drainage Adjustment
- FEMA
 - Resubmit CLOMR

➤ Wins

- Met with County leadership and discuss ways to move forward with permitting

Funding Sources: Stormwater CIP, Grants

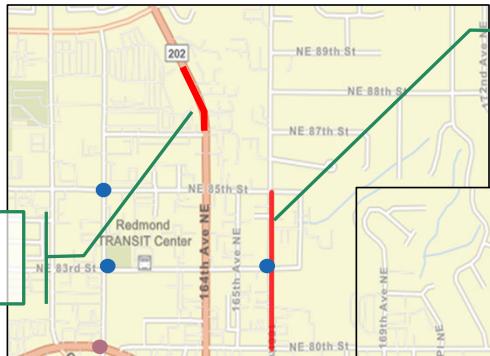


Pedestrian & Bicycle Safety Projects

Project	Status	Project Outcomes
40 th St. Sidewalks (156 th Ave to Bel-Red Rd.)	Complete	Safe pedestrian access to Redmond Technology Station that meets ADA requirements eliminates tripping hazards and reduces maintenance frequency.
Redmond Central Connector Phs III	Complete	Provide safe bicycle and pedestrian routes from the Bear Creek Trail/East Lake Sammamish Trail to the Cross Kirkland Corridor and the rest of the 42-mile Eastrail system
Sidewalk Repairs - Avondale Way (170th Ave to UHR)	Construction	Safer pedestrian access within downtown and to the Downtown Redmond Light Rail Station and improved long-term maintenance needs.
Bel-Red Buffered Bike Lanes (30th St. to WLSP)	Construction	Improved pedestrian and bicycle access to Overlake Village Light Rail Station and Overlake Village.
NE 70 th Shared Use Path & Crosswalk	Design	Improved bicycle and pedestrian connectivity to the new Sound Transit light rail station.
156 th Ave NE Shared Use Path (4300 block to 51 st St.)	Design	A new facility for cyclists to enhance the safety for pedestrians and cyclists.
Pedestrian & Bicycle Safety Projects (164 Ave NE; East Lk Samm Pkwy; NE 104 St)	Design	Safe, protected crossings for employees, residents, and business patrons.
Pedestrian and Bicycle Access - NE 40th Street Shared Use Path (163rd Ave NE to 172nd)	Design	Improved pedestrian and bicycle access to the Redmond Technology Light Rail Station meeting ADA requirements.
ADA Improvements - Transportation Curbs and Ramps	Design	New ramps will meet current ADA standards
Pedestrian Safety Improvements at Slip Lanes	Design	Safety improvements at multiple pedestrian crossing locations.
Accessible Pedestrian System (APS) Upgrade	Design	Improved pushbutton accessibility for pedestrians at up to 10 locations.
Pedestrian Safety Signs for Signals	Upcoming	Increased safety for pedestrians and bicyclists at multiple intersections.

Downtown Pedestrian & Bicycle Safety Projects

Pedestrian & Bicycle Safety Projects (164 Ave NE)



Sidewalk Repairs - 166th Ave. NE

COMPLETED



Sidewalk Repairs - Avondale Way (170th Ave to UHR)

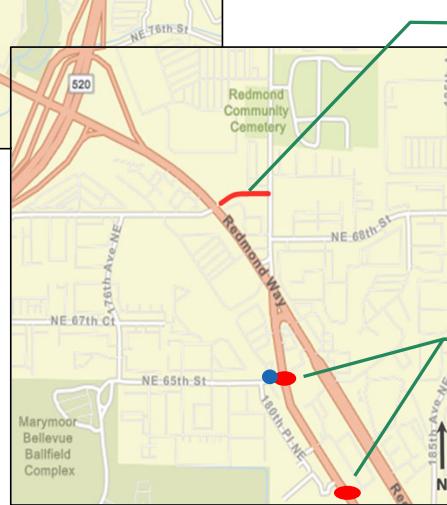


Sidewalk Repairs - Cleveland Street

COMPLETED



NE 70th Shared Use Path & Crosswalk



Pedestrian & Bicycle Safety Projects (East Lk Samm Pkwy)

- Accessible Pedestrian System Upgrades

- Pedestrian Safety Signs for Signals

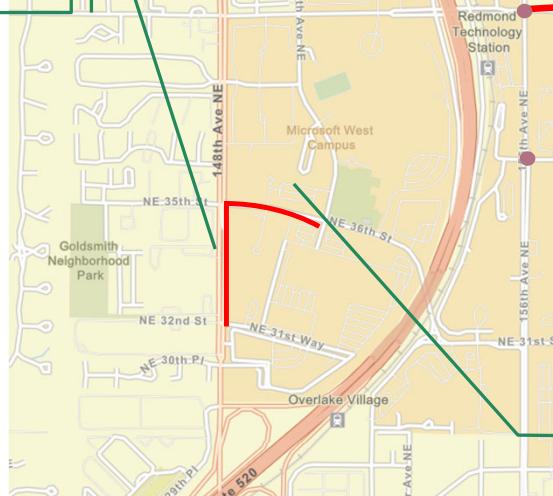


Overlake Pedestrian & Bicycle Safety Projects

156th Ave NE Shared Use Path
(4300 block to 51st St.)



Starting in 2026
148th Ave Shared Use Path

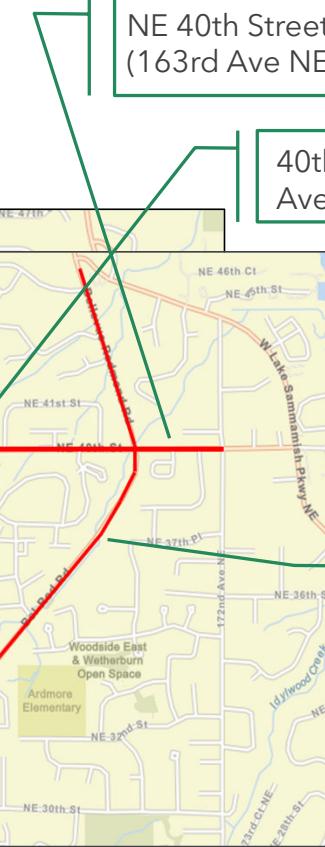


- Accessible Pedestrian System Upgrades
- Pedestrian Safety Signs for Signals



- 24th St. at 151st Ave.

NE 40th Street Shared Use Path
(163rd Ave NE to 172nd)



40th St. Sidewalks (156th Ave to Bel-Red Rd.)

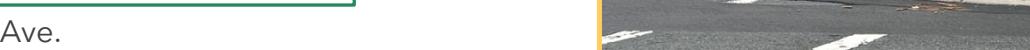
COMPLETED

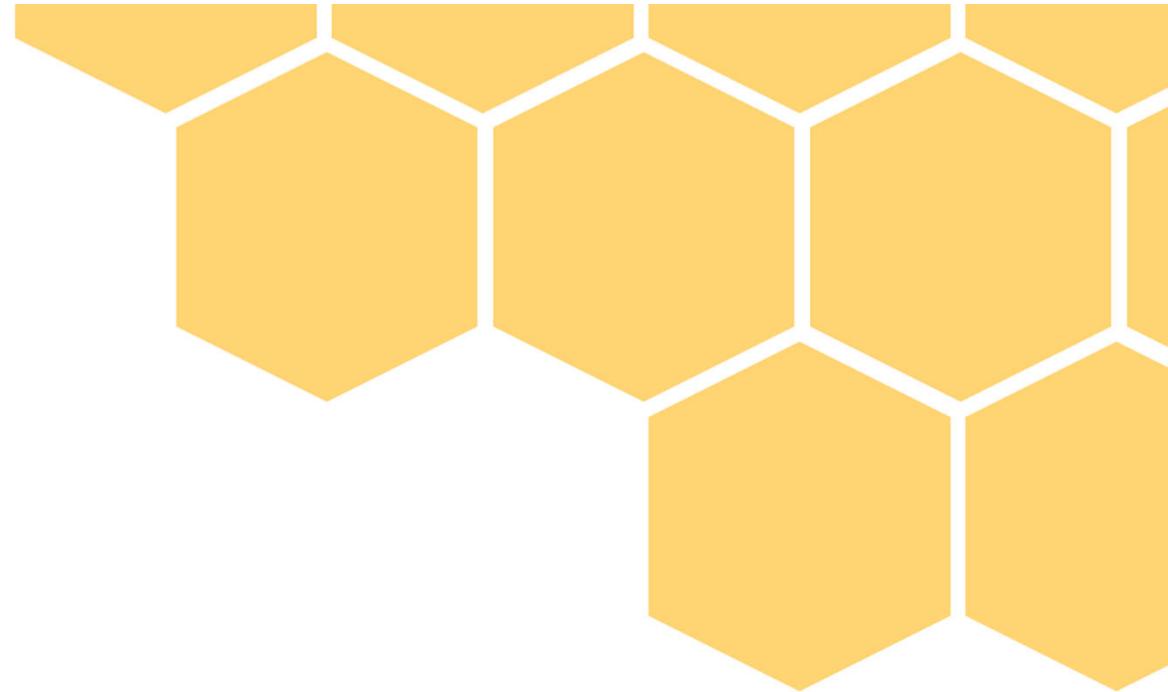


Bel-Red Buffered Bike Lanes
(30th St. to WLSP)



Starting in 2026
NE 36th St. Bike Facilities





Upcoming Project Milestones

.....

Summary of Capital Division Projected Milestones

	2026 Q1
Pre-Design Start	<ul style="list-style-type: none">- 148th Ave. Shared Use Path- NE 36th St. Bike Facilities
Design Start	<ul style="list-style-type: none">- Teen Center Demo- EV Charging Phs 2- Wastewater Pipe Rehab Project 2- Pedestrian and Bicycle Access - NE 40th Street Shared Use Path (163rd Ave NE to 172nd)- 156th Ave NE Shared Use Path (4300 block to 51st St.)
Advertise	<ul style="list-style-type: none">- Teen Center Demo- Monticello Pond Deep Sediment Removal- EV Charging Phs 2- NE 70th St Shared Use Path/Crosswalk (Redmond Way to 180th Avenue NE)- ADA Improvements - Transportation Curb and Ramp Project 1 &2- Pavement Mgmt - 154th Ave NE (Redmond Way to 85th St.)
Award	<ul style="list-style-type: none">- Lift Station Equipment Upgrades Phs 2- NE 70th St Shared Use Path/Crosswalk (Redmond Way to 180th Avenue NE)
Substantial Completion	<ul style="list-style-type: none">- Hardscape Project - Meadow Park Sport Court Replacement- Fire Station 17 Siding Replacement





Thank You

Questions?



2025 Capital Improvements Project List

Completed Projects		Council Acceptance	
Control System and Telemetry Upgrades Phase 2 and Phase 3		Expected	Jan-26
10,000 Block of Avondale Rd. Erosion		Expected	Q1 2026
Sidewalk Repair Project - 40th Street (156th Avenue to Bel-Red Road)		Expected	Q1 2026
Pavement Management - West Lake Sammamish Parkway (North of Marymoor to Leary Way)		Expected	Q1 2026
Redmond Central Connector Phase 3		Expected	Q1 2026
Turf Replacement Grass Lawn Park Softball Field 1		Expected	Q2 2026
Turf Replacement Hartman Park Baseball Infield		Expected	Q2 2026
Sustainability LED Lighting Building Retrofit		Expected	Q2 2026
PPE Management - Storage and Extractors		N/A	Contract <\$300,000
Overlake Station Vault - Stormwater Hatch		N/A	Contract <\$300,000
Electric Vehicle Charging Stations		N/A	Contract <\$300,000
Active Projects - Construction		Contract Award	Targeted Completion
Hardscape Project - Meadow Park Sport Court Replacement		Jul-25	Jan-26
Fire Station 17 Siding Replacement		Apr-25	Mar-26
Sidewalk Repair Projects - Avondale Way (170th Ave to UHR)		Sep-25	Apr-26
Hardscape Project - Reservoir Park Sport Court Replacement		May-25	Jul-26
Reservoir Park Water Tank		May-25	Jul-26
Bel-Red Buffered Bike Lanes (30th St. to WLSP)		Jul-25	Aug-26
Pavement Management - NE 24th Street (West Lake Sammamish Parkway to 172nd Avenue NE)	⊕	Nov-25	Aug-27
Active Projects - Design		Design Start	Targeted Bid
Lift Station Equipment Upgrades Phs 2		Mar-24	Out for bids
NE 70th Street Shared Use Path and Crosswalk (Redmond Way to 180th Avenue NE)		Sep-22	Jan-26
EV Charging Phs 2		Nov-25	Feb-26
Pedestrian and Bicycle Safety Projects (164 Ave NE; East Lk Samm Pkwy; NE 104 St)		Nov-25	Feb-26
Pavement Mgmt - 154th Ave NE (Redmond Way to 85th St.)	⊕	Nov-24	Mar-26
Willows Rd. Watermain Extension		Jul-25	Apr-26
Pedestrian and Bicycle Access - NE 40th Street Shared Use Path (163rd Ave NE to 172nd)		Jul-25	Apr-26
Control and Telemetry Upgrades Phs 4		Aug-25	Jul-26
Pavement Management - Avondale Road (NE 90th Street to Novelty Hill Road)	⊕	Mar-25	Aug-26
Connection to King County Wastewater System - Avondale Rd.		May-25	Aug-26
Evans Creek Relocation		Apr-19	Oct/Nov 2026
Idylwood Park Parking Lot Expansion and Frontage Improvements		Jul-25	Nov-26
NE 40th St. (163rd Ave to 172nd Ave) Shared Use Path		Oct-25	Jan-27
156th Ave NE Shared Use Path (4300 block to 51st St.)		Jul-25	Mar-27
MOC Campus Redevelopment		Q2 2025	Q4 2026
Projects Starting		Project Initiation	Design Start
Teen Center Demo		Dec-25	Jan-26
AC Watermain Repacement - Viewpoint North and South		Jun-25	Mar-26
SE Redmond Park		Jul-25	Mar-26
148th Ave. Shared Use Path		Jan-26	Mar-26
NE 36th St. Bike Facilities		Jan-26	Mar-26
Hartman park Playground Replacement		Jan-26	Apr-26
Ardmore Stormwater Pond Repair		Jan-26	May-26
ADA Improvements - Parks Restrooms		Feb-26	Apr-26

*Programmatic or small works projects. Schedules for these types of projects are often accelerated or do not follow a typical project schedule.

 Project with Transportation Benefit District funding.

2025 Capital Improvements Project List

Programmatic & Small Works Projects*

Sustainability Building Automation	Construction under way	
Public Safety Building - Mechanical and Electrical	Construction under way	
Facilities ADA Improvements	Construction under way	
ADA Improvements - Transportation Curb and Ramps	Pre-Design	
Parks ADA Improvements - Parking Lots and Pathways	Design	Mar-26

New Projects Starting in 2026

	Design Start	Targeted Bid
148th Ave Shared Use Path	Mar-26	Dec-26
NE 36th St. Bike Facilities	Mar-26	Dec-26
ADA Improvements - Parks Restrooms	Apr-26	Dec-26
Hartman Park Playground Replacement	Apr-26	Jan-27
Ardmore Stormwater Pond Repair	May-26	Aug-27
150th Avenue Improvements - 4500 to 51st Street	Nov-26	Sep-28

Projects not led by the Capital Division

	Status	Targeted Completion
General Government - Facilities		
Facilities Condition Assessment - Small Capital Projects		COMPLETE
Bellwether City Annex		Purchase complete
Energy Smart Eastside - Residential Electrification Program		Continuous Program
Parks		
Hartman Park Turf Fields 5 & 6 TPE		COMPLETE
Climate Resiliency & Sustainable Vegetation Mgmt Plan - Landscape ROW Conversions	Underway	Aug-26
Tree Maintenance Program		Continuous Program
Urban Forestry Tree Planting		Continuous Program
Parks Facilities External Painting	Starting in 2026	
Permanent Dog Park Installation	Starting in 2026	
Stormwater		
High School Creek Large Woody Debris Placement	Starting in 2026	
Transportation		
Sidewalk Repair - Cleveland Street		COMPLETE
Sidewalk Repair - 166th (80th to 85th)		COMPLETE
Adaptive Traffic Signal Control - Downtown	Underway	Dec-25
Pedestrian Safety Improvements at Slip Lanes	Underway	Dec-26
Accessible Pedestrian System (APS) Upgrade	Underway	Dec-26
Adaptive Traffic Signal Control - Overlake	Starting in 2026	
Pedestrian Safety Signs for Signals	Starting in 2026	
Wastewater		
Lift Stations 2 & 3 Variable Frequency Drives Replacements	Equipment selection	Q2 2026
Water		
Joint Use - Kirkland South Reservoir Tank Painting and Seismic Retrofit	Underway	Apr-29
Groundwater Aquifer Monitoring Improvements	Underway	Oct-26
Novelty Hill Advanced Metering Infrastructure	Pilot Complete	

*Programmatic or small works projects. Schedules for these types of projects are often accelerated or do not follow a typical project schedule.

 Project with Transportation Benefit District funding.



City of Redmond

15670 NE 85th Street
Redmond, WA

Memorandum

Date: 1/6/2026

Meeting of: Committee of the Whole - Planning and Public Works

File No. CM 26-003

Type: Committee Memo

TO: Committee of the Whole - Planning and Public Works

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Human Resources	Cathryn Laird	425-556-2125
-----------------	---------------	--------------

DEPARTMENT STAFF:

Human Resources	Kseniya Daly	Deputy Human Resources Director
-----------------	--------------	---------------------------------

TITLE:

Proposed Fifth Amendment to the Gallagher Services Contract

OVERVIEW STATEMENT:

The Gallagher contract was executed on 10/01/2021 to provide Healthcare Broker Professional Services. The Human Resources department has a longstanding active relationship with Gallagher for Benefits Administration Services and are seeking to amend the current contract to include Payroll Consulting Services. This 5th amendment will provide Managed Payroll Backup Services.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

Receive Information Provide Direction Approve

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
N/A
- **Required:**
Council approval is required for the amendment valuation
- **Council Request:**
N/A
- **Other Key Facts:**
The Gallagher contract has been amended three times since 2021 to renew the brokerage services. The most recent Amendment 4 in December 2025 is to add partial Payroll Procedural and System Optimization Audit Services.

OUTCOMES:

The managed processing of the City's payroll function through Gallagher's scope of work serves two purposes. First, with the HR/Payroll system being implemented through UKG Pro in 2026, a comprehensive review of the City's internal payroll processes, controls, technology and procedures through actual payroll processing is essential to assess effectiveness, efficiency, and completeness of current practices while identifying opportunities for necessary enhancements. Second, due to payroll complexities and reduced staffing anticipated over the next six months, the consultant will provide for continuity of payroll processing.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

• **Timeline (previous or planned):**

N/A

• **Outreach Methods and Results:**

N/A

• **Feedback Summary:**

N/A

BUDGET IMPACT:

Total Cost:

Project #2: Managed Payroll Backup Services will be approximately \$13,350 per pay period for 12 pay periods (six months), resulting in a total estimated cost of \$160,200.

Approved in current biennial budget:

Yes

No

N/A

Budget Offer Number:

296 Human Resources

Budget Priority:

Strategic and Responsive

Other budget impacts or additional costs:

Yes

No

N/A

If yes, explain:

Examples: software with a yearly cost, revenue generating, match requirements, etc. - if none, enter N/A.

Funding source(s):

Human Resources 2025-2026 budget

Budget/Funding Constraints:

N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
Click and select a date, or click and press delete if none.	Item has not been presented to Council	Click and select an action from the dropdown menu.

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
1/20/2026	Business Meeting	Approve

Time Constraints:

Payroll Backup Services began in December 2025 to provide for consultant onboarding of the City's payroll services in preparation to be fully functioning by February 2026. Due to UKG Pro project timeline and staffing constraints, it is essential to meet this February due date.

ANTICIPATED RESULT IF NOT APPROVED:

If there is no viable payroll system backup, staffing constraints anticipated by February and into second quarter 2026 will negatively impact payroll processing. Additionally, a comprehensive review of the City's internal payroll processes, controls, technology and procedures to assess effectiveness, efficiency, and completeness of current practices will not occur or will not occur timely, which will impact the timeline of the implementation of UKG Pro, planned to go live in 2026.

ATTACHMENTS:

- Attachment A: Proposed Fifth Amendment to Gallagher Contract
- Attachment B: Fourth Amendment to Gallagher Contract
- Attachment C: Third Amendment to Gallagher Contract
- Attachment D: Second Amendment to Gallagher Contract
- Attachment E: First Amendment to Gallagher Contract
- Attachment F: Original Gallagher Contract-2021



Amendment No. <u>5</u>	Organization and Address	
Original Agreement Number 9763	Arthur J. Gallagher & Co. 777 108th AVE NE, Ste 200 Bellevue, WA 98004	
Project Number N/A	Execution Date 1/20/2026	Completion Date N/A
Project Title Payroll Procedural and System Optimization Audit Services Managed Payroll Backup Services	New Maximum Amount Payable Add \$160,200 for a total estimated maximum amount payable of \$562,825, hourly consumable service based on actual hours worked	
Description of Work Payroll and HR Technology consulting services		

The Local Agency of City of Redmond
desires to amend the agreement entered into with Arthur J. Gallagher & Co.
and executed on 10/1/2021 and identified as Agreement No.9763 (the "Agreement") all provisions in the Agreement remain in effect except as expressly modified by this amendment. The changes to the Agreement as set forth in the attached Exhibits A and B are by this reference made a part thereof and are described as follows:

1. Exhibit A, SCOPE OF WORK and PAYMENT SCHEDULE, is hereby changed to add the following Services described in Project #1 and Project #2 below and the corresponding Fees therefor:

See Statement of Work for the following projects outlined within Exhibit A:

- Project #1: Payroll Procedural and System Optimization Audit Services.
- Project #2: Managed Payroll Backup Services.

2. Exhibit B -Data & Information Security Agreement is hereby added to the Agreement.

If you concur with this amendment and agree to the changes as stated above, please sign in the appropriate spaces below and return to this office for final action.

By: _____

By: _____

Consultant Signature

Approving Authority Signature

Date

EXHIBIT A

Statement of Work

This **Statement of Work** ("SOW") is entered into on December 18, 2025 (the "Effective Date") pursuant to the terms and conditions of the Master Agreement for Professional Services dated 10/01/2021 (the "Agreement"), by and between **Gallagher Benefit Services, Inc.** ("Gallagher") and The City of Redmond ("Client"). Capitalized terms used herein and not otherwise defined in this SOW shall have the same meaning ascribed to the in the Agreement.

Project #1	Payroll Procedural and System Optimization Audit Services
------------	---

1. Scope of Services:

The Services under this Amendment 4 shall consist exclusively of the following

Scope of Services	<p>Gallagher will conduct a full audit of the Client's internal payroll processes, controls, technology and procedures to assess effectiveness, efficiency, and completeness of current practices while identifying areas for enhancement and / or improvement.</p> <p>An initial intake with the Client will define the audit's goals, objectives, and timelines, resulting in a comprehensive project plan.</p> <p>Through a combination of interviews with key stakeholders and a review of any existing Client payroll procedural documentation and configuration, Gallagher will compile information necessary to conduct the audit. The areas to be reviewed and assessed may include (but are not limited to):</p> <ul style="list-style-type: none"> • New hire payroll onboarding processes. • Full payroll lifecycle procedures, including: <ul style="list-style-type: none"> ◦ Adds. ◦ Terminations. ◦ Changes. ◦ Rate changes. ◦ Entries of additional compensation (i.e. bonuses and commissions). ◦ Sign-off procedures. ◦ System checks and balances. • Company and employee level coding procedures. • Time & attendance configuration and utilization. • Workflow and approval processes. • Utilization of automated vs. manual systems. • Payroll data / information storage practices. • Current payroll forms and collection processes. • Custom field utilization.
--------------------------	---

automated and manual payroll entry processes and procedures, including:

- Pay data and grid usage.
- Non-exempt employee entry.
- Payroll information collection practices.
- Usage of forms and other paperwork.
- Payroll processing times.
- System override and manual intervention practices.
- Reporting requirements including union specific.
- Payroll review and reconciliation procedures, including a review of post-payroll manual reports vs. automated system generated reporting.
- Integration setups across HR and Payroll technologies and platforms, including PTO, Time and Attendance, HRIS, etc.
- Document storage methodologies and practices.
- Means by which employee's access and / or are provided with payroll related data.
- Data entry and employee information maintenance methodologies, including use of the system's new hire onboarding functions.

Upon completion of the audit, Gallagher will provide both a verbal presentation and written report outlining findings and recommendations to improve the Client's payroll processing function, including recommendations for client's future state technology platform.

2. Client Team:

Client Project Manager	Kseniya Daly
-------------------------------	--------------

3. Key Assumptions:

Resource Level	Payroll & HR Technology Manager
Estimated Hours	130 - 145 hours
Initial Budget	<p>\$29,250 - \$32,625</p> <p>*This budget is an estimate of the time and resources needed for the scope of services. Gallagher will invoice for actual time incurred, <i>which may vary based on Client needs.</i></p>

4. Fees.

Invoicing Terms	Gallagher shall invoice Client in arrears weekly for time expended in the prior week.
------------------------	---

Resource Level	Rate Per Hour
Payroll & HR Technology Specialist	\$150

Payroll Tax Compliance Specialist

\$180

Payroll & HR Technology Manager

\$225

Payroll Tax Compliance Manager

\$225

Project Leader - Payroll & HR Technology

\$265

Practice Leader - Payroll & HR Technology

\$365

5. Termination.

Maintain Hours; SOW Termination	Except as provided in the Agreement, either Party may terminate this SOW for convenience upon sixty (60) days' advance written notice to the other Party (the "Notice Period"). During the Notice Period, Client agrees to pay Gallagher a lump sum, equal to the length of the Notice Period based on the same level of work performed by Gallagher prior to receiving Client's written notice. The "same level of work" will be defined by the prior 12-week average from the date of notification. If Gallagher did not work a full twelve (12) weeks, Gallagher will average the weeks that Gallagher actually performed the Services. During the Notice Period, Gallagher will continue to provide Services, if desired by Client, and Client agrees to pay the cost for Services that exceed the lump sum amount.
--	---

Project #2	Managed Payroll Backup Services
------------	---------------------------------

1. Scope of Services:

The Services shall consist exclusively of the following

Scope of Services	<p>Consultant will provide the Client with contingent Payroll support on an as needed basis, utilizing the Client's current technology vendor. Consultant will fully manage and administer the Client's payroll for approximately 800 employees and one (1) entity on dates designated by the Client. This may include (but is not limited to) the following support:</p> <p>Phase I – Managed Payroll Backup Services Onboarding</p> <p>Consultant will perform a full and comprehensive Client onboarding with the goal of documenting information in the form of SOPs needed to provide comprehensive and complete support. This one-time intake and set up may include (but is not limited to) the following areas:</p> <ul style="list-style-type: none"> • Payroll technology, administration, and 3rd party solutions access. • Detailed and thorough review of the Client's payroll technology system. • Collection of critical data tied to the Client's payroll management. • Review of Payroll processes and documentation employed by the Client. • Reconciliation of prior quarters within the year of service start date. • Creation/update of new payroll instructions, tools, and other documentation as needed and directed by the Client.
--------------------------	--

Phase II – Ongoing Managed Payroll Backup Services

- Full administration, processing, and submission of the Client's payroll.
- Liaison support between the Client and payroll technology vendor.
- Coordination with Client to gather all relevant payroll information.
- New employee set up and terminations.
- Change of status updates and garnishments.
- Maintenance of any direct vendor feeds / integrations.
- 401k / FSA vendor information uploads.
- Creation of custom reports.
- Updates to fields for rate changes, taxes, banking, etc.
- Manual check calculations.
- Compliance review to ensure payroll practices are in concert with any changing federal, state, or local laws.
- Review and research tied to tax notices.
- Off-cycle payroll transmissions (i.e., bonus payrolls).
- Union reporting.
- Review of quarterly tax reports, including validation of tax filings.
- W-2 review and reconciliation at year-end.

Services provided by the Consultant will be driven by the Client's precise needs and can be utilized for one off or ad hoc requests including for reporting or audit needs.

2. Client Team:

Client Project Manager	Kseniya Daly
------------------------	--------------

3. Key Assumptions:

Resource Level	Sr. Payroll & HR Technology Specialist and Payroll & HR Technology Manager
Estimated Hours	65 – 70 hours per pay period
Initial Budget*:	<ul style="list-style-type: none">• Initial One-Time only Onboarding Fee: \$10,000• \$12,425 - \$13,350 per pay period <p>*This budget is an estimate of the time and resources needed for the scope of services. Consultant will invoice for actual time incurred, <i>which may vary based on Client needs</i>.</p>

4. Fees.

Invoicing Terms	Onboarding Fee of \$10,000 to be billed upon the full execution of Amendment 4 to the Agreement. Consultant shall invoice Client in arrears weekly for time expended in the prior week.
-----------------	--

Resource Level	Rate Per Hour
Payroll & HR Technology Specialist	\$150
Sr. Payroll & HR Technology Specialist	\$185
Payroll Tax Compliance Specialist	\$180
Payroll & HR Technology Manager	\$225
Payroll Tax Compliance Manager	\$225
Project Leader - Payroll & HR Technology	\$265
Practice Leader - Payroll & HR Technology	\$365

5. Termination.

Maintain Hours; SOW Termination	Except as provided in the MSA in Section 12, either party may terminate this project upon ninety (90) days' advance written notice (the " Termination Period "). During the Termination Period, Client agrees to pay Consultant a lump sum, based on the same level of work performed by Consultant prior to receiving Client's written notice. The same level of work will be defined by the prior 12-week average from the date of notification. If Consultant did not work a full 12 weeks, Consultant will average the weeks that Consultant actually performed Services. During the Termination Period, Consultant will continue to provide Services, if desired by Client, and Client agrees to pay the cost for Services that exceed the lump sum amount.
--	---

6. Additional Terms and Conditions.

a. All invoices shall be due and owing in accordance with the terms of the Agreement.

b. Gallagher shall invoice Client, and Client shall pay, one-and-one-half (1.5) the applicable hourly bill rate for individuals whose hours (including any travel time) exceed forty (40) hours in a work week.

c. In the event Client requests or requires Gallagher's participation or support in relation to any legal complaints, actions, or matters including, but not limited to, all tribunals and those matters related to Chief Human Resources Officer (CHRO) or any Equal Employment Opportunity Commission (EEOC) matters, including, without limitation, investigations, additional fees for such participation or support shall be invoiced by Gallagher and paid by Client at Gallagher's then-prevailing hourly rates in accordance with the terms of the Agreement.

7. Suspension. If fees specified in Section 4 (Fees) for work in progress and expenses incurred by Gallagher are not paid to Gallagher within thirty (30) days of invoice receipt date, Gallagher may, in its sole discretion, suspend performance of the work or terminate this SOW for cause pursuant to the terms of the Agreement. Client's failure to pay such fees and expenses shall not relieve Client of its payment or other obligations.

8. Non-Solicitation. Client acknowledges that Gallagher goes through an extensive process in the sourcing and development of its consulting team, including vetting candidates for hire, comprehensive on-boarding and training programs, and our ongoing commitment to cultivation of their talents. Our personnel are bound by restrictions against accepting employment with our clients during their employment and for one year thereafter. The hiring away of our personnel by our clients represents a significant loss of our human capital investment, as well as a measurable financial impact to Gallagher. As such, it is never the desire of Gallagher to have any team member hired away by a client. Except as prohibited by local law or regulation, Client agrees that during the term of this Agreement and for a period of one (1) year following the date of termination, Client shall not hire any personnel of Gallagher. In the event Gallagher agrees to release personnel from their legal obligations to our firm, the cost to convert a team member to Client's employment shall be a fee of 50% of the personnel's first year's compensation. For purposes of this section "to hire" means to hire as an employee or otherwise to engage or retain as an independent contractor or consultant.

9. Excused Non-Performance: Gallagher's performance is dependent upon Client's effective performance of any Client responsibilities herein. Gallagher will be excused from performance in the event Client is unable to perform such responsibilities and such inability contributes to Gallagher's failure to perform.

The terms and conditions contained in this SOW constitute the Parties' complete understanding and agreement relating to the subject matter hereof. Notwithstanding anything to the contrary in the Agreement or elsewhere, in the event of a conflict between this SOW and the Agreement, the SOW will control. No other terms and conditions, beyond those contained herein, will be valid unless mutually agreed to by Client and Gallagher in a writing signed by authorized representatives of each Party.

Client: The City of Redmond

By: Signed by: kelley Cochran
581CDD1AF985491...

Name: Kelley Cochran

Title: Finance Director

Date: 12/19/25

Address: 15670 NE 85th St, Redmond, WA 98052

Gallagher Benefit Services, Inc.

By: Signed by: Todd Miller
DEEBC12C8160453...

Name: Todd

Title: Miller

Date: 12/19/2025

Address: 383 Main Avenue, 4th Floor
Norwalk, CT 06851

Exhibit B**Data & Information Security Agreement**

1. Data Safeguards and Standards. Gallagher is solely responsible for any authorized or unauthorized collection, storage, disclosure and use of, and access to Client's Data or Client's Confidential Information in its possession or in the possession of its service providers, contractors, or agents. Accordingly, if Gallagher or any of its service providers, contractors, third-parties or agents has access to Client's Data or Client's Confidential Information, Gallagher shall implement and maintain, or ensure that its service providers, contractors, third-parties or agents implement and maintain, administrative, physical and technical safeguards ("Safeguards") that prevent any collection, use or disclosure of, or access to, Client's Data and/or Client's Confidential Information that this Agreement does not expressly authorize, including, without limitation, an information security program that meets best industry practice to safeguard such Client's Data and/or Client's Confidential Information. Gallagher shall strictly maintain the confidentiality, integrity, and availability of information and supporting information systems to sustain client confidentiality, accurately process transactions and financial reporting, and comply with all legal and regulatory requirements.

(a) Information Security Program. Gallagher's information security program shall include:

- adequate physical security of all premises in which Client's Data and/or Client's Confidential Information will be processed and/or stored;
- reasonable precautions taken with respect to the employment of and access given to all personnel furnished or engaged, directly or indirectly, by Gallagher to perform any part of the services hereunder; and
- an appropriate network security program, including encryption or other secure form approved in advance by Client, of any Client's Confidential Information, or any other Client's Data that is collected, processed, transmitted, stored, accessed, processed or maintained by Gallagher or its service providers, contractors, third-parties or agents on its or their networks, systems, and premises (collectively, the "Gallagher System").

(b) Network Security Program. Gallagher's network security program shall include (without limitation) the following:

- appropriate access controls and data integrity controls, including without limitation, ensuring that: (i) authentication credentials have an expiration period that allows time for the transfer of data, but are not continuously left open; (ii) password complexity standards are implemented to protect Client's Data and/or Client's Confidential Information from malicious access; and (iii) a process is implemented to log individual access to Client's Data and/or Client's Confidential Information;
- testing and auditing of all controls; and
- appropriate corrective action and incident response plans. Gallagher must maintain an acceptable level of security certification or assessment by a qualified third party. Such certifications applicable to the Gallagher System shall be provided as described in Section (3) below to Client as reasonably requested, provided the requisite non-disclosure agreement has been executed by Client.

(c) Security Policies. Gallagher shall develop and maintain defined security policies in place for user administration, administrator accounts, physical security, network security, and electronic media handling. These policies shall be evaluated annually and modified as necessary. On an annual basis, Gallagher is audited for Sarbanes Oxley compliance, the results of which are available in Gallagher's annual 10-K report on the AJG website at <http://www.ajg.com>, under Investor Relations > SEC Filings. The internal and external network architecture for each local office is documented and approved by the Division CIO or designee quarterly. All Gallagher networks are monitored for unauthorized activity. Malicious or suspicious activity is reported according to internal Gallagher Policies and corresponding legislative requirements.

AA regulations, Gallagher shall maintain HIPAA compliance protocols throughout its organization. Gallagher shall maintain HIPAA officers on staff in each region, as well as at the corporate level. These officers and their staff shall conduct internal compliance audits and enforce adherence to applicable regulations. Gallagher shall ensure strict adherence to its policies and HIPAA requirements and shall mandate that any transmission of Personal Health Information, Personal Financial Information, or any other personal identifying information is encrypted and/or transferred via secure data site or means.

(e) Client Records Management Protocol. To ensure that Gallagher's infrastructure complies with all applicable state, federal, and industry regulations, Gallagher has implemented and shall maintain policies outlining system controls over governance, security administration, data backup, change control, problem management, and system development within the IT environment at Gallagher. Consistent policies are enforced to preserve the integrity and security of all data processed, stored, and transmitted throughout its information systems. This includes the use of encryption technology to both store and transmit information when appropriate. Gallagher will follow the principle of least privilege when granting access to company resources.

(f) Document Management System. Gallagher maintains a robust set of standards for its client management process. This process includes the accurate logging and tracking of all documents and communications through its Document Management System (DMS). The DMS ensures that schedules are followed, HIPAA standards are met, and team assignments as well as collaboration efforts are clearly stated. Gallagher commits to the same day return of client phone calls, as well as providing clients access to its consultant's cell phones to ensure urgent matters are addressed promptly.

(g) FAIR Risk Assessment. Gallagher's Global IT Policies and Standards includes requirements for conducting annual Factor Analysis of Information Risk (FAIR) by an external party. The assessment activities are based on the FAIR methodology, a quantitative model for information security and operational risk. The assessment builds upon technology and cyber risk assessments from previous years and includes the following activities: Identification of New Assets and Threats, Quantitative Risk Analysis, and Assessment Results and Report.

2. Security Breach.

(a) Notice. Upon confirmation of an identified security breach, Gallagher will promptly notify Client of:

- any actual breach of security of the Gallagher Systems;
- any actual unauthorized access to or acquisition, use, loss, destruction, alteration, compromise or disclosure of any Client's Data or Client's Confidential Information on Gallagher Systems; or
- any circumstance pursuant to which applicable law requires notification of such breach to be given to affected parties or other activity in response to such circumstance (each, a "**Security Breach**").

Notwithstanding the foregoing, to the extent not prohibited by applicable law, Client shall make the final decision on notifying Client customers, users, employees, service vendors and/or the general public of such Security Breach. If a notification to Client's customers or users is required under any applicable law, guidelines or best practice, then in addition to all other costs arising out of or in connection with such Security Breach, and without prejudice to all other rights and remedies available to Client under this Agreement, at law or in equity, Gallagher shall reimburse Client for all reasonable notification related costs and other expenses incurred by Client arising out of or in connection with any such Security Breach. For the avoidance of doubt, Gallagher shall not be required to notify Customer of any unsuccessful attempts or activities that do not compromise the security of Customer's sensitive data, including unsuccessful log-in attempts, pings, port scans, denial of service attacks, and other network attacks on firewalls or networked systems.

in the event of a Security Breach, Gallagher shall: (i) promptly provide to Client a summary description of the incident, the Client's Data and/or Client's Confidential Information accessed, the identity of affected third parties, if any, and such other information as Client may request concerning the Security Breach; (ii) assist Client in investigating, remedying and taking any other action Client deems necessary regarding any Security Breach and any dispute, inquiry or claim that concerns the Security Breach; (iii) shall take prompt actions that such Security Breach or potential Security Breach will not recur; and (iv) cooperate with Client and any law enforcement or regulatory official investigating such Security Breach.

3. Certifications & Documentation.

(a) SOC 2 Type 2. Client may request a copy of Gallagher's annual SOC2 report, or its equivalent, upon signing a requisite non-disclosure agreement. Client agrees that all information or reports shared with Client by Gallagher shall be considered Gallagher Confidential Information and shall not be disclosed by Client to any third-party (including Client's independent auditors) without Gallagher's prior written approval. Gallagher will bear all costs and expenses associated with obtaining and delivering the SOC 2 report or its equivalent.

(b) Standard Information Gathering (SIG) Lite. Upon request, Gallagher will provide Client a copy of its updated *Standard Information Gathering (SIG) Lite* document upon Client signing a non-disclosure agreement, and Gallagher is also able to provide Client with the following:

- Security Assurance Reference (SAR) Guide.docx;
- NYDFS Compliance Letter;
- AJG IT Policy TOC;
- Gallagher Global Cybersecurity Services Overview document; and
- Gallagher Cyber Risk Assessment Letter.

4. **Third-party Providers.** Client understands that Client Data may reside with a third-party data center provider subcontracted by Gallagher, and to the extent Client wishes to obtain equivalent type reports from such third-party provider, Client must make the necessary request directly from the third-party provider, as such reports would be considered third-party confidential information Gallagher is not permitted to provide to Client. In addition, core partners used within Gallagher's infrastructure include Microsoft, IBM, Cisco, and HP.

The following certifications are in place for Gallagher's third-party data center provider, CenterSquare Investment Management, LLC (formerly Cyxtera).

- SOC 1 Type 2;
- SOC 2 Type 2;
- NIST; and
- ISO 27001.

Client may access CenterSquare's certifications and reports available at www.centersquare.com.

5. **Right to Terminate.** Gallagher acknowledges that Client shall have the right to terminate this Agreement immediately, without further payment to Gallagher, and without prejudice to Client's rights and remedies under this agreement, in the event that Gallagher uses or permits the use of Client's Data or Client's Confidential Information other than as permitted in connection with the performance of the services under this Agreement, or if there is otherwise a breach in any Client's Data or Client's Confidential Information.

6. **Effect of Termination.** Gallagher will, for a minimum period of sixty (60) days following the termination of this Agreement, maintain Client's Data and Client's Confidential Information that is residing on its servers as of the date of termination. Upon the written request of Client as permitted herein, Gallagher will as soon as is reasonably practicable, return a copy of Client's Data and Client's Confidential Information in a manner

all Client production environments from Gallagher servers and verify such deletion in writing to Client. However, Gallagher may retain a copy of the Confidential Information which forms part of its work product to demonstrate compliance with this agreement and Gallagher shall not be required to erase electronically stored Confidential Information that has been saved to a back-up file in accordance with its document retention policies or applicable law. Gallagher shall continue to protect such Confidential Information in accordance with this agreement.

7. Gallagher shall not access, use, or disclose Client's Data in any manner that would constitute a violation of state or federal law, the terms of this agreement. Gallagher may only provide access to authorized users who have a legitimate business need to access, use or disclose Client Data in the performance of Gallagher's duties to Client.
8. Gallagher shall only use or access Client Data in accordance with, and only to the extent permissible, under this agreement.
9. If Gallagher requires access to a Client software system, then each authorized user must have a unique sign-on identification and password for access to Client Data on Client systems. Authorized users are prohibited from sharing their login credentials, and may only receive such credentials upon execution of the Client's Authorized User Access Agreement, as mutually agreed to by the parties. Gallagher shall notify Client within one (1) day of the departure of any authorized user, so that Client may terminate such authorized user's access to Client software systems.



City Contract Routing Form

City Contract #: 9763-4



Section 1 – Attach Contract Documents

(multiple files can be uploaded)

Is an insurance certificate attached?

 Yes No/Not applicable

Comments: _____

Section 2 – Fill Out Contract Details

Date: 12/18/2025 Department: Human Resources Division: HR Mail Stop: 3NHR

Project Administrator Name: Cathryn Laird Extension: 2125

Project Manager Name (if different than above): Extension: _____

Contract Type: Consulting Services If other, please indicate: _____

Contract Title: Gallagher Professional Services Amendment 4

Contractor/Consultant Business Name: Arthur J. Gallagher & Co.

Contract Description: Payroll Procedural and System Optimization Audit Services; Managed Payroll Backup Services

\$360,000 to budget #511.32006.00410.51737, existing PO on file.

\$42,625 to budget #100.31302.00410.51810

Project ID #: _____ Project Category: _____ Budget/Account #: see comments above

Council Approval Date: _____ Agenda Memo #: _____ RFP/IFB/RFQ #: _____

 New Contract

Total Amount: _____

Start Date: _____ End Date: _____

Renewal Option (Y/N): _____ If yes, how many? _____

 Amendment/Renewal/Change Order #: 4 Original CC #: 9763

New Start Date: 12/18/2025 New End Date: 9/30/2027

Current Contract Amount (including all previous amendments/change orders): \$360,000

Amount of this Amendment/Change Order (proposed increase/decrease): \$42,625

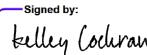
New/Cumulative Contract Amount: \$402,625

Section 3 – Route Contract for Signatures and Approvals

Department Director or Designee:  Date: 12/19/2025 Comments: _____

TIS Director: _____ Date: _____ Comments: _____

City Attorney:  Date: 12/19/2025 Comments: _____

Risk Manager:  Date: 12/19/2025 Comments: _____

Mayor or Designee:  Date: 12/19/2025 Comments: _____

City Clerk's Office:  Date: 12/19/2025 Comments: _____

Purchasing: no signature required – for copy only



Amendment No.	Organization and Address	
4	Arthur J. Gallagher & Co. 777 108th AVE NE, Ste 200 Bellevue, WA 98004	
Original Agreement Number 9763	Phone:	
Project Number N/A	Execution Date 12/18/2025	Completion Date N/A
Project Title Payroll Procedural and System Optimization Audit Services Managed Payroll Backup Services	New Maximum Amount Payable \$TBD, hourly consumable service based on actual hours worked	
Description of Work Payroll and HR Technology consulting services		

The Local Agency of City of Redmond

desires to amend the agreement entered into with Arthur J. Gallagher & Co.

and executed on 10/1/2021 and identified as Agreement No.9763 (the "Agreement") all provisions in the Agreement remain in effect except as expressly modified by this amendment. The changes to the Agreement as set forth in the attached Exhibits A and B are by this reference made a part thereof and are described as follows:

1. Exhibit A, SCOPE OF WORK and PAYMENT SCHEDULE, is hereby changed to add the following Services described in Project #1 and Project #2 below and the corresponding Fees therefor:

See Statement of Work for the following projects outlined within Exhibit A:

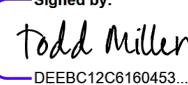
- Project #1: Payroll Procedural and System Optimization Audit Services.
- Project #2: Managed Payroll Backup Services.

2. Exhibit B -Data & Information Security Agreement is hereby added to the Agreement.

If you concur with this amendment and agree to the changes as stated above, please sign in the appropriate spaces below and return to this office for final action.

By: Todd Miller

By: Kelley Cochran

Signed by:

 Todd Miller
 DEEBC12C6160453...

Consultant Signature

Signed by:

 Kelley Cochran
 581CDD1AF985491...

Approving Authority Signature

12/19/2025

 Date

EXHIBIT A

Statement of Work

This **Statement of Work** ("SOW") is entered into on December 18, 2025 (the "Effective Date") pursuant to the terms and conditions of the Master Agreement for Professional Services dated 10/01/2021 (the "Agreement"), by and between **Gallagher Benefit Services, Inc.** ("Gallagher") and The City of Redmond ("Client"). Capitalized terms used herein and not otherwise defined in this SOW shall have the same meaning ascribed to the in the Agreement.

Project #1	Payroll Procedural and System Optimization Audit Services
------------	---

1. Scope of Services:

The Services under this Amendment 4 shall consist exclusively of the following

Scope of Services	<p>Gallagher will conduct a full audit of the Client's internal payroll processes, controls, technology and procedures to assess effectiveness, efficiency, and completeness of current practices while identifying areas for enhancement and / or improvement.</p> <p>An initial intake with the Client will define the audit's goals, objectives, and timelines, resulting in a comprehensive project plan.</p> <p>Through a combination of interviews with key stakeholders and a review of any existing Client payroll procedural documentation and configuration, Gallagher will compile information necessary to conduct the audit. The areas to be reviewed and assessed may include (but are not limited to):</p> <ul style="list-style-type: none"> • New hire payroll onboarding processes. • Full payroll lifecycle procedures, including: <ul style="list-style-type: none"> ◦ Adds. ◦ Terminations. ◦ Changes. ◦ Rate changes. ◦ Entries of additional compensation (i.e. bonuses and commissions). ◦ Sign-off procedures. ◦ System checks and balances. • Company and employee level coding procedures. • Time & attendance configuration and utilization. • Workflow and approval processes. • Utilization of automated vs. manual systems. • Payroll data / information storage practices. • Current payroll forms and collection processes. • Custom field utilization.
--------------------------	---

automated and manual payroll entry processes and procedures, including:

- Pay data and grid usage.
- Non-exempt employee entry.
- Payroll information collection practices.
- Usage of forms and other paperwork.
- Payroll processing times.
- System override and manual intervention practices.
- Reporting requirements including union specific.
- Payroll review and reconciliation procedures, including a review of post-payroll manual reports vs. automated system generated reporting.
- Integration setups across HR and Payroll technologies and platforms, including PTO, Time and Attendance, HRIS, etc.
- Document storage methodologies and practices.
- Means by which employee's access and / or are provided with payroll related data.
- Data entry and employee information maintenance methodologies, including use of the system's new hire onboarding functions.

Upon completion of the audit, Gallagher will provide both a verbal presentation and written report outlining findings and recommendations to improve the Client's payroll processing function, including recommendations for client's future state technology platform.

2. Client Team:

Client Project Manager	Kseniya Daly
-------------------------------	--------------

3. Key Assumptions:

Resource Level	Payroll & HR Technology Manager
Estimated Hours	130 - 145 hours
Initial Budget	<p>\$29,250 - \$32,625</p> <p>*This budget is an estimate of the time and resources needed for the scope of services. Gallagher will invoice for actual time incurred, <i>which may vary based on Client needs.</i></p>

4. Fees.

Invoicing Terms	Gallagher shall invoice Client in arrears weekly for time expended in the prior week.
------------------------	---

Resource Level	Rate Per Hour
Payroll & HR Technology Specialist	\$150

Payroll Tax Compliance Specialist

\$180

Payroll & HR Technology Manager

\$225

Payroll Tax Compliance Manager

\$225

Project Leader - Payroll & HR Technology

\$265

Practice Leader - Payroll & HR Technology

\$365

5. Termination.

Maintain Hours; SOW Termination	Except as provided in the Agreement, either Party may terminate this SOW for convenience upon sixty (60) days' advance written notice to the other Party (the "Notice Period"). During the Notice Period, Client agrees to pay Gallagher a lump sum, equal to the length of the Notice Period based on the same level of work performed by Gallagher prior to receiving Client's written notice. The "same level of work" will be defined by the prior 12-week average from the date of notification. If Gallagher did not work a full twelve (12) weeks, Gallagher will average the weeks that Gallagher actually performed the Services. During the Notice Period, Gallagher will continue to provide Services, if desired by Client, and Client agrees to pay the cost for Services that exceed the lump sum amount.
--	---

Project #2	Managed Payroll Backup Services
------------	---------------------------------

1. Scope of Services:

The Services shall consist exclusively of the following

Scope of Services	<p>Consultant will provide the Client with contingent Payroll support on an as needed basis, utilizing the Client's current technology vendor. Consultant will fully manage and administer the Client's payroll for approximately 800 employees and one (1) entity on dates designated by the Client. This may include (but is not limited to) the following support:</p> <p>Phase I – Managed Payroll Backup Services Onboarding</p> <p>Consultant will perform a full and comprehensive Client onboarding with the goal of documenting information in the form of SOPs needed to provide comprehensive and complete support. This one-time intake and set up may include (but is not limited to) the following areas:</p> <ul style="list-style-type: none"> • Payroll technology, administration, and 3rd party solutions access. • Detailed and thorough review of the Client's payroll technology system. • Collection of critical data tied to the Client's payroll management. • Review of Payroll processes and documentation employed by the Client. • Reconciliation of prior quarters within the year of service start date. • Creation/update of new payroll instructions, tools, and other documentation as needed and directed by the Client.
--------------------------	--

Phase II – Ongoing Managed Payroll Backup Services

- Full administration, processing, and submission of the Client's payroll.
- Liaison support between the Client and payroll technology vendor.
- Coordination with Client to gather all relevant payroll information.
- New employee set up and terminations.
- Change of status updates and garnishments.
- Maintenance of any direct vendor feeds / integrations.
- 401k / FSA vendor information uploads.
- Creation of custom reports.
- Updates to fields for rate changes, taxes, banking, etc.
- Manual check calculations.
- Compliance review to ensure payroll practices are in concert with any changing federal, state, or local laws.
- Review and research tied to tax notices.
- Off-cycle payroll transmissions (i.e., bonus payrolls).
- Union reporting.
- Review of quarterly tax reports, including validation of tax filings.
- W-2 review and reconciliation at year-end.

Services provided by the Consultant will be driven by the Client's precise needs and can be utilized for one off or ad hoc requests including for reporting or audit needs.

2. Client Team:

Client Project Manager	Kseniya Daly
------------------------	--------------

3. Key Assumptions:

Resource Level	Sr. Payroll & HR Technology Specialist and Payroll & HR Technology Manager
Estimated Hours	65 – 70 hours per pay period
Initial Budget*:	<ul style="list-style-type: none">• Initial One-Time only Onboarding Fee: \$10,000• \$12,425 - \$13,350 per pay period <p>*This budget is an estimate of the time and resources needed for the scope of services. Consultant will invoice for actual time incurred, <i>which may vary based on Client needs</i>.</p>

4. Fees.

Invoicing Terms	Onboarding Fee of \$10,000 to be billed upon the full execution of Amendment 4 to the Agreement. Consultant shall invoice Client in arrears weekly for time expended in the prior week.
-----------------	--

Resource Level	Rate Per Hour
Payroll & HR Technology Specialist	\$150
Sr. Payroll & HR Technology Specialist	\$185
Payroll Tax Compliance Specialist	\$180
Payroll & HR Technology Manager	\$225
Payroll Tax Compliance Manager	\$225
Project Leader - Payroll & HR Technology	\$265
Practice Leader - Payroll & HR Technology	\$365

5. Termination.

Maintain Hours; SOW Termination	Except as provided in the MSA in Section 12, either party may terminate this project upon ninety (90) days' advance written notice (the " Termination Period "). During the Termination Period, Client agrees to pay Consultant a lump sum, based on the same level of work performed by Consultant prior to receiving Client's written notice. The same level of work will be defined by the prior 12-week average from the date of notification. If Consultant did not work a full 12 weeks, Consultant will average the weeks that Consultant actually performed Services. During the Termination Period, Consultant will continue to provide Services, if desired by Client, and Client agrees to pay the cost for Services that exceed the lump sum amount.
--	---

6. Additional Terms and Conditions.

a. All invoices shall be due and owing in accordance with the terms of the Agreement.

b. Gallagher shall invoice Client, and Client shall pay, one-and-one-half (1.5) the applicable hourly bill rate for individuals whose hours (including any travel time) exceed forty (40) hours in a work week.

c. In the event Client requests or requires Gallagher's participation or support in relation to any legal complaints, actions, or matters including, but not limited to, all tribunals and those matters related to Chief Human Resources Officer (CHRO) or any Equal Employment Opportunity Commission (EEOC) matters, including, without limitation, investigations, additional fees for such participation or support shall be invoiced by Gallagher and paid by Client at Gallagher's then-prevailing hourly rates in accordance with the terms of the Agreement.

7. Suspension. If fees specified in Section 4 (Fees) for work in progress and expenses incurred by Gallagher are not paid to Gallagher within thirty (30) days of invoice receipt date, Gallagher may, in its sole discretion, suspend performance of the work or terminate this SOW for cause pursuant to the terms of the Agreement. Client's failure to pay such fees and expenses shall not relieve Client of its payment or other obligations.

8. Non-Solicitation. Client acknowledges that Gallagher goes through an extensive process in the sourcing and development of its consulting team, including vetting candidates for hire, comprehensive on-boarding and training programs, and our ongoing commitment to cultivation of their talents. Our personnel are bound by restrictions against accepting employment with our clients during their employment and for one year thereafter. The hiring away of our personnel by our clients represents a significant loss of our human capital investment, as well as a measurable financial impact to Gallagher. As such, it is never the desire of Gallagher to have any team member hired away by a client. Except as prohibited by local law or regulation, Client agrees that during the term of this Agreement and for a period of one (1) year following the date of termination, Client shall not hire any personnel of Gallagher. In the event Gallagher agrees to release personnel from their legal obligations to our firm, the cost to convert a team member to Client's employment shall be a fee of 50% of the personnel's first year's compensation. For purposes of this section "to hire" means to hire as an employee or otherwise to engage or retain as an independent contractor or consultant.

9. Excused Non-Performance: Gallagher's performance is dependent upon Client's effective performance of any Client responsibilities herein. Gallagher will be excused from performance in the event Client is unable to perform such responsibilities and such inability contributes to Gallagher's failure to perform.

The terms and conditions contained in this SOW constitute the Parties' complete understanding and agreement relating to the subject matter hereof. Notwithstanding anything to the contrary in the Agreement or elsewhere, in the event of a conflict between this SOW and the Agreement, the SOW will control. No other terms and conditions, beyond those contained herein, will be valid unless mutually agreed to by Client and Gallagher in a writing signed by authorized representatives of each Party.

Client: The City of Redmond

By: Signed by:
kelley Cochran
581CDD1AF985491...

Name: Kelley Cochran

Title: Finance Director

Date: 12/19/25

Address: 15670 NE 85th St, Redmond, WA 98052

Gallagher Benefit Services, Inc.

By: Signed by:
Todd Miller
DEEBC12C8160453...

Name: Todd

Title: Miller

Date: 12/19/2025

Address: 383 Main Avenue, 4th Floor
Norwalk, CT 06851

Exhibit B**Data & Information Security Agreement**

1. Data Safeguards and Standards. Gallagher is solely responsible for any authorized or unauthorized collection, storage, disclosure and use of, and access to Client's Data or Client's Confidential Information in its possession or in the possession of its service providers, contractors, or agents. Accordingly, if Gallagher or any of its service providers, contractors, third-parties or agents has access to Client's Data or Client's Confidential Information, Gallagher shall implement and maintain, or ensure that its service providers, contractors, third-parties or agents implement and maintain, administrative, physical and technical safeguards ("Safeguards") that prevent any collection, use or disclosure of, or access to, Client's Data and/or Client's Confidential Information that this Agreement does not expressly authorize, including, without limitation, an information security program that meets best industry practice to safeguard such Client's Data and/or Client's Confidential Information. Gallagher shall strictly maintain the confidentiality, integrity, and availability of information and supporting information systems to sustain client confidentiality, accurately process transactions and financial reporting, and comply with all legal and regulatory requirements.

(a) Information Security Program. Gallagher's information security program shall include:

- adequate physical security of all premises in which Client's Data and/or Client's Confidential Information will be processed and/or stored;
- reasonable precautions taken with respect to the employment of and access given to all personnel furnished or engaged, directly or indirectly, by Gallagher to perform any part of the services hereunder; and
- an appropriate network security program, including encryption or other secure form approved in advance by Client, of any Client's Confidential Information, or any other Client's Data that is collected, processed, transmitted, stored, accessed, processed or maintained by Gallagher or its service providers, contractors, third-parties or agents on its or their networks, systems, and premises (collectively, the "Gallagher System").

(b) Network Security Program. Gallagher's network security program shall include (without limitation) the following:

- appropriate access controls and data integrity controls, including without limitation, ensuring that: (i) authentication credentials have an expiration period that allows time for the transfer of data, but are not continuously left open; (ii) password complexity standards are implemented to protect Client's Data and/or Client's Confidential Information from malicious access; and (iii) a process is implemented to log individual access to Client's Data and/or Client's Confidential Information;
- testing and auditing of all controls; and
- appropriate corrective action and incident response plans. Gallagher must maintain an acceptable level of security certification or assessment by a qualified third party. Such certifications applicable to the Gallagher System shall be provided as described in Section (3) below to Client as reasonably requested, provided the requisite non-disclosure agreement has been executed by Client.

(c) Security Policies. Gallagher shall develop and maintain defined security policies in place for user administration, administrator accounts, physical security, network security, and electronic media handling. These policies shall be evaluated annually and modified as necessary. On an annual basis, Gallagher is audited for Sarbanes Oxley compliance, the results of which are available in Gallagher's annual 10-K report on the AJG website at <http://www.ajg.com>, under Investor Relations > SEC Filings. The internal and external network architecture for each local office is documented and approved by the Division CIO or designee quarterly. All Gallagher networks are monitored for unauthorized activity. Malicious or suspicious activity is reported according to internal Gallagher Policies and corresponding legislative requirements.

AA regulations, Gallagher shall maintain HIPAA compliance protocols throughout its organization. Gallagher shall maintain HIPAA officers on staff in each region, as well as at the corporate level. These officers and their staff shall conduct internal compliance audits and enforce adherence to applicable regulations. Gallagher shall ensure strict adherence to its policies and HIPAA requirements and shall mandate that any transmission of Personal Health Information, Personal Financial Information, or any other personal identifying information is encrypted and/or transferred via secure data site or means.

(e) Client Records Management Protocol. To ensure that Gallagher's infrastructure complies with all applicable state, federal, and industry regulations, Gallagher has implemented and shall maintain policies outlining system controls over governance, security administration, data backup, change control, problem management, and system development within the IT environment at Gallagher. Consistent policies are enforced to preserve the integrity and security of all data processed, stored, and transmitted throughout its information systems. This includes the use of encryption technology to both store and transmit information when appropriate. Gallagher will follow the principle of least privilege when granting access to company resources.

(f) Document Management System. Gallagher maintains a robust set of standards for its client management process. This process includes the accurate logging and tracking of all documents and communications through its Document Management System (DMS). The DMS ensures that schedules are followed, HIPAA standards are met, and team assignments as well as collaboration efforts are clearly stated. Gallagher commits to the same day return of client phone calls, as well as providing clients access to its consultant's cell phones to ensure urgent matters are addressed promptly.

(g) FAIR Risk Assessment. Gallagher's Global IT Policies and Standards includes requirements for conducting annual Factor Analysis of Information Risk (FAIR) by an external party. The assessment activities are based on the FAIR methodology, a quantitative model for information security and operational risk. The assessment builds upon technology and cyber risk assessments from previous years and includes the following activities: Identification of New Assets and Threats, Quantitative Risk Analysis, and Assessment Results and Report.

2. Security Breach.

(a) Notice. Upon confirmation of an identified security breach, Gallagher will promptly notify Client of:

- any actual breach of security of the Gallagher Systems;
- any actual unauthorized access to or acquisition, use, loss, destruction, alteration, compromise or disclosure of any Client's Data or Client's Confidential Information on Gallagher Systems; or
- any circumstance pursuant to which applicable law requires notification of such breach to be given to affected parties or other activity in response to such circumstance (each, a "**Security Breach**").

Notwithstanding the foregoing, to the extent not prohibited by applicable law, Client shall make the final decision on notifying Client customers, users, employees, service vendors and/or the general public of such Security Breach. If a notification to Client's customers or users is required under any applicable law, guidelines or best practice, then in addition to all other costs arising out of or in connection with such Security Breach, and without prejudice to all other rights and remedies available to Client under this Agreement, at law or in equity, Gallagher shall reimburse Client for all reasonable notification related costs and other expenses incurred by Client arising out of or in connection with any such Security Breach. For the avoidance of doubt, Gallagher shall not be required to notify Customer of any unsuccessful attempts or activities that do not compromise the security of Customer's sensitive data, including unsuccessful log-in attempts, pings, port scans, denial of service attacks, and other network attacks on firewalls or networked systems.

in the event of a Security Breach, Gallagher shall: (i) promptly provide to Client a summary description of the incident, the Client's Data and/or Client's Confidential Information accessed, the identity of affected third parties, if any, and such other information as Client may request concerning the Security Breach; (ii) assist Client in investigating, remedying and taking any other action Client deems necessary regarding any Security Breach and any dispute, inquiry or claim that concerns the Security Breach; (iii) shall take prompt actions that such Security Breach or potential Security Breach will not recur; and (iv) cooperate with Client and any law enforcement or regulatory official investigating such Security Breach.

3. Certifications & Documentation.

(a) SOC 2 Type 2. Client may request a copy of Gallagher's annual SOC2 report, or its equivalent, upon signing a requisite non-disclosure agreement. Client agrees that all information or reports shared with Client by Gallagher shall be considered Gallagher Confidential Information and shall not be disclosed by Client to any third-party (including Client's independent auditors) without Gallagher's prior written approval. Gallagher will bear all costs and expenses associated with obtaining and delivering the SOC 2 report or its equivalent.

(b) Standard Information Gathering (SIG) Lite. Upon request, Gallagher will provide Client a copy of its updated *Standard Information Gathering (SIG) Lite* document upon Client signing a non-disclosure agreement, and Gallagher is also able to provide Client with the following:

- Security Assurance Reference (SAR) Guide.docx;
- NYDFS Compliance Letter;
- AJG IT Policy TOC;
- Gallagher Global Cybersecurity Services Overview document; and
- Gallagher Cyber Risk Assessment Letter.

4. **Third-party Providers.** Client understands that Client Data may reside with a third-party data center provider subcontracted by Gallagher, and to the extent Client wishes to obtain equivalent type reports from such third-party provider, Client must make the necessary request directly from the third-party provider, as such reports would be considered third-party confidential information Gallagher is not permitted to provide to Client. In addition, core partners used within Gallagher's infrastructure include Microsoft, IBM, Cisco, and HP.

The following certifications are in place for Gallagher's third-party data center provider, CenterSquare Investment Management, LLC (formerly Cyxtera).

- SOC 1 Type 2;
- SOC 2 Type 2;
- NIST; and
- ISO 27001.

Client may access CenterSquare's certifications and reports available at www.centersquare.com.

5. **Right to Terminate.** Gallagher acknowledges that Client shall have the right to terminate this Agreement immediately, without further payment to Gallagher, and without prejudice to Client's rights and remedies under this agreement, in the event that Gallagher uses or permits the use of Client's Data or Client's Confidential Information other than as permitted in connection with the performance of the services under this Agreement, or if there is otherwise a breach in any Client's Data or Client's Confidential Information.

6. **Effect of Termination.** Gallagher will, for a minimum period of sixty (60) days following the termination of this Agreement, maintain Client's Data and Client's Confidential Information that is residing on its servers as of the date of termination. Upon the written request of Client as permitted herein, Gallagher will as soon as is reasonably practicable, return a copy of Client's Data and Client's Confidential Information in a manner

all Client production environments from Gallagher servers and verify such deletion in writing to Client. However, Gallagher may retain a copy of the Confidential Information which forms part of its work product to demonstrate compliance with this agreement and Gallagher shall not be required to erase electronically stored Confidential Information that has been saved to a back-up file in accordance with its document retention policies or applicable law. Gallagher shall continue to protect such Confidential Information in accordance with this agreement.

7. Gallagher shall not access, use, or disclose Client's Data in any manner that would constitute a violation of state or federal law, the terms of this agreement. Gallagher may only provide access to authorized users who have a legitimate business need to access, use or disclose Client Data in the performance of Gallagher's duties to Client.
8. Gallagher shall only use or access Client Data in accordance with, and only to the extent permissible, under this agreement.
9. If Gallagher requires access to a Client software system, then each authorized user must have a unique sign-on identification and password for access to Client Data on Client systems. Authorized users are prohibited from sharing their login credentials, and may only receive such credentials upon execution of the Client's Authorized User Access Agreement, as mutually agreed to by the parties. Gallagher shall notify Client within one (1) day of the departure of any authorized user, so that Client may terminate such authorized user's access to Client software systems.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/16/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERs NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher Risk Management Services, LLC 300 S Riverside Plaza Ste 1500 Chicago IL 60606	CONTACT NAME: PHONE (A/C, No, Ext): 312-704-0100 FAX (A/C, No): 312-803-7443 E-MAIL ADDRESS:
	INSURER(S) AFFORDING COVERAGE INSURER A : Arch Insurance Company NAIC # 11150 INSURER B : Arch Indemnity Insurance Company 30830 INSURER C : INSURER D : INSURER E : INSURER F :
INSURED Arthur J. Gallagher, LLC 2850 West Golf Road Rolling Meadows, IL 60008	

COVERAGES **CERTIFICATE NUMBER:** 378285256 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO- JECT <input checked="" type="checkbox"/> LOC OTHER:		Y	41GPP4938418	10/1/2025	10/1/2026	EACH OCCURRENCE	\$ 2,000,000	
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000	
							MED EXP (Any one person)	\$ 10,000	
							PERSONAL & ADV INJURY	\$ 2,000,000	
							GENERAL AGGREGATE	\$ 4,000,000	
							PRODUCTS - COMP/OP AGG	\$ 4,000,000	
								\$	
A A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY			41CAB4938318 41CAB4939018	10/1/2025 10/1/2025	10/1/2026 10/1/2026	COMBINED SINGLE LIMIT (Ea accident)	\$ 5,000,000	
							BODILY INJURY (Per person)	\$	
							BODILY INJURY (Per accident)	\$	
							PROPERTY DAMAGE (Per accident)	\$	
								\$	
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB						EACH OCCURRENCE	\$	
							AGGREGATE	\$	
								\$	
B A	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y / N <input type="checkbox"/>	N / A	44WCI0501918 41WCI4938118	10/1/2025 10/1/2025	10/1/2026 10/1/2026	<input checked="" type="checkbox"/> PER STATUTE E.L. EACH ACCIDENT	PER STATUTE E.L. EACH ACCIDENT	OTH- ER \$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000	
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Coverage extends to: Arthur J. Gallagher, LLC 10900 NE 8th Street, Suite 750, Bellevue, WA 98004

City of Redmond Washington is shown as Additional Insured solely with respect to General Liability coverage as required by written contract.

CERTIFICATE HOLDER City of Redmond Washington 15670 NE 85th St Redmond WA 98052	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	--

© 1988-2015 ACORD CORPORATION. All rights reserved.



City Contract Routing Form

City Contract #: 9763-3



Section 1 – Attach Contract Documents

(multiple files can be uploaded)

Is an insurance certificate attached?

 Yes No/Not applicable

Comments: Certificate already on file

Section 2 – Fill Out Contract Details

Date: 9/3/2025 Department: Human Resources Division: Human Resources Mail Stop: 3NHR
 Project Administrator Name: Nicole Bruce Extension: 2124
 Project Manager Name (if different than above): Extension:
 Contract Type: Consulting Services If other, please indicate:
 Contract Title: Gallagher Professional Services Amendment 3
 Contractor/Consultant Business Name: Arthur J. Gallagher & Co.
 Contract Description: Healthcare Broker

Project ID #: Project Category: Budget/Account #: 511.32006.00410.51737
 Council Approval Date: 10/5/2021 Agenda Memo #: 21/151 RFP/IFB/RFQ # 10733-21

 New Contract

Total Amount: _____

Start Date: _____ End Date: _____

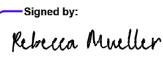
Renewal Option (Y/N): _____ If yes, how many? _____

Amendment/Renewal/Change Order #: 3 Original CC #: 9763
 New Start Date: 10/1/2025 New End Date: 9/30/2027
 Current Contract Amount (including all previous amendments/change orders): \$360,000
 Amount of this Amendment/Change Order (proposed increase/decrease): \$0
 New/Cumulative Contract Amount: \$360,000

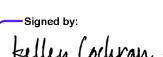
Section 3 – Route Contract for Signatures and Approvals

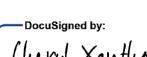
Department Director or Designee:  Date: 9/3/2025 Comments: _____

TIS Director: _____ Date: _____ Comments: _____

City Attorney:  Date: 9/4/2025 Comments: _____

Risk Manager:  Date: 9/4/2025 Comments: _____

Mayor or Designee:  Date: 9/4/2025 Comments: _____

City Clerk's Office:  Date: 9/5/2025 Comments: _____

Purchasing: no signature required – for copy only



Amendment No.	Organization and Address	
3	Arthur J. Gallagher & Co. 10900 NE 8th Street, Suite 750 Bellevue, WA 98004	
Original Agreement Number 9763	Phone:	
Project Number NA	Execution Date 10/1/2025	Completion Date 9/30/2027
Project Title Healthcare Broker	New Maximum Amount Payable \$ \$360,000 for two years	
Description of Work Executing the second and last two year renewal term.		

The Local Agency of City of Redmond

desires to amend the agreement entered into with Arthur J. Gallagher & Co.

and executed on 10/1/2021 and identified as Agreement No. 9763

All provisions in the basic agreement remain in effect except as expressly modified by this amendment.

The changes to the agreement are described as follows:

I

Exhibit A, SCOPE OF WORK, is hereby changed to read:

No Changes

II

Exhibit B, PAYMENT SCHEDULE, is amended as follows:

No Changes

III

Exhibit C, PAYMENT OPTION FOR RENEWAL, shall be amended as follows:

The City reserves the right to renew this contract for zero (0) additional renewal terms, for a period not to exceed one (1) year, upon serving notice to the Consultant within thirty (30) calendar days prior to expiration. If a renewal provision is exercised, all terms and conditions of original contract shall remain in full force and effect. A renewal may be accomplished through a separate contract with reference to the original contract. Acceptance of a renewal offer will be by mutual agreement of both parties. The Mayor or designee is authorized to exercise this renewal option. Should the City exercise a renewal option, the City and Consultant may discuss any necessary changes to services and will confirm price(s) prior to each renewal. The Consultant has agreed to guarantee the fees for the initial two-year agreement and two options for a two-year renewal term of one year for the scope of work outlined in Exhibit A. Any changes to the scope of work may result in a price increase and acceptance of such a request will be at the sole discretion of the City.

as set forth in the attached Exhibits, and by this reference made a part of this amendment.

If you concur with this amendment and agree to the changes as stated above, please sign in the appropriate spaces below and return to this office for final action.

By: Todd Miller

Todd Miller

Consultant Signature

By: Kelley Cochran (Mayor Designee)

Signed by:

Kelley Cochran (Mayor Designee)

5D9FC672714C4E4...

Approving Authority Signature

9/4/2025

Date

Exhibit A - Scope of Work

Benefit Strategy & Consulting

- Provide insurance brokerage and advisory services associated with self-insured, employee benefit plans. This includes, but is not limited to, negotiating with insurance providers, analyzing options, and making recommendations
- Contribute to the development of objectives and initiatives through strategic planning
- Advise the City regarding plan design issues, plan management, wellness, potential cost savings, and reducing health plan expenditures while retaining a competitive benefits program

Actuarial Analysis & Reporting

- Conduct annual underwriting analysis of Medical, Dental and Vision financial experience, claims experience, and future funding requirements and provide oversight of the following:
 - Data collection
 - Analysis of data and validation of trends
 - Projection of expenses for the next fiscal year
 - Recommendations regarding funding reserves
 - Determination of funding rates and COBRA rates for the following plan year
 - Calculation of prospective employee and employer contributions
 - Assist with annual report to Office of Financial Management
 - Includes actuarial review and sign-off of underwriting analysis
- Competitively market stop loss annually or other lines of coverage, as needed

Compliance & Regulatory Consulting

- Communicate information regarding changes in statutes, rules and regulations regarding our responsibility under federal and state laws, the Affordable Care Act (ACA), the management of benefits and the self-funded plan to the Mayor, an executive team, labor representatives, EBAC, employees and elected officials
- Provide legislative updates, including Technical Bulletins and Directions newsletters
- Review benefit plan documents, including summary plan descriptions, contracts, employee summaries, and policies/procedures
- Conduct periodic seminars on regulatory issues

Account Management

- Manage plan changes with vendors as necessary
- Provide leadership and management of carrier relationships
- Review, coordinate and implement Client agreed upon plan "best practices" to help limit plan liability and increase participant satisfaction
- Help identify opportunities for streamlining and improving administration procedures

Employee Education, Communications & Advocacy



- Provide custom open enrollment and new employee orientation benefit planners and/or bulletins and other communications pertaining to the health and welfare program
- Facilitate open enrollment with in-person meetings, benefits fair(s), webcasts (recorded or live)
- Build custom online self-service employee benefits portal
- Support HR, employees, and family members with employee advocacy
- Provide quarterly call log reporting of benefit advocacy center activity
- Assist with participant wellness initiatives, as directed by Client
- Provide monthly employee education flyer for distribution to employees

Employee Benefits Advisory Committee (EBAC)

- Meet with City representative and the Employee Benefits Advisory Committee (EBAC) monthly to communicate with employees and educate regarding statutory and/or legal requirements and the financial status of the program
- Collaboratively participate in agenda setting

Provide Administrative Services

- Single billing services



Exhibit B - Payment Schedule

Based on Scope of Services outlined in Exhibit A we propose a monthly fee of \$9,004.50 per month. Gallagher will guarantee the fee for the initial two-year agreement and two optional two-year renewal terms for a maximum total term of six years.

For Billing administration services, Gallagher proposes continuation of the following fee schedule and will guarantee fees for full six-year agreement.

- Single Billing Services \$6.25 PEPM fee, or \$3 PEPM while Premera is the TPA beginning 1/1/2024



Exhibit C - Option for Renewal

The City reserves the right to renew this contract for ~~one (1)~~ **zero (0)** additional two-year renewal terms, for a potential maximum total term of six (6) years, upon serving notice to Consultant within thirty (30) calendar days prior to expiration. If a renewal provision is exercised, all terms and conditions of original contract shall remain in full force and effect. A renewal will be accomplished through a separate contract with reference to the original contract. Acceptance of a renewal offer will be by mutual agreement of both parties. The Mayor or designee is authorized to exercise this renewal option.

Should the City exercise a renewal option, the City and Consultant may discuss any necessary changes to services and will confirm price/rates prior to each renewal. The Consultant has agreed to guarantee the fees for the initial two-year agreement and two optional two-year renewal terms for a maximum total term of six years for the scope of work outlined in Exhibit A. Any changes to the scope of work may result in price/rates and acceptance of such a request will be at the sole discretion of the City.



Exhibit D - Modifications

Consulting Services Agreement

Page 4, Section 6 'Ownership of Work Product' which reads "Any and all documents, drawings, reports, and other work product produced by the CONSULTANT under this agreement shall become the property of the CITY upon payment of the CONSULTANT'S fees and charges therefore. The CITY shall have the complete right to use and re-use such work product in any manner deemed appropriate by the CITY, provided, that use on any project other than that for which the work product is prepared shall be at the CITY'S risk unless such use is agreed to by the CONSULTANT" is amended read: **"Gallagher will retain sole and exclusive ownership of all right, title and interest in and to its intellectual property and derivatives thereof which no data or confidential information of City was used to create and which was developed entirely using Gallagher's own resources. To the extent Gallagher's intellectual property is necessary for City to use the services provided, Gallagher will grant to City a non-exclusive, royalty-free license to Gallagher's intellectual property solely for City's use of such services."**

Page 5, Section 9 'Insurance,' which reads "Excepting the professional liability insurance, the City will be named on all insurance as additional insured" is amended to read: **"Gallagher will name the City as primary non-contributory additional insured on its Commercial General Liability Policy (not Worker's Compensation and Employer's Liability) and it will be via Certificate of Insurance, not an endorsement."**

Page 5, Section 9 'Insurance' - Insurance amounts for both general public liability & property damage, and professional liability insurance shall be increased from \$2,000,000 each to **\$5,000,000** each.

Page 5, Section 9 'Insurance,' which reads "No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the City" is amended to read: **"Gallagher's insurers are not required to provide advance notice of cancellation/non-renewal via the terms of the policies. Therefore, Gallagher will not provide 30 days prior notice to its clients of changes in policy. Rather, any cancelled or non-renewed policy will be replaced with no coverage gap and a current Certificate of Insurance will be provided to the City."**

Redmond Business Associate Agreement

Page 2, Section 2.4(b) 'Reporting Non-Permitted Use, Disclosure, or Breach.' - The agreement will constitute notice of unsuccessful security incident.

Page 2, Section 2.4(c) 'Reporting Non-Permitted Use, Disclosure, or Breach' - The term "potential breach" in this section, which reads "Business Associate shall report to Covered Entity a Breach or potential Breach of Unsecured PHI without unreasonable delay..." shall be removed.

Page 6, Section 6.4 'Insurance' incorporates the following changes:

- Gallagher can only agree to name the City as primary non-contributory additional insured on its Commercial General Liability policy.
- Gallagher will not provide clients with copies of actual policies. It will evidence via Certificates of Insurance.



- Gallagher's insures are not required to provide advance notice of cancellation/non-renewal via the terms of the policies, so Gallagher cannot agree to provide two (2) days prior notice to its clients. Rather, any cancelled or non-renewed policy will be replaced with no coverage gap and a current Certificate of Insurance will be provided to the City.





City Contract Routing Form

City Contract #: 9763-2

(multiple files can be uploaded)

Section 1 – Attach Contract Documents

Is an insurance certificate attached?

 Yes No/Not applicable

Comments: _____

Section 2 – Fill Out Contract Details

Date: 12/14/23 Department: Human Resources Division: Human Resources Mail Stop: 3NHR
 Project Administrator Name: Nicole Bruce Extension: 2124
 Project Manager Name (if different than above): _____ Extension: _____
 Contract Type: Consulting Services If other, please indicate: _____
 Contract Title: Gallagher Professional Services Amendment 2
 Contractor/Consultant Business Name: Arthur J. Gallagher & Co.
 Contract Description: Healthcare Broker

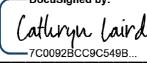
Project ID #: _____ Project Category: _____ Budget/Account #: 511.32006.00410.51737
 Council Approval Date: 10/5/21 Agenda Memo #: 21/151 RFP/IFB/RFQ #: 10733-2 Procurement Category: _____

 New Contract

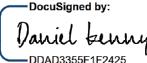
Total Amount: _____
 Start Date: _____ End Date: _____
 Renewal Option (Y/N): _____ If yes, how many? _____

Amendment/Renewal/Change Order #: 2 Original CC #: 9763
 New Start Date: 1/1/2024 New End Date: 9/30/2025
 Current Contract Amount (including all previous amendments/change orders): \$360,000
 Amount of this Amendment/Change Order (proposed increase/decrease): 0
 New/Cumulative Contract Amount: \$360,000

Section 3 – Route Contract for Signatures and Approvals

Department Director:  Date: 12/14/2023 Comments: _____

TIS Director: _____ Date: _____ Comments: _____

City Attorney:  Date: 12/15/2023 Comments: _____

Risk Manager:  Date: 12/15/2023 Comments: _____

Mayor or Designee:  Date: 12/15/2023 Comments: _____

City Clerk's Office:  Date: 12/15/2023 Comments: _____ Electronic Original - in Hummingbird

Purchasing: no signature required – for copy only



Redmond
WASHINGTON

Amendment No. <u>2</u>	Organization and Address Arthur J. Gallagher & Co. 777 108th AVE NE, Ste 200 Bellevue, WA 98004	
Original Agreement Number <u>9763</u>	Phone:	
Project Number <u>NA</u>	Execution Date <u>1/1/2024</u>	Completion Date <u>9/30/2025</u>
Project Title Healthcare Broker	New Maximum Amount Payable <u>\$ 360,000 for two years</u>	
Description of Work Removing COBRA Administration from the Scope of Work and Payment Schedule as we are moving these services to a new vendor.		

The Local Agency of City of Redmond

desires to amend the agreement entered into with Arthur J. Gallagher & Co.

and executed on 10/1/2021 and identified as Agreement No. 9763

All provisions in the basic agreement remain in effect except as expressly modified by this amendment.

The changes to the agreement are described as follows:

I
Exhibit A, SCOPE OF WORK, is hereby changed to read:

Only Change to the "Provide Administrative Services" section. All other sections have no change.

Provide Administrative Services

- Single billing services
- ~~COBRA Administration Services~~

II

Exhibit B, PAYMENT SCHEDULE, shall be amended as follows:

Based on Scope of Services outlined in Exhibit A we propose a monthly fee of \$9,004.50 per month. Gallagher will guarantee the fee for the initial two-year agreement and two optional two-year renewal terms for a maximum total term of six years.

For Billing and COBRA administration services, Gallagher proposes continuation of the following fee schedule and will guarantee fees for full six-year agreement.

- Single Billing Services \$6.25 PEPM fee, or \$3 PEPM while Premera is the TPA, beginning 1/1/2024
- ~~COBRA administration \$1.00 PEPM fee, or through Flex at \$.90 PEPM~~
- ~~COBRA renewal fee \$40 per line of COBRA eligible coverage (billed at renewal), no longer applicable 1/1/2024 through Flex.~~
- ~~COBRA general notice fee \$4 per notification~~

III

Exhibit C, OPTION FOR NEWEWAL, shall be amended as follows:

No Changes to previous option for renweal.

IV

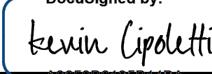
Exhibi D MODIFICATIONS, shall be amended as follows:

No changes to previous modifications.

as set forth in the attached Exhibits, and by this reference made a part of this amendment.

If you concur with this amendment and agree to the changes as stated above, please sign in the appropriate spaces below and return to this office for final action.

By: Kevin Cipoletti

DocuSigned by:

A9059E6195B14DA...

Consultant Signature

By: Kelley Cochran (Mayor Designee)

DocuSigned by:

3D9FC672714C4E4...

Approving Authority Signature
12/15/2023

Date

Exhibit A - Scope of Work

Benefit Strategy & Consulting

- Provide insurance brokerage and advisory services associated with self-insured, employee benefit plans. This includes, but is not limited to, negotiating with insurance providers, analyzing options, and making recommendations
- Contribute to the development of objectives and initiatives through strategic planning
- Advise the City regarding plan design issues, plan management, wellness, potential cost savings, and reducing health plan expenditures while retaining a competitive benefits program

Actuarial Analysis & Reporting

- Conduct annual underwriting analysis of Medical, Dental and Vision financial experience, claims experience, and future funding requirements and provide oversight of the following:
 - Data collection
 - Analysis of data and validation of trends
 - Projection of expenses for the next fiscal year
 - Recommendations regarding funding reserves
 - Determination of funding rates and COBRA rates for the following plan year
 - Calculation of prospective employee and employer contributions
 - Assist with annual report to Office of Financial Management
 - Includes actuarial review and sign-off of underwriting analysis
- Competitively market stop loss annually or other lines of coverage, as needed

Compliance & Regulatory Consulting

- Communicate information regarding changes in statutes, rules and regulations regarding our responsibility under federal and state laws, the Affordable Care Act (ACA), the management of benefits and the self-funded plan to the Mayor, an executive team, labor representatives, EBAC, employees and elected officials
- Provide legislative updates, including Technical Bulletins and Directions newsletters
- Review benefit plan documents, including summary plan descriptions, contracts, employee summaries, and policies/procedures
- Conduct periodic seminars on regulatory issues

Account Management

- Manage plan changes with vendors as necessary
- Provide leadership and management of carrier relationships
- Review, coordinate and implement Client agreed upon plan "best practices" to help limit plan liability and increase participant satisfaction
- Help identify opportunities for streamlining and improving administration procedures

Employee Education, Communications & Advocacy



- Provide custom open enrollment and new employee orientation benefit planners and/or bulletins and other communications pertaining to the health and welfare program
- Facilitate open enrollment with in-person meetings, benefits fair(s), webcasts (recorded or live)
- Build custom online self-service employee benefits portal
- Support HR, employees, and family members with employee advocacy
- Provide quarterly call log reporting of benefit advocacy center activity
- Assist with participant wellness initiatives, as directed by Client
- Provide monthly employee education flyer for distribution to employees

Employee Benefits Advisory Committee (EBAC)

- Meet with City representative and the Employee Benefits Advisory Committee (EBAC) monthly to communicate with employees and educate regarding statutory and/or legal requirements and the financial status of the program
- Collaboratively participate in agenda setting

Provide Administrative Services

- Single billing services



Exhibit B - Payment Schedule

Based on Scope of Services outlined in Exhibit A we propose a monthly fee of \$9,004.50 per month. Gallagher will guarantee the fee for the initial two-year agreement and two optional two-year renewal terms for a maximum total term of six years.

For Billing and COBRA administration services, Gallagher proposes continuation of the following fee schedule and will guarantee fees for full six-year agreement.

- Single Billing Services \$6.25 PEPM fee, or \$3 PEPM while Premera is the TPA beginning 1/1/2024



Exhibit C - Option for Renewal

The City reserves the right to renew this contract for one (1) additional two-year renewal terms, for a potential maximum total term of six (6) years, upon serving notice to Consultant within thirty (30) calendar days prior to expiration. If a renewal provision is exercised, all terms and conditions of original contract shall remain in full force and effect. A renewal will be accomplished through a separate contract with reference to the original contract. Acceptance of a renewal offer will be by mutual agreement of both parties. The Mayor or designee is authorized to exercise this renewal option.

Should the City exercise a renewal option, the City and Consultant may discuss any necessary changes to services and will confirm price/rates prior to each renewal. The Consultant has agreed to guarantee the fees for the initial two-year agreement and two optional two-year renewal terms for a maximum total term of six years for the scope of work outlined in Exhibit A. Any changes to the scope of work may result in price/rates and acceptance of such a request will be at the sole discretion of the City.



Exhibit D - Modifications

Consulting Services Agreement

Page 4, Section 6 'Ownership of Work Product' which reads "Any and all documents, drawings, reports, and other work product produced by the CONSULTANT under this agreement shall become the property of the CITY upon payment of the CONSULTANT'S fees and charges therefore. The CITY shall have the complete right to use and re-use such work product in any manner deemed appropriate by the CITY, provided, that use on any project other than that for which the work product is prepared shall be at the CITY'S risk unless such use is agreed to by the CONSULTANT" is amended read: **"Gallagher will retain sole and exclusive ownership of all right, title and interest in and to its intellectual property and derivatives thereof which no data or confidential information of City was used to create and which was developed entirely using Gallagher's own resources. To the extent Gallagher's intellectual property is necessary for City to use the services provided, Gallagher will grant to City a non-exclusive, royalty-free license to Gallagher's intellectual property solely for City's use of such services."**

Page 5, Section 9 'Insurance,' which reads "Excepting the professional liability insurance, the City will be named on all insurance as additional insured" is amended to read: **"Gallagher will name the City as primary non-contributory additional insured on its Commercial General Liability Policy (not Worker's Compensation and Employer's Liability) and it will be via Certificate of Insurance, not an endorsement."**

Page 5, Section 9 'Insurance' - Insurance amounts for both general public liability & property damage, and professional liability insurance shall be increased from \$2,000,000 each to **\$5,000,000** each.

Page 5, Section 9 'Insurance,' which reads "No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the City" is amended to read: **"Gallagher's insurers are not required to provide advance notice of cancellation/non-renewal via the terms of the policies. Therefore, Gallagher will not provide 30 days prior notice to its clients of changes in policy. Rather, any cancelled or non-renewed policy will be replaced with no coverage gap and a current Certificate of Insurance will be provided to the City."**

Redmond Business Associate Agreement

Page 2, Section 2.4(b) 'Reporting Non-Permitted Use, Disclosure, or Breach.' - The agreement will constitute notice of unsuccessful security incident.

Page 2, Section 2.4(c) 'Reporting Non-Permitted Use, Disclosure, or Breach' - The term "potential breach" in this section, which reads "Business Associate shall report to Covered Entity a Breach or potential Breach of Unsecured PHI without unreasonable delay..." shall be removed.

Page 6, Section 6.4 'Insurance' incorporates the following changes:

- Gallagher can only agree to name the City as primary non-contributory additional insured on its Commercial General Liability policy.
- Gallagher will not provide clients with copies of actual policies. It will evidence via Certificates of Insurance.



- Gallagher's insures are not required to provide advance notice of cancellation/non-renewal via the terms of the policies, so Gallagher cannot agree to provide two (2) days prior notice to its clients. Rather, any cancelled or non-renewed policy will be replaced with no coverage gap and a current Certificate of Insurance will be provided to the City.



RECEIVED

JUL 26 2023

HR City of Redmond

MDG2023 00061780 01



 City of Redmond
15670 NE 85th Street
Redmond, WA 98052



We are providing you with a Certificate of Insurance confirming our client's coverage.

Want to get certificates of insurance faster? "Go Green with Gallagher" by receiving digital copies of certificates via e-mail in the future. Or, do you no longer require a certificate of insurance for our client? Please contact us at COI.UpdateMyEmail@AJG.com and provide the following information for processing:

1. Confirmation that a certificate of insurance is no longer required; or
2. E-mail address to send future certificates of insurance in lieu of U.S. Mail delivery
3. Insured Code: CORPOFT-01
4. This Certificate Number: 522100993

To learn more about the Insurance and Risk Management Services offered by Gallagher, please visit us at www.ajg.com/us/about-us/how-we-work/core-360.

Gallagher does not share your e-mail as detailed in our privacy policy found at <https://www.ajg.com/us/privacy-policy/>.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/5/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERNS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Arthur J. Gallagher Risk Management Services, LLC
777 108th Ave NE
#200
Bellevue WA 98004

INSURED
Corporation of the Catholic Archbishop of Seattle
Catholic Community Services of Western Washington
100 23rd Ave. S
Seattle WA 98144

CORPOFT-01

CONTACT NAME: Ahlai Narcisse	FAX (A/C, No): 425-586-1028
PHONE (A/C, No, Ext):	
E-MAIL ADDRESS: Ahlai_Narcisse@aig.com	
INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Underwriters at Lloyd's London	15792
INSURER B : Old Republic Union Insurance Company	31143
INSURER C : Zurich American Insurance Company	16535
INSURER D :	
INSURER E :	
INSURER F :	

COVERAGES

CERTIFICATE NUMBER: 522100993

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Liquor Liability GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		Y	BP1023023	7/1/2023	7/1/2024	EACH OCCURRENCE	\$ 1,000,000	
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000	
							MED EXP (Any one person)	\$ Nil	
							PERSONAL & ADV INJURY	\$ 1,000,000	
							GENERAL AGGREGATE	\$ 1,000,000	
							PRODUCTS - COMP/OP AGG	\$ 1,000,000	
							\$		
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			BP1023023	7/1/2023	7/1/2024	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000	
							BODILY INJURY (Per person)	\$	
							BODILY INJURY (Per accident)	\$	
							PROPERTY DAMAGE (Per accident)	\$	
							\$		
B	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION S			8223000785428	7/1/2023	7/1/2024	EACH OCCURRENCE	\$ 5,000,000	
							AGGREGATE	\$ 5,000,000	
							\$		
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	EWS8741411-02	7/1/2023	7/1/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT	\$ 1,000,000	
							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000	
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Limits shown are inclusive of defense and insured retention. Coverage for Additional Insureds is restricted to the amount of insurance required by contract or permit. Retention under policy #BP1023023 (A XV, Non-Admitted) is \$500,000 for Liability. The applicable location maintenance deductible that applies to this Certificate is \$0 for Liability.

City of Redmond, including its officers, officials, employees, and volunteers are included as Additional Assured as required by contract, agreement, or permit.

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2015 ACORD CORPORATION. All rights reserved.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NAMED ASSURED: Corporation of Catholic Archbishop of Seattle

Policy Number: **BP1023023**

Effective Date: **July, 01 2023**

Endorsement No. 14



CERTIFICATES OF INSURANCE ENDORSEMENT

CERTIFICATES OF INSURANCE:

It is hereby understood and agreed that holders of Certificates of Insurance issued against this Policy that are shown as Additional **ASSUREDS** are added to this Policy pursuant to the terms of this Policy as described in **GENERAL POLICY DEFINITION 1**.

Where Certificates of Insurance are requested for Additional **ASSUREDS** who do not fall within **GENERAL POLICY DEFINITION 1**, prior agreement of Underwriters and subsequent endorsement of this Policy is required

GENERAL POLICY DEFINITION 1. ASSURED is stated as follows -

1. **ASSURED** means not only the **NAMED ASSURED** as stated on the Declaration Page, but also includes any past, present or future: agencies, subsidiaries, affiliates, institutions and societies owned by or operated by the **NAMED ASSURED**, officials, members of boards or commissions, trustees, directors, officers, partners, volunteers, student teachers, or employees of the **NAMED ASSURED** while acting within the scope of their duties as such, and any person, organization, trustee or estate to whom the **NAMED ASSURED** is obligated by virtue of a written contract or agreement to provide insurance such as is offered by this policy, but only in respect of operations by or on behalf of the **NAMED ASSURED**.

GENERAL POLICY CONDITION 20. WAIVER OF SUBROGATION is stated as follows -

20. **WAIVER OF SUBROGATION:** This policy shall not be invalidated if the **ASSURED**, by written agreement, has waived or shall waive its right of recovery from any party for loss or damage covered hereunder; provided that any such waiver is made prior to the occurrence of said loss or damage.

MORTGAGORS, LOSS PAYEES & LENDER LOSS PAYEES:

It is understood and agreed that **GENERAL POLICY CONDITION 12.** of this policy is deleted and replaced with the following:

12. **MORTGAGORS, CREDITORS & LOSS PAYEES:** Where required by written contract, the interest of any mortgagor, creditor or loss payee on property covered by this policy is included as if a separate endorsement were attached hereto to the extent of the amount Except as amended in this Endorsement, this insurance is subject to all coverage terms, clauses and conditions in the policy to which this Endorsement is attached.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NAMED ASSURED: Corporation of Catholic Archbishop of Seattle

Policy Number: **BP1023023**

Effective Date: **July 01, 2023**

of mortgage, loan or interest in property held by the **ASSURED** as of the date of loss subject to the limits of liability set forth in this policy.

PRIMARY NON-CONTRIBUTORY:

It is also agreed that, only where required by written contract between the **NAMED ASSURED** and the Certificate holder, this insurance shall be considered primary to any insurance held by the Certificate holder and theirs shall be excess.

MUNICIPALITY PERMITS:

Further, where required by written contract or evidenced in the insurance requirements of a permit issued by a municipality at the request of the **NAMED ASSURED**, that municipality shall be added to this policy as an Additional **ASSURED** but only as respects liabilities arising out of the subject matter of the written contract or issued permit and then only for liabilities arising from actions by or on behalf of the **NAMED ASSURED**.

Except as amended in this Endorsement, this insurance is subject to all coverage terms, clauses and conditions in the policy to which this Endorsement is attached.



City Contract Routing Form

City Contract #: 9763-1



(multiple files can be uploaded)

Section 1 – Attach Contract Documents

Is an insurance certificate attached?
 Yes
 No/Not applicable Comments: _____

Section 2 – Fill Out Contract Details

Date: 10/3/2023 Department: Human Resources Division: Human Resources Mail Stop: 3NHR
 Project Administrator Name: Nicole Bruce Extension: 2124
 Project Manager Name (if different than above): _____ Extension: _____
 Contract Type: Consulting Services If other, please indicate: _____
 Contract Title: Gallagher Processional Services Amendment 1
 Contractor/Consultant Business Name: Arthur J. Gallagher & Co.
 Contract Description: Healthcare Broker

Project ID #: _____ Project Category: _____ Budget/Account #: 511.32006.00410.5137
 Council Approval Date: 10/5/2023 Agenda Memo #: 21-151 RFP/IFB/RFQ #: 10733-2 Procurement Category: _____

New Contract
 Total Amount: _____
 Start Date: _____ End Date: _____
 Renewal Option (Y/N): _____ If yes, how many? _____

Amendment/Renewal/Change Order #: 1 Original CC #: 9763
 New Start Date: 10/1/2023 New End Date: 9/30/2025
 Current Contract Amount (including all previous amendments/change orders): \$360,000 for two years
 Amount of this Amendment/Change Order (proposed increase/decrease): 0
 New/Cumulative Contract Amount: \$360,000 for two years

Section 3 – Route Contract for Signatures and Approvals

Department Director: Cathryn Laird DocuSigned by: 7C0092BCC9C549B... Date: 10/3/2023 Comments: _____

TIS Director: _____ Date: _____ Comments: _____

City Attorney: James E. Haney DocuSigned by: 85394CE968994B5... Date: 10/13/2023 Comments: _____

Risk Manager: Kelley Cochran DocuSigned by: 581CDD1AF985491... Date: 10/18/2023 Comments: _____

Mayor or Designee: Kelley Cochran (Mayor Designee) DocuSigned by: 5D9FC672714C4E... Date: 10/18/2023 Comments: _____

City Clerk's Office: Cheryl Xanthos DocuSigned by: E725E589810E4E1... Date: 10/18/2023 Comments: _____ Electronic Original - in Hummingbird

Purchasing: no signature required – for copy only



Amendment No.	Organization and Address	
1	Arthur J. Gallagher & Co. 777 108th AVE NE, Ste 200 Bellevue, WA 98004	
Original Agreement Number 9763	Phone:	
Project Number NA	Execution Date 10/1/2023	Completion Date 9/30/2025
Project Title Healthcare Broker	New Maximum Amount Payable \$ 360,000 for two years	
Description of Work Executing the first of two two-year renewal extensions.		

The Local Agency of City of Redmond

desires to amend the agreement entered into with Arthur J. Gallagher & Co.

and executed on 10/1/2021 and identified as Agreement No. 9763

All provisions in the basic agreement remain in effect except as expressly modified by this amendment.

The changes to the agreement are described as follows:

I
Exhibit A, SCOPE OF WORK, is hereby changed to read:

No changes to previous scope.

II

Exhibit B, PAYMENT SCHEDULE, shall be amended as follows:

Based on Scope of Services outlined in Exhibit A we propose a monthly fee of \$9,004.50 per month. Gallagher will guarantee the fee for the initial two-year agreement and two optional two-year renewal terms for a maximum total term of six years.

For Billing and COBRA administration services, Gallagher proposes continuation of the following fee schedule and will guarantee fees for full six-year agreement.

- Single Billing Services \$6.25 PEPM fee, or \$3 PEPM while Premera is the TPA, beginning 1/1/2024
- COBRA administration \$1.00 PEPM fee, or through Flex at \$.90 PEPM
- COBRA renewal fee \$40 per line of COBRA eligible coverage (billed at renewal), no longer applicable 1/1/2024 through Flex.
- COBRA general notice fee \$4 per notification

III

Exhibit C, OPTION FOR NEWEWAL, shall be amended as follows:

The City reserves the right to renew this contract for **one (1)** additional two-year renewal term, for a potential maximum total term of six (6) years, upon serving notice to Consultant within thirty (30) calendar days prior to expiration. If a renewal provision is exercised, all terms and conditions of original contract shall remain in full force and effect. A renewal will be accomplished through a separate contract with reference to the original contract. Acceptance of a renewal offer will be by mutual agreement of both parties. The Mayor or designee is authorized to exercise this renewal option.

Should the City exercise a renewal option, the City and Consultant may discuss any necessary changes to services and will confirm price/rates prior to each renewal. The Consultant has agreed to guarantee the fees for the initial two-year agreement and two optional two-year renewal terms for a maximum total term of six years for the scope of work outlined in Exhibit A. Any changes to the scope of work may result in price/rates and acceptance of such a request will be at the sole discretion of the City.

IV

Exhibi D MODIFICATIONS, shall be amended as follows:

No changes to previous modifications.

as set forth in the attached Exhibits, and by this reference made a part of this amendment.

If you concur with this amendment and agree to the changes as stated above, please sign in the appropriate spaces below and return to this office for final action.

By: Kevin Cipoletti, Area President

Kevin Cipoletti

Digitaly signed by Kevin Cipoletti
Date: 2023.10.03 11:48:05 -07'00'

Consultant Signature

Kelley Cochran (Mayor Designee)

By:

DocuSigned by:

Kelley Cochran (Mayor Designee)

5D9FC672714C4E4...

Approving Authority Signature

10/18/2023

Date

Exhibit A - Scope of Work

Benefit Strategy & Consulting

- Provide insurance brokerage and advisory services associated with self-insured, employee benefit plans. This includes, but is not limited to, negotiating with insurance providers, analyzing options, and making recommendations
- Contribute to the development of objectives and initiatives through strategic planning
- Advise the City regarding plan design issues, plan management, wellness, potential cost savings, and reducing health plan expenditures while retaining a competitive benefits program

Actuarial Analysis & Reporting

- Conduct annual underwriting analysis of Medical, Dental and Vision financial experience, claims experience, and future funding requirements and provide oversight of the following:
 - Data collection
 - Analysis of data and validation of trends
 - Projection of expenses for the next fiscal year
 - Recommendations regarding funding reserves
 - Determination of funding rates and COBRA rates for the following plan year
 - Calculation of prospective employee and employer contributions
 - Assist with annual report to Office of Financial Management
 - Includes actuarial review and sign-off of underwriting analysis
- Competitively market stop loss annually or other lines of coverage, as needed

Compliance & Regulatory Consulting

- Communicate information regarding changes in statutes, rules and regulations regarding our responsibility under federal and state laws, the Affordable Care Act (ACA), the management of benefits and the self-funded plan to the Mayor, an executive team, labor representatives, EBAC, employees and elected officials
- Provide legislative updates, including Technical Bulletins and Directions newsletters
- Review benefit plan documents, including summary plan descriptions, contracts, employee summaries, and policies/procedures
- Conduct periodic seminars on regulatory issues

Account Management

- Manage plan changes with vendors as necessary
- Provide leadership and management of carrier relationships
- Review, coordinate and implement Client agreed upon plan "best practices" to help limit plan liability and increase participant satisfaction
- Help identify opportunities for streamlining and improving administration procedures

Employee Education, Communications & Advocacy



- Provide custom open enrollment and new employee orientation benefit planners and/or bulletins and other communications pertaining to the health and welfare program
- Facilitate open enrollment with in-person meetings, benefits fair(s), webcasts (recorded or live)
- Build custom online self-service employee benefits portal
- Support HR, employees, and family members with employee advocacy
- Provide quarterly call log reporting of benefit advocacy center activity
- Assist with participant wellness initiatives, as directed by Client
- Provide monthly employee education flyer for distribution to employees

Employee Benefits Advisory Committee (EBAC)

- Meet with City representative and the Employee Benefits Advisory Committee (EBAC) monthly to communicate with employees and educate regarding statutory and/or legal requirements and the financial status of the program
- Collaboratively participate in agenda setting

Provide Administrative Services

- Single billing services
- COBRA Administration



Exhibit B - Payment Schedule

Based on Scope of Services outlined in Exhibit A we propose a monthly fee of \$9,004.50 per month. Gallagher will guarantee the fee for the initial two-year agreement and two optional two-year renewal terms for a maximum total term of six years.

For Billing and COBRA administration services, Gallagher proposes continuation of the following fee schedule and will guarantee fees for full six-year agreement.

- Single Billing Services \$6.25 PEPM fee, or \$3 PEPM while Premera is the TPA beginning 1/1/2024
- COBRA administration \$1.00 PEPM fee, or through Flex at \$.90 PEPM
- COBRA renewal fee \$40 per line of COBRA eligible coverage (billed at renewal), no longer applicable 1/1/2024 through Flex.
- COBRA general notice fee \$4 per notification



Exhibit C - Option for Renewal

The City reserves the right to renew this contract for one (1) additional two-year renewal terms, for a potential maximum total term of six (6) years, upon serving notice to Consultant within thirty (30) calendar days prior to expiration. If a renewal provision is exercised, all terms and conditions of original contract shall remain in full force and effect. A renewal will be accomplished through a separate contract with reference to the original contract. Acceptance of a renewal offer will be by mutual agreement of both parties. The Mayor or designee is authorized to exercise this renewal option.

Should the City exercise a renewal option, the City and Consultant may discuss any necessary changes to services and will confirm price/rates prior to each renewal. The Consultant has agreed to guarantee the fees for the initial two-year agreement and two optional two-year renewal terms for a maximum total term of six years for the scope of work outlined in Exhibit A. Any changes to the scope of work may result in price/rates and acceptance of such a request will be at the sole discretion of the City.



Exhibit D - Modifications

Consulting Services Agreement

Page 4, Section 6 'Ownership of Work Product' which reads "Any and all documents, drawings, reports, and other work product produced by the CONSULTANT under this agreement shall become the property of the CITY upon payment of the CONSULTANT'S fees and charges therefore. The CITY shall have the complete right to use and re-use such work product in any manner deemed appropriate by the CITY, provided, that use on any project other than that for which the work product is prepared shall be at the CITY'S risk unless such use is agreed to by the CONSULTANT" is amended read: **"Gallagher will retain sole and exclusive ownership of all right, title and interest in and to its intellectual property and derivatives thereof which no data or confidential information of City was used to create and which was developed entirely using Gallagher's own resources. To the extent Gallagher's intellectual property is necessary for City to use the services provided, Gallagher will grant to City a non-exclusive, royalty-free license to Gallagher's intellectual property solely for City's use of such services."**

Page 5, Section 9 'Insurance,' which reads "Excepting the professional liability insurance, the City will be named on all insurance as additional insured" is amended to read: **"Gallagher will name the City as primary non-contributory additional insured on its Commercial General Liability Policy (not Worker's Compensation and Employer's Liability) and it will be via Certificate of Insurance, not an endorsement."**

Page 5, Section 9 'Insurance' - Insurance amounts for both general public liability & property damage, and professional liability insurance shall be increased from \$2,000,000 each to **\$5,000,000** each.

Page 5, Section 9 'Insurance,' which reads "No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the City" is amended to read: **"Gallagher's insurers are not required to provide advance notice of cancellation/non-renewal via the terms of the policies. Therefore, Gallagher will not provide 30 days prior notice to its clients of changes in policy. Rather, any cancelled or non-renewed policy will be replaced with no coverage gap and a current Certificate of Insurance will be provided to the City."**

Redmond Business Associate Agreement

Page 2, Section 2.4(b) 'Reporting Non-Permitted Use, Disclosure, or Breach.' - The agreement will constitute notice of unsuccessful security incident.

Page 2, Section 2.4(c) 'Reporting Non-Permitted Use, Disclosure, or Breach' - The term "potential breach" in this section, which reads "Business Associate shall report to Covered Entity a Breach or potential Breach of Unsecured PHI without unreasonable delay..." shall be removed.

Page 6, Section 6.4 'Insurance' incorporates the following changes:

- Gallagher can only agree to name the City as primary non-contributory additional insured on its Commercial General Liability policy.
- Gallagher will not provide clients with copies of actual policies. It will evidence via Certificates of Insurance.



- Gallagher's insures are not required to provide advance notice of cancellation/non-renewal via the terms of the policies, so Gallagher cannot agree to provide two (2) days prior notice to its clients. Rather, any cancelled or non-renewed policy will be replaced with no coverage gap and a current Certificate of Insurance will be provided to the City.





City Contract Routing Form

City Contract #: 9763

Section 1 – Attach Contract Documents

Is an insurance certificate attached?

 Yes No/Not applicable

(multiple files can be uploaded)

Comments: _____

Section 2 – Fill Out Contract Details

Date: 10/8/21 Department: Human Resources Division: Human Resources Mail Stop: 3NHR
 Project Administrator Name: Nicole Bruce Extension: 2124
 Project Manager Name (if different than above): _____ Extension: _____
 Contract Type: Consulting Services If other, please indicate: _____
 Contract Title: Gallaher Professional Services Agreement
 Contractor/Consultant Business Name: Arthur J. Gallagher & Co.
 Contract Description: Healthcare Broker

Project ID #: _____ Budget/Account #: 511.32006.00410.5137
 Council Approval Date: 10/5/2021 Council Agenda Memo #: 21-151 RFP/IFB/RFQ #: 10733-21 NIGP #: _____

 New ContractTotal Amount: \$360,000 for two yearsStart Date: 10/1/2021 End Date: 9/30/2023Renewal Option (Y/N): Y If yes, how many? Two, two year terms

Amendment/Renewal/Change Order #: _____ Original CC #: _____
 New Start Date: _____ New End Date: _____
 Current Contract Amount (including all previous amendments/change orders): _____
 Amount of this Amendment/Change Order (proposed increase/decrease): _____
 New/Cumulative Contract Amount: _____

Section 3 – Route Contract for Signatures and Approvals

DocuSigned by:
 Department Director: Cathryn Laird Date: 10/11/2021 Comments: _____

TIS Director: _____ Date: _____ Comments: _____

DocuSigned by:
 City Attorney: Jim Haney Date: 10/11/2021 Comments: _____

DocuSigned by:
 Risk Manager: Charles Corder Date: 10/11/2021 Comments: _____

DocuSigned by:
 Mayor or Designee: Charles Corder (Mayor Designee) Date: 10/11/2021 Comments: _____

DocuSigned by:
 City Clerk's Office: Cheryl Xanthos Date: 10/13/2021 Comments: _____ Electronic Original - in Hummingbird

Purchasing: no signature required – for copy only

Consulting Services Agreement

[Non-Public Work]

<p>PROJECT TITLE Benefits Broker</p>	<p>EXHIBITS <i>(List all attached exhibits - Scope of Work, Work Schedule, Payment Schedule, Renewal Options, etc.)</i> Exhibit A - Scope of Work Exhibit B - Payment Schedule Exhibit C - Option for Renewal</p>
<p>CONTRACTOR Arthur J Gallagher & Co.</p>	<p>CITY OF REDMOND PROJECT ADMINISTRATOR <i>(Name, address, phone #)</i> City of Redmond Nicole Bruce 15670 NE 85th ST PO Box 97010 Redmond, WA 98073-9710 425-556-2124</p>
<p>CONTRACTOR'S CONTACT INFORMATION <i>(Name, address, phone #)</i> Kristen Brace 777 108th Avenue NE, Suite 200 Bellevue, WA 98004 425-974-4453</p>	<p>BUDGET OR FUNDING SOURCE 511.32006.00410.51737</p>
<p>CONTRACT COMPLETION DATE 9/30/2023 with two, two year renewal options through 9/30/2027</p>	<p>MAXIMUM AMOUNT PAYABLE \$360,000 for the two year term</p>

page 2 – Consulting Services Agreement, Non-Public Work
City of Redmond, standard form

THIS AGREEMENT is entered into on October 11, 2021 between the City of Redmond, Washington, hereinafter called "the CITY", and the above person, firm or organization, hereinafter called "the CONSULTANT".

WHEREAS, the CITY desires to accomplish the above-referenced project; and

WHEREAS, the CITY does not have sufficient staff or expertise to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of a CONSULTANT to provide the necessary services for the project; and

WHEREAS, the CONSULTANT has represented to the CITY that the CONSULTANT is in compliance with the professional registration statutes of the State of Washington, if applicable, and has signified a willingness to furnish consulting services to the CITY, now, therefore,

IN CONSIDERATION OF the terms and conditions set forth below, or attached and incorporated and made a part hereof, the parties agree as follows:

1. Retention of Consultant - Scope of Work. The CITY hereby retains the CONSULTANT to provide professional services as defined in this agreement and as necessary to accomplish the scope of work attached hereto as Exhibit A and incorporated herein by this reference as if set forth in full. The CONSULTANT shall furnish all services, labor and related equipment necessary to conduct and complete the work, except as specifically noted otherwise in this agreement.

2. Completion of Work. The CONSULTANT shall not begin any work under the terms of this agreement until authorized in writing by the CITY. The CONSULTANT shall complete all work required by this agreement according to the schedule attached as Exhibit B and incorporated herein by this reference as if set forth in full. A failure to complete the work according to the attached schedule, except where such failure is due to circumstances beyond the control of the CONSULTANT, shall be deemed a breach of this agreement. The established completion time shall not be extended because of any delays attributable to the CONSULTANT, but may be extended by the CITY, in the event of a delay attributable to the CITY, or because of unavoidable delays caused by circumstances beyond the control of the CONSULTANT. All such extensions shall be in writing and shall be executed by both parties.

3. Payment. The CONSULTANT shall be paid by the CITY for satisfactorily completed work and services satisfactorily rendered under this agreement as provided in Exhibit C, attached hereto and incorporated herein by this reference as if set forth in full. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in the Scope of Work attached. The CONSULTANT shall be entitled to invoice

**page 3 – Consulting Services Agreement, Non-Public Work
City of Redmond, standard form**

the CITY no more frequently than once per month during the course of the completion of work and services by the CONSULTANT. Invoices shall detail the work performed or services rendered, the time involved (if compensation is based on an hourly rate) and the amount to be paid. The CITY shall pay all such invoices within 30 days of submittal, unless the CITY gives notice that the invoice is in dispute. In no event shall the total of all invoices paid exceed the maximum amount payable set forth above, if any, and the CONSULTANT agrees to perform all services contemplated by this agreement for no more than said maximum amount.

4. Changes in Work. The CONSULTANT shall make such changes and revisions in the complete work provided by this agreement as may be necessary to correct errors made by the CONSULTANT and appearing therein when required to do so by the CITY. The CONSULTANT shall make such corrective changes and revisions without additional compensation from the CITY. Should the CITY find it desirable for its own purposes to have previously satisfactorily completed work or parts thereof changed or revised, the CONSULTANT shall make such revisions as directed by the CITY. This work shall be considered as Extra Work and will be paid for as provided in Section 5.

5. Extra Work.

A. The CITY may, at any time, by written order, make changes within the general scope of the agreement in the services to be performed. If any such change causes an increase or decrease in the estimated cost of, or the time required for, performance of any part of the work or services under this agreement, whether or not changed by the order, or otherwise affects any other terms or conditions of the agreement, the CITY shall make an equitable adjustment in the (1) maximum amount payable; (2) delivery or completion schedule or both; and (3) other affected terms, and shall modify the agreement accordingly.

B. The CONSULTANT must submit any "proposal for adjustment" under this clause within 30 days from the date of receipt of the written order to make changes. However, if the CITY decides that the facts justify it, the CITY may receive and act upon a proposal submitted before final payment of the agreement.

C. Failure to agree to any adjustment shall be a dispute under the Disputes clause of this agreement, as provided in Section 13. Notwithstanding any such dispute, the CONSULTANT shall proceed with the agreement as changed.

D. Notwithstanding any other provision in this section, the maximum amount payable for this agreement shall not be increased or considered to be increased except by specific written amendment of this agreement.

**page 4 – Consulting Services Agreement, Non-Public Work
City of Redmond, standard form**

6. Ownership of Work Product. Any and all documents, drawings, reports, and other work product produced by the CONSULTANT under this agreement shall become the property of the CITY upon payment of the CONSULTANT'S fees and charges therefore. The CITY shall have the complete right to use and re-use such work product in any manner deemed appropriate by the CITY, provided, that use on any project other than that for which the work product is prepared shall be at the CITY'S risk unless such use is agreed to by the CONSULTANT.

7. Independent Contractor. The CONSULTANT is an independent contractor for the performance of services under this agreement. The CITY shall not be liable for, nor obligated to pay to the CONSULTANT, or any employee of the CONSULTANT, sick leave, vacation pay, overtime or any other benefit applicable to employees of the CITY, nor to pay or deduct any social security, income tax, or other tax from the payments made to the CONSULTANT which may arise as an incident of the CONSULTANT performing services for the CITY. The CITY shall not be obligated to pay industrial insurance for the services rendered by the CONSULTANT.

8. Indemnity. The CONSULTANT agrees to hold harmless, indemnify and defend the CITY, its officers, agents, and employees, from and against any and all claims, losses, or liability, for injuries, sickness or death of persons, including employees of the CONSULTANT, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of the CONSULTANT, its officers, agents, subconsultants or employees, in connection with the services required by this agreement, provided, however, that:

A. The CONSULTANT's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of the CITY, its officers, agents or employees; and

B. The CONSULTANT's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the CONSULTANT and the CITY, or of the CONSULTANT and a third party other than an officer, agent, subconsultant or employee of the CONSULTANT, shall apply only to the extent of the negligence or willful misconduct of the CONSULTANT.

9. Insurance. The CONSULTANT shall provide the following minimum insurance coverages:

A. Worker's compensation and employer's liability insurance as required by the State of Washington;

**page 5 – Consulting Services Agreement, Non-Public Work
City of Redmond, standard form**

B. General public liability and property damage insurance in an amount not less than a combined single limit of two million dollars (\$2,000,000) for bodily injury, including death, and property damage per occurrence.

C. Professional liability insurance, if commercially available in CONSULTANT's field of expertise, in the amount of two million dollars (\$2,000,000) or more against claims arising out of work provided for in this agreement.

The amounts listed above are the minimum deemed necessary by the CITY to protect the CITY'S interests in this matter. The CITY has made no recommendation to the CONSULTANT as to the insurance necessary to protect the CONSULTANT'S interests and any decision by the CONSULTANT to carry or not carry insurance amounts in excess of the above is solely that of the CONSULTANT.

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. Excepting the professional liability insurance, the CITY will be named on all insurance as an additional insured. The CONSULTANT shall submit a certificate of insurance to the CITY evidencing the coverages specified above, together with an additional insured endorsement naming the CITY, within fifteen (15) days of the execution of this agreement. The additional insured endorsement shall provide that to the extent of the CONSULTANT's negligence, the CONSULTANT's insurance shall be primary and non-contributing as to the City, and any other insurance maintained by the CITY shall be excess and not contributing insurance with respect to the CONSULTANT's insurance. The certificates of insurance shall cover the work specified in or performed under this agreement. No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the CITY.

10. Records. The CONSULTANT shall keep all records related to this agreement for a period of three years following completion of the work for which the CONSULTANT is retained. The CONSULTANT shall permit any authorized representative of the CITY, and any person authorized by the CITY for audit purposes, to inspect such records at all reasonable times during regular business hours of the CONSULTANT. Upon request, the CONSULTANT will provide the CITY with reproducible copies of any such records. The copies will be provided without cost if required to substantiate any billing of the CONSULTANT, but the CONSULTANT may charge the CITY for copies requested for any other purpose.

11. Notices. All notices required to be given by either party to the other under this Agreement shall be in writing and shall be given in person or by mail to the addresses set forth in the box for the same appearing at the outset of this Agreement. Notice by mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, addressed as provided in this paragraph.

**page 6 – Consulting Services Agreement, Non-Public Work
City of Redmond, standard form**

12. Project Administrator. The Project Administrator shall be responsible for coordinating the work of the CONSULTANT, for providing any necessary information for and direction of the CONSULTANT's work in order to ensure that it meets the requirements of this Agreement, and for reviewing, monitoring and approving the quality and quantity of such work. The CONSULTANT shall report to and take any necessary direction from the Project Administrator.

13. Disputes. Any dispute concerning questions of fact in connection with the work not disposed of by agreement between the CONSULTANT and the CITY shall be referred for resolution to a mutually acceptable mediator. The parties shall each be responsible for one-half of the mediator's fees and costs.

14. Termination. The CITY reserves the right to terminate this agreement at any time upon ten (10) days written notice to the CONSULTANT. Any such notice shall be given to the address specified above. In the event that this agreement is terminated by the City other than for fault on the part of the CONSULTANT, a final payment shall be made to the CONSULTANT for all services performed. No payment shall be made for any work completed after ten (10) days following receipt by the CONSULTANT of the notice to terminate. In the event that services of the CONSULTANT are terminated by the CITY for fault on part of the CONSULTANT, the amount to be paid shall be determined by the CITY with consideration given to the actual cost incurred by the CONSULTANT in performing the work to the date of termination, the amount of work originally required which would satisfactorily complete it to date of termination, whether that work is in a form or type which is usable to the CITY at the time of termination, the cost of the CITY of employing another firm to complete the work required, and the time which may be required to do so.

15. Non-Discrimination. The CONSULTANT agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier or materialman, because of race, creed, color, national origin, sex, religion, honorable discharged veteran or military status, familial status, sexual orientation, age, or the presence of any sensory, mental, or physical disability or the use of a trained dog or service animal by a person with a disability, except for a bona fide occupational qualification. The CONSULTANT understands that if it violates this provision, this Agreement may be terminated by the CITY and that the CONSULTANT may be barred from performing any services for the CITY now or in the future.

16. Compliance and Governing Law. The CONSULTANT shall at all times comply with all applicable federal, state, and local laws, rules, ordinances, and regulations. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

**page 7 – Consulting Services Agreement, Non-Public Work
City of Redmond, standard form**

17. Subcontracting or Assignment. The CONSULTANT may not assign or subcontract any portion of the services to be provided under this agreement without the express written consent of the CITY. Any sub-consultants approved by the CITY at the outset of this agreement are named on separate Exhibit attached hereto and incorporated herein by this reference as if set forth in full.

18. Non-Waiver. Payment for any part of the work or services by the CITY shall not constitute a waiver by the CITY of any remedies of any type it may have against the CONSULTANT for any breach of the agreement by the CONSULTANT, or for failure of the CONSULTANT to perform work required of it under the agreement by the CITY. Waiver of any right or entitlement under this agreement by the CITY shall not constitute waiver of any other right or entitlement.

19. Litigation. In the event that either party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this agreement, the parties agree that such actions shall be initiated in the Superior Court of the State of Washington, in and for King County. The parties agree that all questions shall be resolved by application of Washington law and that parties to such actions shall have the right of appeal from such decisions of the Superior Court in accordance with the law of the State of Washington. The CONSULTANT hereby consents to the personal jurisdiction of the Superior Court of the State of Washington, in and for King County. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.

20. Taxes. The CONSULTANT will be solely responsible for the payment of any and all applicable taxes related to the services provided under this agreement and if such taxes are required to be passed through to the CITY by law, the same shall be duly itemized on any billings submitted to the CITY by the CONSULTANT.

21. City Business License. The CONSULTANT has obtained, or agrees to obtain, a business license from the CITY prior to commencing to perform any services under this agreement. The CONSULTANT will maintain the business license in good standing throughout the term of this Agreement.

22. Entire Agreement. This agreement represents the entire integrated agreement between the CITY and the CONSULTANT, superseding all prior negotiations, representations or agreements, written or oral. This agreement may be modified, amended, or added to, only by written instrument properly signed by both parties hereto. These standard terms and conditions set forth above supersede any conflicting terms and conditions on any attached and incorporate exhibit. Where conflicting language exists, the CITY'S terms and conditions shall govern.

**page 8 – Consulting Services Agreement, Non-Public Work
City of Redmond, standard form**

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

CONSULTANT:

DocuSigned by:



400508105814701

By: Kevin Lipolletti
Title: Area President

CITY OF REDMOND:

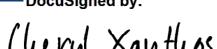
DocuSigned by:



5010DD1AF006101

Angela Birney, Mayor
DATED: 10/11/2021

ATTEST/AUTHENTICATED:



5/25E5B9816E4E1
Cheryl Xanthos
City Clerk, City of Redmond

APPROVED AS TO FORM:



53394CE906394B3
Jim Haney
Office of the City Attorney

Exhibit A - Scope of Work

Benefit Strategy & Consulting

- Provide insurance brokerage and advisory services associated with self-insured, employee benefit plans. This includes, but is not limited to, negotiating with insurance providers, analyzing options, and making recommendations
- Contribute to the development of objectives and initiatives through strategic planning
- Advise the City regarding plan design issues, plan management, wellness, potential cost savings, and reducing health plan expenditures while retaining a competitive benefits program

Actuarial Analysis & Reporting

- Conduct annual underwriting analysis of Medical, Dental and Vision financial experience, claims experience, and future funding requirements and provide oversight of the following:
 - Data collection
 - Analysis of data and validation of trends
 - Projection of expenses for the next fiscal year
 - Recommendations regarding funding reserves
 - Determination of funding rates and COBRA rates for the following plan year
 - Calculation of prospective employee and employer contributions
 - Assist with annual report to Office of Financial Management
 - Includes actuarial review and sign-off of underwriting analysis
- Competitively market stop loss annually or other lines of coverage, as needed

Compliance & Regulatory Consulting

- Communicate information regarding changes in statutes, rules and regulations regarding our responsibility under federal and state laws, the Affordable Care Act (ACA), the management of benefits and the self-funded plan to the Mayor, an executive team, labor representatives, EBAC, employees and elected officials
- Provide legislative updates, including Technical Bulletins and Directions newsletters
- Review benefit plan documents, including summary plan descriptions, contracts, employee summaries, and policies/procedures
- Conduct periodic seminars on regulatory issues

Account Management

- Manage plan changes with vendors as necessary
- Provide leadership and management of carrier relationships
- Review, coordinate and implement Client agreed upon plan "best practices" to help limit plan liability and increase participant satisfaction
- Help identify opportunities for streamlining and improving administration procedures

Employee Education, Communications & Advocacy



- Provide custom open enrollment and new employee orientation benefit planners and/or bulletins and other communications pertaining to the health and welfare program
- Facilitate open enrollment with in-person meetings, benefits fair(s), webcasts (recorded or live)
- Build custom online self-service employee benefits portal
- Support HR, employees, and family members with employee advocacy
- Provide quarterly call log reporting of benefit advocacy center activity
- Assist with participant wellness initiatives, as directed by Client
- Provide monthly employee education flyer for distribution to employees

Employee Benefits Advisory Committee (EBAC)

- Meet with City representative and the Employee Benefits Advisory Committee (EBAC) monthly to communicate with employees and educate regarding statutory and/or legal requirements and the financial status of the program
- Collaboratively participate in agenda setting

Provide Administrative Services

- Single billing services
- COBRA Administration



Exhibit B - Payment Schedule

Based on Scope of Services outlined in Exhibit A we propose a monthly fee of \$9,004.50 per month. Gallagher will guarantee the fee for the initial two-year agreement and two optional two-year renewal terms for a maximum total term of six years.

For Billing and COBRA administration services, Gallagher proposes continuation of the following fee schedule and will guarantee fees for full six-year agreement.

- Single Billing Services \$6.25 PEPM fee
- COBRA administration \$1.00 PEPM fee
- COBRA renewal fee \$40 per line of COBRA eligible coverage (billed at renewal)
- COBRA general notice fee \$4 per notification



Exhibit C - Option for Renewal

The City reserves the right to renew this contract for two (2) additional two-year renewal terms, for a potential maximum total term of six (6) years, upon serving notice to Consultant within thirty (30) calendar days prior to expiration. If a renewal provision is exercised, all terms and conditions of original contract shall remain in full force and effect. A renewal will be accomplished through a separate contract with reference to the original contract. Acceptance of a renewal offer will be by mutual agreement of both parties. The Mayor or designee is authorized to exercise this renewal option.

Should the City exercise a renewal option, the City and Consultant may discuss any necessary changes to services and will confirm price/rates prior to each renewal. The Consultant has agreed to guarantee the fees for the initial two-year agreement and two optional two-year renewal terms for a maximum total term of six years for the scope of work outlined in Exhibit A. Any changes to the scope of work may result in price/rates and acceptance of such a request will be at the sole discretion of the City.



Exhibit D - Modifications

Consulting Services Agreement

Page 4, Section 6 'Ownership of Work Product' which reads "Any and all documents, drawings, reports, and other work product produced by the CONSULTANT under this agreement shall become the property of the CITY upon payment of the CONSULTANT'S fees and charges therefore. The CITY shall have the complete right to use and re-use such work product in any manner deemed appropriate by the CITY, provided, that use on any project other than that for which the work product is prepared shall be at the CITY'S risk unless such use is agreed to by the CONSULTANT" is amended read: **"Gallagher will retain sole and exclusive ownership of all right, title and interest in and to its intellectual property and derivatives thereof which no data or confidential information of City was used to create and which was developed entirely using Gallagher's own resources. To the extent Gallagher's intellectual property is necessary for City to use the services provided, Gallagher will grant to City a non-exclusive, royalty-free license to Gallagher's intellectual property solely for City's use of such services."**

Page 5, Section 9 'Insurance,' which reads "Excepting the professional liability insurance, the City will be named on all insurance as additional insured" is amended to read: **"Gallagher will name the City as primary non-contributory additional insured on its Commercial General Liability Policy (not Worker's Compensation and Employer's Liability) and it will be via Certificate of Insurance, not an endorsement."**

Page 5, Section 9 'Insurance' - Insurance amounts for both general public liability & property damage, and professional liability insurance shall be increased from \$2,000,000 each to **\$5,000,000** each.

Page 5, Section 9 'Insurance,' which reads "No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the City" is amended to read: **"Gallagher's insurers are not required to provide advance notice of cancellation/non-renewal via the terms of the policies. Therefore, Gallagher will not provide 30 days prior notice to its clients of changes in policy. Rather, any cancelled or non-renewed policy will be replaced with no coverage gap and a current Certificate of Insurance will be provided to the City."**

Redmond Business Associate Agreement

Page 2, Section 2.4(b) 'Reporting Non-Permitted Use, Disclosure, or Breach.' - The agreement will constitute notice of unsuccessful security incident.

Page 2, Section 2.4(c) 'Reporting Non-Permitted Use, Disclosure, or Breach' - The term "potential breach" in this section, which reads "Business Associate shall report to Covered Entity a Breach or potential Breach of Unsecured PHI without unreasonable delay..." shall be removed.

Page 6, Section 6.4 'Insurance' incorporates the following changes:

- Gallagher can only agree to name the City as primary non-contributory additional insured on its Commercial General Liability policy.
- Gallagher will not provide clients with copies of actual policies. It will evidence via Certificates of Insurance.



- Gallagher's insures are not required to provide advance notice of cancellation/non-renewal via the terms of the policies, so Gallagher cannot agree to provide two (2) days prior notice to its clients. Rather, any cancelled or non-renewed policy will be replaced with no coverage gap and a current Certificate of Insurance will be provided to the City.





CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/8/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERs NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<p>PRODUCER Arthur J. Gallagher Risk Management Services, Inc. 300 S. Riverside Plaza, Suite 1500 Chicago IL 60606</p>	<p>CONTACT NAME: Direct All Inquiries to Email PHONE (A/C, No. Ext): FAX (A/C, No.): E-MAIL ADDRESS: Chi_Certificates@ajg.com</p> <p>INSURER(S) AFFORDING COVERAGE</p> <p>INSURER A : Arch Insurance Company NAIC # 11150</p> <p>INSURER B :</p> <p>INSURER C :</p> <p>INSURER D :</p> <p>INSURER E :</p> <p>INSURER F :</p>
INSURED Gallagher Benefit Services, Inc. 777 - 108th Avenue NE, Suite 200 Bellevue, WA 98004	
ARTHJGA113	

COVERAGES

CERTIFICATE NUMBER: 1330105674

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	COMMERCIAL GENERAL LIABILITY	Y	41GPP4938414	10/1/2021	10/1/2022	EACH OCCURRENCE	\$ 2,000,000	
	CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000	
						MED EXP (Any one person)	\$ 10,000	
						PERSONAL & ADV INJURY	\$ 2,000,000	
						GENERAL AGGREGATE	\$ 4,000,000	
						PRODUCTS - COMP/OP AGG	\$ 4,000,000	
	AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT (Ea accident)	\$	
	ANY AUTO					BODILY INJURY (Per person)	\$	
	OWNED AUTOS ONLY					BODILY INJURY (Per accident)	\$	
	Hired AUTOS ONLY					PROPERTY DAMAGE (Per accident)	\$	
							\$	
							\$	
	UMBRELLA LIAB		OCCUR			EACH OCCURRENCE	\$	
	EXCESS LIAB					AGGREGATE	\$	
	DED <input type="checkbox"/> RETENTION \$						\$	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	Y / N	N / A			PER STATUTE	OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)					E.L. EACH ACCIDENT		\$
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. DISEASE - EA EMPLOYEE		\$
						E.L. DISEASE - POLICY LIMIT		\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

General Liability:

General Aggregate Per Location Subject to \$10 Mil Policy aggregate.

The Certeholder is shown as an Additional Insured solely with respects to General Liability as evidenced herein as required by written contract per form 00 GL0596 00 04 10.

Additional Insured: City of Redmond Washington

CERTIFICATE HOLDER

CANCELLATION

<p>City of Redmond Washington Attn: Nicole Bruce 15670 NE 85th St Redmond WA 98052</p>	<p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</p> <p>AUTHORIZED REPRESENTATIVE</p> <p></p>
--	--

© 1988-2015 ACORD CORPORATION. All rights reserved.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM
LIQUOR LIABILITY FORM
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE FORM

SECTION II – WHO IS AN INSURED is amended to include as an additional insured the person or organization who is required under a written contract with you to be included as an insured under this policy, but only with respect to liability arising out of your operations or premises owned by or rented to you.

All other terms and conditions of this policy remain unchanged.

Endorsement Number:

Policy Number: **41GPP4938414**

Named Insured: ARTHUR J GALLAGHER & COMPANY

This endorsement is effective on the inception date of this Policy unless otherwise stated herein:

Endorsement Effective Date: **10/01/2021**

Certificate Of Completion

Envelope Id: 236689D5BFC24BC5A9413390505EA07F

Status: Completed

Subject: Please DocuSign: City of Redmond Contract

Source Envelope:

Document Pages: 17

Signatures: 9

Envelope Originator:

Certificate Pages: 3

Initials: 0

Nicole Bruce

AutoNav: Enabled

Enveloped Stamping: Enabled

Time Zone: (UTC-08:00) Pacific Time (US & Canada)

15670 Ne 85th St

Redmond, WA 98052

nbruce@redmond.gov

IP Address: 76.22.116.112

Record Tracking

Status: Original

10/8/2021 1:31:18 PM

Holder: Nicole Bruce

Location: DocuSign

nbruce@redmond.gov

Security Appliance Status: Connected

Pool: StateLocal

Storage Appliance Status: Connected

Pool: City of Redmond, WA

Location: DocuSign

Signer Events**Signature****Timestamp**

Nicole Bruce

Completed

Sent: 10/8/2021 1:34:21 PM

nbruce@redmond.gov

Viewed: 10/8/2021 1:34:46 PM

City of Redmond

Signed: 10/8/2021 1:45:28 PM

Security Level: Email, Account Authentication
(None)

Using IP Address: 76.22.116.112

Electronic Record and Signature Disclosure:
Not Offered via DocuSignSignature Adoption: Pre-selected Style
Using IP Address: 24.43.218.45

Sent: 10/8/2021 1:50:01 PM

Viewed: 10/8/2021 2:38:45 PM

Signed: 10/11/2021 2:59:35 PM

Electronic Record and Signature Disclosure:
Not Offered via DocuSignSignature Adoption: Pre-selected Style
Using IP Address: 166.137.171.28

Sent: 10/11/2021 2:59:38 PM

Viewed: 10/11/2021 4:24:42 PM

Signed: 10/11/2021 4:24:56 PM

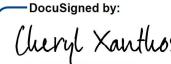
Electronic Record and Signature Disclosure:
Not Offered via DocuSignSignature Adoption: Pre-selected Style
Using IP Address: 40.112.217.118

Sent: 10/11/2021 4:25:00 PM

Viewed: 10/11/2021 4:29:08 PM

Signed: 10/11/2021 4:29:35 PM

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Signer Events	Signature	Timestamp
Charles Corder RiskContracts@redmond.gov Chief Operating Officer Security Level: Email, Account Authentication (None)	<p>DocuSigned by:  581CDD1AF985491...</p> <p>Signature Adoption: Pre-selected Style Using IP Address: 204.152.61.20</p>	Sent: 10/11/2021 4:29:39 PM Viewed: 10/11/2021 4:34:13 PM Signed: 10/11/2021 4:34:35 PM
Electronic Record and Signature Disclosure: Not Offered via DocuSign		
Charles Corder (Mayor Designee) MayorContracts@redmond.gov Finance Director city of Redmond Security Level: Email, Account Authentication (None)	<p>DocuSigned by:  5D9FC072714C4E4...</p> <p>Signature Adoption: Pre-selected Style Using IP Address: 204.152.61.20</p>	Sent: 10/11/2021 4:34:38 PM Viewed: 10/11/2021 4:35:31 PM Signed: 10/11/2021 4:36:02 PM
Electronic Record and Signature Disclosure: Not Offered via DocuSign		
Cheryl Xanthos ClerksContracts@redmond.gov Security Level: Email, Account Authentication (None)	<p>DocuSigned by:  E725E599816E4E1...</p> <p>Signature Adoption: Pre-selected Style Using IP Address: 71.81.166.86</p>	Sent: 10/11/2021 4:36:07 PM Viewed: 10/13/2021 6:42:57 PM Signed: 10/13/2021 6:51:01 PM
Electronic Record and Signature Disclosure: Not Offered via DocuSign		
In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Nicole Bruce nbruce@redmond.gov City of Redmond Security Level: Email, Account Authentication (None)		Sent: 10/8/2021 1:45:33 PM Viewed: 10/8/2021 1:45:54 PM Completed: 10/8/2021 1:50:00 PM
Using IP Address: 76.22.116.112		
Electronic Record and Signature Disclosure: Not Offered via DocuSign		
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Purchasing purchasing@redmond.gov My Title Security Level: Email, Account Authentication (None)		Sent: 10/13/2021 6:51:03 PM
Electronic Record and Signature Disclosure: Not Offered via DocuSign		
Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	10/8/2021 1:34:21 PM
Certified Delivered	Security Checked	10/13/2021 6:42:57 PM
Signing Complete	Security Checked	10/13/2021 6:51:01 PM
Completed	Security Checked	10/13/2021 6:51:03 PM
Payment Events	Status	Timestamps



City of Redmond

15670 NE 85th Street
Redmond, WA

Memorandum

Date: 1/6/2026

Meeting of: Committee of the Whole - Planning and Public Works

File No. CM 26-004

Type: Committee Memo

TO: Committee of the Whole - Planning and Public Works

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Human Resources	Cathryn Laird	425-556-2125
-----------------	---------------	--------------

DEPARTMENT STAFF:

Human Resources	Mary Grady	Senior HR Analyst
-----------------	------------	-------------------

TITLE:

2026 E, N, N-S, G-S Pay Plan Update

OVERVIEW STATEMENT:

Due to the 2026 Cost of Living Adjustments (COLA), the following salaries and Pay Plans are being updated: Non-represented Executive ("E"); Non-represented Regular ("N") and Non-represented Supplemental ("N-S"); General Supplemental ("G-S"). New classifications of Assistant Chief Operating Officer, Paralegal, Financial Analyst - Principal, and Human Resources Generalist are being requested. In addition, select titles and salaries have been removed or changed due to market adjustment. Details of the changes are listed under the "Outcomes" section.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

Receive Information

Provide Direction

Approve

REQUEST RATIONALE:

- Relevant Plans/Policies:**

N/A

- Required:**

City Council is required to authorize salary and/or classification changes to Pay Plans, in accordance with the City of Redmond Personnel Manual Section 7.10.

- Council Request:**

N/A

- Other Key Facts:**

N/A

OUTCOMES:

Approval by City Council is being sought for the following Pay Plan changes:

Non-Represented. Changes to non-represented "E," "N," "N-S," and "G-S" Pay Plans are provided a 2026 COLA increase. The increases are to ensure those salary ranges remain within market. Changes to the "E," "N," "N-S," and "G-S" Pay Plans include a 2026 COLA increase of 3.8%.

The salary grades on Pay Plan "E" have been adjusted by market and the following titles have been updated and/or moved to new salary grades: City Attorney, Parks & Recreation Director, Deputy City Attorney, Deputy Fire Director, Deputy Public Works Director, and Deputy Chief Information Officer. Additionally, changes to the "E" Pay Plan include adding a new classification titled Assistant Chief Operating Officer. The new classification restores an executive manager to the Mayor's Office that was reduced due to budget constraints prior to 2020. The new classification will fill some gaps in the Executive Office, including:

- Provide a clear line of succession for the Chief Operating Officer's position.
- Provide management oversight to city departments and Executive Office Divisions. Since 2020, the Executive Office has grown by 14 FTEs to support new City programs such as, Environmental Sustainability, Grant Management, City Attorney, and Respect, Equity, Diversity and Inclusion (REDI) programs as well as Federal Lobbyist services. With the growth, the span of control for the two senior managers (COO and Deputy Director) has become too large.
- Provide strategic oversight and direction along with the Mayor and COO.

Changes to the "N" and "N-S" Pay Plans include adding new classifications titled Paralegal, Financial Analyst-Principal, and Human Resources Generalist. The new classifications are needed to provide added services, including:

- Principal Financial Analyst will focus on the City's revenue streams and add higher-level financial analyst work to address the specialty focus.
- Human Resources (HR) Generalist is the same classification level as the HR Analyst, with the Generalist having an entry-level knowledge of HR that requires a broader focus versus the Analyst being more specialized in an HR function.
- The Paralegal classification N pay plan is a confidential legal position versus the Paralegal in RCHEA handles a broad variety of non-confidential paralegal support.

Additionally, the salary grades on Pay Plan "N" have been adjusted by market and the following titles have been moved to new salary grades: City Engineer, Information Services Manager, Security Compliance Manager, Planning Manager, Public Works Maintenance Manager, Utilities Manager, Public Safety Communications Manager, Police Support Services Manager, DEI Program Advisor, Human Resources Analyst - Senior, Real Property Manager, Police Crime Analyst (Limited Duration), and Police Program Coordinator (Limited Duration). The following titles have been eliminated from Pay Plan "N": Purchasing/Contracting Manager and Payroll Analyst.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**

N/A

- **Outreach Methods and Results:**

N/A

- **Feedback Summary:**

N/A

BUDGET IMPACT:

Total Cost:

Finance included COLAs and salary adjustments in the 2025-2026 Budget documentation that was presented to Council. This means effective January 1, 2026, salary adjustments are budgeted for and can be provided to employees in the Pay Plans listed above. New classifications are being added to the pay plans to handle specific bodies of work related to that classification, but no new FTEs are being added to the budget. Existing staff may be reclassified up or down into these new classifications and that department's budget will be required to absorb the cost if the movement is up.

Approved in current biennial budget: Yes No N/A**Budget Offer Number:**

N/A

Budget Priority:

Strategic and Responsive

Other budget impacts or additional costs: Yes No N/A*If yes, explain:*

N/A

Funding source(s):

N/A

Budget/Funding Constraints:

N/A

 Additional budget details attached**COUNCIL REVIEW:****Previous Contact(s)**

Date	Meeting	Requested Action
11/18/2025	Business Meeting	Provide Direction
12/9/2025	Committee of the Whole - Finance, Administration, and Communications	Provide Direction

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
1/6/2026	Business Meeting	Approve

Time Constraints:

Implementation of wage and salary range changes is targeted for January 1, 2026. Approval in 2025 will allow HR and Payroll staff time to complete the required communicating, processing, and implementing of the changes without the need for retroactive pay.

ANTICIPATED RESULT IF NOT APPROVED:

Delays to the January 1, 2026, COLA adjustment for the non-represented pay plans result in unfair treatment between union and non-union employees and will result in disgruntled employees and potential employment action taken against the City. Additionally, calculating retroactive pay to January 1, 2026, could result in payroll processing errors due to calculation complexities.

ATTACHMENTS:

Attachment A: Proposed Salary Ordinance for Executive Pay Plan

Exhibit 1: 2026 Executive Pay Plan "E"

Attachment B: Proposed Salary Ordinance for Non-Represented and Non-Represented Supplemental Pay Plans

Exhibit 1: 2026 Non-Represented Pay Plan "N"

Exhibit 2: 2026 Non-Represented Supplemental Pay Plan "N-S"

Attachment C: Proposed Salary Ordinance for General Supplemental Pay Plan

Exhibit 1: 2026 General Supplemental Pay Plan "G-S"

Attachment D: 2026 Pay Plan Updates - Summary of Changes

Attachment E: 2026 Executive Org Chart

NON-CODE

**CITY OF REDMOND
ORDINANCE NO. XXXX**

AN ORDINANCE OF THE CITY OF REDMOND,
WASHINGTON, AMENDING PAY PLAN "E" IN ORDER TO
SET SALARIES FOR THE EXECUTIVE EMPLOYEES FOR
THE YEAR 2026; PROVIDING FOR SEVERABILITY AND
ESTABLISHING AN EFFECTIVE DATE

WHEREAS, Resolution No. 1142 calls for an adjustment of salaries in keeping with changes in salaries in the local labor market of both private and municipal employers; and

WHEREAS, these changes should now be reflected by amending the respective pay plan for executive employees.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND,
WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Pay Plan Amended. (A) Effective January 1, 2026, Pay Plan "E" covering executive employees is hereby amended and the salary ranges increased 3.8 percent above the ranges in effect on December 31, 2025, as adopted by Ordinance No. 3200. In conjunction with the adjustment of the salary ranges, the salaries of all employees covered by Pay Plan "E" will be increased across-the-board 3.8 percent up to the maximum salary of the employee's pay band.

The amended Pay Plan is attached as Exhibit 1 and incorporated herein as if set forth in full.

(B) Effective January 1, 2026, the following classification is created and added to the Pay Plan "E": Assistant Chief Operating Officer.

C) Effective January 1, 2026, the salary grades on Pay Plan "E" have been adjusted by market and the following titles have been updated and/or moved to new salary grades: City Attorney, Parks & Recreation Director, Deputy City Attorney, Deputy Fire Director, Deputy Public Works Director, and Deputy Chief Information Officer.

Section 2. Severability. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this ordinance.

Section 3. Effective Date. This ordinance shall take effect five days after its publication, or publication of a summary thereof, in the City's official newspaper, or as otherwise provided by law.

ADOPTED by the Redmond City Council this _____ day of _____, 2025.

CITY OF REDMOND

ANGELA BIRNEY, MAYOR

ATTEST:

CHERYL XANTHOS, MMC, CITY CLERK

(SEAL)

APPROVED AS TO FORM

DANIEL P. KENNY, CITY ATTORNEY

FILED WITH THE CITY CLERK:

PASSED BY THE CITY COUNCIL:

SIGNED BY THE MAYOR:

PUBLISHED:

EFFECTIVE DATE:

ORDINANCE NO.: _____



2026 Pay Plan "E" - Executive

Ordinance No.

Effective January 1, 2026

Grade	FLSA	Classification	Monthly			Annual		
			Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum
EX35			\$22,399.35	\$24,223.81	\$26,048.26	\$268,792.18	\$290,685.67	\$312,579.17
EX35	E	Chief Operating Officer						
EX30			\$16,706.35	\$19,741.85	\$22,777.35	\$200,476.21	\$236,902.22	\$273,328.24
EX30	E	<u>Assistant Chief Operating Officer (New)</u>						
EX30	E	<u>City Attorney (Moved from EX25)</u>						
EX30	E	Fire Chief						
EX30	E	Police Chief						
EX25			\$15,235.76	\$18,282.81	\$21,329.86	\$182,829.17	\$219,393.76	\$255,958.34
EX25	E	Public Works Director						
EX25	E	<u>Parks & Recreation Director (Updated title and moved from EX20)</u>						
EX25	E	<u>City Attorney</u>						
EX20			\$15,164.12	\$17,904.79	\$20,645.47	\$181,969.45	\$214,857.54	\$247,745.63
EX20	E	Chief Information Officer						
EX20	E	Finance Director						
EX20	E	Human Resources Director						
EX20	E	<u>Parks Director</u>						
EX20	E	Planning & Community Development Director						
EX15			\$16,550.86	\$18,472.95	\$20,395.05	\$198,610.35	\$221,675.45	\$244,740.55
EX15	E	<u>Deputy City Attorney (Moved from EX05)</u>						
EX15	E	Deputy Fire Chief						
EX15	E	<u>Deputy Fire Director (Moved from EX05)</u>						
EX15	E	Deputy Police Chief						
EX10			\$14,000.98	\$16,368.52	\$18,736.07	\$168,011.72	\$196,422.30	\$224,832.88
EX10	E	<u>Deputy Public Works Director/City Engineer (Updated title and moved from EX05)</u>						
EX10	E	Deputy <u>Chief Information Officer</u> Tech & Information Services (TIS) Director <u>(Update title)</u>						
EX05			\$13,489.16	\$15,863.88	\$18,238.61	\$161,869.87	\$190,366.61	\$218,863.34
EX05	E	Deputy Executive Department Director						
EX05	E	Deputy Finance Director						
EX05	E	<u>Deputy Fire Director</u>						
EX05	E	Deputy Human Resources Director						
EX05	E	Deputy Parks Director						
EX05	E	Deputy Planning & Community Dev (PCD) Director						
EX05	E	<u>Deputy City Attorney</u>						
EX05	E	<u>Deputy Public Works Director</u>						

NON-CODE

**CITY OF REDMOND
ORDINANCE NO. XXXX**

AN ORDINANCE OF THE CITY OF REDMOND,
WASHINGTON, AMENDING PAY PLANS "N" AND "N-S,"
IN ORDER TO SET SALARIES FOR THE NON-
REPRESENTED EMPLOYEES FOR THE YEAR 2026;
PROVIDING FOR SEVERABILITY AND ESTABLISHING AN
EFFECTIVE DATE

WHEREAS, Resolution No. 1142 calls for an adjustment of salaries in keeping with changes in salaries in the local labor market of both private and municipal employers; and

WHEREAS, these changes should now be reflected by amending the pay plans for non-represented employees.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND,
WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Pay Plan "N" Amended. (A) Effective January 1, 2026, Pay Plan "N" covering Non-Represented employees is hereby amended and the salary ranges increased 3.8 percent above the ranges in effect on December 31, 2025, as adopted by Ordinance No. 3201. In conjunction with the adjustment of the salary ranges, the salaries of all employees covered by the "N" pay plan will be increased across-the-board 3.8 percent.

The amended Pay Plan is attached as Exhibit 1 and incorporated herein as if set forth in full.

(B) Effective January 1, 2026, the following classifications are created and added to the Pay Plan "N": Paralegal, Financial Analyst-Principal, and Human Resources Generalist.

C) Effective January 1, 2026, the salary grades on Pay Plan "N" have been adjusted by market and the following titles have been moved to new salary grades: City Engineer, Information Services Manager, Security Compliance Manager, Planning Manager, Public Works Maintenance Manager, Utilities Manager, Public Safety Communications Manager, Police Support Services Manager, DEI Program Advisor, Human Resources Analyst - Senior, Real Property Manager, Police Crime Analyst (Limited Duration), and Police Program Coordinator (Limited Duration).

D) Effective January 1, 2026, the following titles have been eliminated from Pay Plan "N": Purchasing/Contracting Manager and Payroll Analyst.

Section 2. Pay Plan "N-S" Amended. (A) Effective January 1, 2026, the salary ranges in Pay Plan "N-S", the Non-Represented Supplemental Pay Plan, are also adjusted to increase the salary ranges 3.8 percent, to within eighty percent (80%) and one-hundred ten percent (110%) of the salary range minimum for the comparable classifications in Pay Plan "N," above the ranges in effect on December 31, 2025, as adopted by Ordinance No. 3201. In conjunction with the adjustment of the salary ranges, the salaries of all employees covered by "N-S" pay plan will be increased

across-the-board 3.8 percent. The amended Pay Plan is attached as Exhibit 2 and incorporated herein as if set forth in full.

(B) Effective January 1, 2026, the following classifications are created and added to the Pay Plan "N-S": Paralegal, Financial Analyst-Principal, and Human Resources Generalist.

C) Effective January 1, 2026, the salary grades on Pay Plan "N-S" have been adjusted by market and the following titles have been moved to new salary grades: City Engineer, Information Services Manager, Security Compliance Manager, Planning Manager, Public Works Maintenance Manager, Utilities Manager, Public Safety Communications Manager, Police Support Services Manager, DEI Program Advisor, Human Resources Analyst - Senior, Real Property Manager, Police Crime Analyst (Limited Duration), and Police Program Coordinator (Limited Duration).

D) Effective January 1, 2026, the following titles have been eliminated from Pay Plan "N-S": Purchasing/Contracting Manager and Payroll Analyst.

Section 3. Severability. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this ordinance.

Section 4. Effective Date. This ordinance shall take effect five days after its publication, or publication of a summary thereof, in the City's official newspaper, or as otherwise provided by law.

ADOPTED by the Redmond City Council this _____ day of _____, 2025.

CITY OF REDMOND

ANGELA BIRNEY, MAYOR

ATTEST:

CHERYL XANTHOS, MMC, CITY CLERK

(SEAL)

APPROVED AS TO FORM

DANIEL P. KENNY, CITY ATTORNEY

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
SIGNED BY THE MAYOR:
PUBLISHED:
EFFECTIVE DATE:

ORDINANCE NO.: _____



2026 Pay Plan "N" - Non-Represented Employees

Ordinance

Effective January 1, 2026

By Salary Band

Grade	FLSA	Classification	Monthly			Annual		
			Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum
N60			\$14,562.10	\$16,601.77	\$18,641.44	\$174,745.22	\$199,221.26	\$223,697.30
N60	E	Police Captain						
N58			\$13,073.70	\$15,361.62	\$17,649.55	\$156,884.36	\$184,339.46	\$211,794.56
N58	E	<u>City Engineer (Moved from N55)</u>						
N58	E	<u>Information Services Manager (Moved from N55)</u>						
N58	E	<u>Security Compliance Manager (Moved from N55)</u>						
N55			\$12,530.74	\$14,722.99	\$16,915.25	\$150,368.83	\$176,675.90	\$202,982.98
N55	E	Chief Policy Advisor						
N55	E	City Engineer						
N55	E	Engineering Manager						
N55	E	Information Services Manager						
N55	E	Police Support Civilian Commander						
N55	E	Project Management Office Manager						
N55	E	Security Compliance Manager						
N55	E	Supervising Attorney						
N53			\$11,716.77	\$13,767.21	\$15,817.65	\$140,601.25	\$165,206.52	\$189,811.79
N53	E	<u>Planning Manager (Moved from N50)</u>						
N53	E	<u>Public Works Maintenance Manager (Moved from N50)</u>						
N53	E	<u>Utilities Manager (Moved from N50)</u>						
N50			\$11,135.66	\$13,085.03	\$15,034.39	\$133,627.97	\$157,020.34	\$180,412.70
N50	E	Construction Manager						
N50	E	Engineering Supervisor						
N50	E	Finance Manager						
N50	E	Parks Manager						
N50	E	Planning Manager						
N50	E	Public Works Maintenance Manager						
N50	E	Utilities Manager						
N45			\$10,555.42	\$12,403.06	\$14,250.70	\$126,665.06	\$148,836.74	\$171,008.42
N45	E	City Clerk						
N45	E	Executive Department Manager						
N45	E	Emergency Preparedness Manager						
N45	E	Human Resources Manager						
N45	E	Information Services Supervisor						
N45	E	<u>Public Safety Communications Manager (Moved from N40)</u>						
N45	E	<u>Purchasing/Contracting Manager (Eliminate classification)</u>						
N45	E	Utilities Supervisor						
N43			\$9,968.17	\$11,712.62	\$13,457.06	\$119,618.08	\$140,551.43	\$161,484.77
N43	E	<u>Police Support Services Manager (Moved from N40)</u>						
N40			\$9,619.15	\$11,302.78	\$12,986.42	\$115,429.75	\$135,633.38	\$155,837.02
N40	E	Public Safety Communications Manager						
N40	E	<u>Financial Analyst - Principal (NEW)</u>						
N40	E	Deputy Prosecuting Attorney						
N40	E	Police Support Services Manager						
N40	E	Community Health Manager						



2026 Pay Plan "N" - Non-Represented Employees

Ordinance
Effective January 1, 2026

By Salary Band

Grade	FLSA	Classification	Monthly			Annual		
			Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum
N35			\$9,242.53	\$10,859.99	\$12,477.45	\$110,910.30	\$130,319.86	\$149,729.42
N35	E	Executive Department Supervisor						
N35	E	Development Services Supervisor						
N35	E	Diversity Equity Inclusion Program Advisor						
N35	E	Financial Analyst - Senior						
N35	E	Inspection Supervisor						
N35	E	Maintenance and Operations Supervisor						
N35	E	Management Analyst - Senior						
N35	E	Program Manager						
N35	E	Real Property Manager						
N33			\$8,684.17	\$10,203.93	\$11,723.69	\$104,210.01	\$122,447.15	\$140,684.29
N33	E	<u>DEI Program Advisor (Moved down from N35)</u>						
N33	E	<u>Human Resources Analyst - Senior (Moved from N30)</u>						
N33	E	<u>Real Property Manager (Moved down from N35)</u>						
N30			\$8,534.44	\$10,027.60	\$11,520.76	\$102,413.23	\$120,331.19	\$138,249.14
N30	E	Administrative Supervisor						
N30	E	Behavioral Health Professional						
N30	E	Finance Supervisor						
N30	E	<u>Human Resources Analyst - Senior</u>						
N30	E	Grant Supervisor						
N30	E	Police Support Services Supervisor						
N30	E	Parks Supervisor						
N25			\$7,787.08	\$9,149.45	\$10,511.83	\$93,444.91	\$109,793.41	\$126,141.91
N25	NE	Human Resources Analyst						
N25	NE	<u>Human Resources Generalist (NEW)</u>						
N25	NE	Risk Program Coordinator						
N20			\$7,556.38	\$8,878.71	\$10,201.03	\$90,676.57	\$106,544.47	\$122,412.38
N20	E	Executive Analyst						
N20	E	Financial Analyst						
N18			\$7,145.68	\$8,396.21	\$9,646.74	\$85,748.14	\$100,754.51	\$115,760.87
N18	NE	<u>Police Crime Analyst (Limited Duration) (Moved from N15)</u>						
N18	NE	<u>Police Program Coordinator (Limited Duration) (Moved from N15)</u>						
N15			\$6,957.71	\$8,175.29	\$9,392.86	\$83,492.57	\$98,103.46	\$112,714.34
N15	NE	Department Administrative Coordinator						
N15	NE	<u>Paralegal (NEW)</u>						
N15	NE	<u>Police Crime Analyst (Limited Duration)</u>						
N15	NE	<u>Police Program Coordinator (Limited Duration)</u>						
N10			\$6,301.70	\$7,404.05	\$8,506.41	\$75,620.38	\$88,848.65	\$102,076.92
N10	NE	Accounting Associate - Senior						
N10	NE	Administrative Specialist						
N10	NE	<u>Payroll Analyst (Eliminate classification)</u>						
N05			\$5,896.53	\$6,928.43	\$7,960.34	\$70,758.38	\$83,141.21	\$95,524.03
N05	NE	Administrative Assistant						

2026 Pay Plan "N" - Non-Represented Employees

 Ordinance
 Effective January 1, 2026

By Classification

Grade	FLSA	Classification	Monthly			Annual		
			Minimum	Midpoint	Maximum	Minimum	Midpoint	Maximum
N10	NE	Accounting Associate - Senior	\$6,301.70	\$7,404.05	\$8,506.41	\$75,620.38	\$88,848.65	\$102,076.92
N05	NE	Administrative Assistant	\$5,896.53	\$6,928.43	\$7,960.34	\$70,758.38	\$83,141.21	\$95,524.03
N10	NE	Administrative Specialist	\$6,301.70	\$7,404.05	\$8,506.41	\$75,620.38	\$88,848.65	\$102,076.92
N30	E	Behavioral Health Professional	\$8,534.44	\$10,027.60	\$11,520.76	\$102,413.23	\$120,331.19	\$138,249.14
N30	E	Administrative Supervisor	\$8,534.44	\$10,027.60	\$11,520.76	\$102,413.23	\$120,331.19	\$138,249.14
N55	E	Chief Policy Advisor	\$12,530.74	\$14,722.99	\$16,915.25	\$150,368.83	\$176,675.90	\$202,982.98
N45	E	City Clerk	\$10,555.42	\$12,403.06	\$14,250.70	\$126,665.06	\$148,836.74	\$171,008.42
N58	E	<u>City Engineer</u>	\$13,073.70	\$15,361.62	\$17,649.55	\$156,884.36	\$184,339.46	\$211,794.56
N40	E	Community Health Manager	\$9,619.15	\$11,302.78	\$12,986.42	\$115,429.75	\$135,633.38	\$155,837.02
N50	E	Construction Manager	\$11,135.66	\$13,085.03	\$15,034.39	\$133,627.97	\$157,020.34	\$180,412.70
N15	NE	Department Administrative Coordinator	\$6,957.71	\$8,175.29	\$9,392.86	\$83,492.57	\$98,103.46	\$112,714.34
N40	E	Deputy Prosecuting Attorney	\$9,619.15	\$11,302.78	\$12,986.42	\$115,429.75	\$135,633.38	\$155,837.02
N35	E	Development Services Supervisor	\$9,101.18	\$10,694.00	\$12,286.81	\$109,214.21	\$128,327.94	\$147,441.67
N33	E	<u>Diversity Equity Inclusion Program Advisor</u>	\$8,684.17	\$10,203.93	\$11,723.69	\$104,210.01	\$122,447.15	\$140,684.29
N45	E	Emergency Preparedness Manager	\$10,555.42	\$12,403.06	\$14,250.70	\$126,665.06	\$148,836.74	\$171,008.42
N55	E	Engineering Manager	\$12,530.74	\$14,722.99	\$16,915.25	\$150,368.83	\$176,675.90	\$202,982.98
N50	E	Engineering Supervisor	\$11,135.66	\$13,085.03	\$15,034.39	\$133,627.97	\$157,020.34	\$180,412.70
N20	E	Executive Analyst	\$7,398.86	\$8,694.29	\$9,989.71	\$88,786.37	\$104,331.46	\$119,876.54
N45	E	Executive Department Manager	\$10,555.42	\$12,403.06	\$14,250.70	\$126,665.06	\$148,836.74	\$171,008.42
N35	E	Executive Department Supervisor	\$9,101.18	\$10,694.00	\$12,286.81	\$109,214.21	\$128,327.94	\$147,441.67
N50	E	Finance Manager	\$11,135.66	\$13,085.03	\$15,034.39	\$133,627.97	\$157,020.34	\$180,412.70
N30	E	Finance Supervisor	\$8,534.44	\$10,027.60	\$11,520.76	\$102,413.23	\$120,331.19	\$138,249.14
N20	E	Financial Analyst	\$7,398.86	\$8,694.29	\$9,989.71	\$88,786.37	\$104,331.46	\$119,876.54
N35	E	Financial Analyst - Senior	\$9,101.18	\$10,694.00	\$12,286.81	\$109,214.21	\$128,327.94	\$147,441.67
N40	E	<u>Financial Analyst - Principal (NEW)</u>	\$9,619.15	\$11,302.78	\$12,986.42	\$115,429.75	\$135,633.38	\$155,837.02
N30	E	Grant Supervisor	\$8,534.44	\$10,027.60	\$11,520.76	\$102,413.23	\$120,331.19	\$138,249.14
N25	NE	Human Resources Analyst	\$7,787.08	\$9,149.45	\$10,511.83	\$93,444.91	\$109,793.41	\$126,141.91
N25	NE	<u>Human Resources Generalist</u>	\$7,787.08	\$9,149.45	\$10,511.83	\$93,444.91	\$109,793.41	\$126,141.91
N33	E	<u>Human Resources Analyst - Senior</u>	\$8,684.17	\$10,203.93	\$11,723.69	\$104,210.01	\$122,447.15	\$140,684.29
N45	E	Human Resources Manager	\$10,555.42	\$12,403.06	\$14,250.70	\$126,665.06	\$148,836.74	\$171,008.42
N58	E	<u>Information Services Manager</u>	\$13,073.70	\$15,361.62	\$17,649.55	\$156,884.36	\$184,339.46	\$211,794.56
N45	E	Information Services Supervisor	\$10,555.42	\$12,403.06	\$14,250.70	\$126,665.06	\$148,836.74	\$171,008.42
N35	E	Inspection Supervisor	\$9,101.18	\$10,694.00	\$12,286.81	\$109,214.21	\$128,327.94	\$147,441.67
N35	E	Maintenance and Operations Supervisor	\$9,101.18	\$10,694.00	\$12,286.81	\$109,214.21	\$128,327.94	\$147,441.67
N35	E	Management Analyst - Senior	\$9,101.18	\$10,694.00	\$12,286.81	\$109,214.21	\$128,327.94	\$147,441.67
N15	NE	<u>Paralegal (NEW)</u>	\$6,957.71	\$8,175.29	\$9,392.86	\$83,492.57	\$98,103.46	\$112,714.34
N50	E	Parks Manager	\$11,135.66	\$13,085.03	\$15,034.39	\$133,627.97	\$157,020.34	\$180,412.70
N30	E	Parks Supervisor	\$8,534.44	\$10,027.60	\$11,520.76	\$102,413.23	\$120,331.19	\$138,249.14
N10	NE	Payroll Analyst	\$6,301.70	\$7,404.05	\$8,506.41	\$75,620.38	\$88,848.65	\$102,076.92
N53	E	<u>Planning Manager</u>	\$11,716.77	\$13,767.21	\$15,817.65	\$140,601.25	\$165,206.52	\$189,811.79
N60	E	Police Captain	\$14,562.10	\$16,601.77	\$18,641.44	\$174,745.22	\$199,221.26	\$223,697.30
N18	NE	<u>Police Crime Analyst (Limited Duration)</u>	\$7,145.68	\$8,396.21	\$9,646.74	\$85,748.14	\$100,754.51	\$115,760.87
N18	NE	<u>Police Program Coordinator (Limited Duration)</u>	\$7,145.68	\$8,396.21	\$9,646.74	\$85,748.14	\$100,754.51	\$115,760.87
N55	E	Police Support Civilian Commander	\$12,530.74	\$14,722.99	\$16,915.25	\$150,368.83	\$176,675.90	\$202,982.98
N43	E	<u>Police Support Services Manager</u>	\$9,968.17	\$11,712.62	\$13,457.06	\$119,618.08	\$140,551.43	\$161,484.77
N30	E	Police Support Services Supervisor	\$8,534.44	\$10,027.60	\$11,520.76	\$102,413.23	\$120,331.19	\$138,249.14
N35	E	Program Manager	\$9,101.18	\$10,694.00	\$12,286.81	\$109,214.21	\$128,327.94	\$147,441.67
N55	E	Project Management Office Manager	\$12,530.74	\$14,722.99	\$16,915.25	\$150,368.83	\$176,675.90	\$202,982.98
N45	E	<u>Public Safety Communications Manager</u>	\$10,555.42	\$12,403.06	\$14,250.70	\$126,665.06	\$148,836.74	\$171,008.42
N53	E	<u>Public Works Maintenance Manager</u>	\$11,716.77	\$13,767.21	\$15,817.65	\$140,601.25	\$165,206.52	\$189,811.79
N45	E	Purchasing/Contracting Manager	\$10,555.42	\$12,403.06	\$14,250.70	\$126,665.06	\$148,836.74	\$171,008.42
N33	E	<u>Real Property Manager</u>	\$8,684.17	\$10,203.93	\$11,723.69	\$104,210.01	\$122,447.15	\$140,684.29
N25	NE	Risk Program Coordinator	\$7,787.08	\$9,149.45	\$10,511.83	\$93,444.91	\$109,793.41	\$126,141.91
N58	E	<u>Security Compliance Manager</u>	\$13,073.70	\$15,361.62	\$17,649.55	\$156,884.36	\$184,339.46	\$211,794.56
N55	E	Supervising Attorney	\$12,530.74	\$14,722.99	\$16,915.25	\$150,368.83	\$176,675.90	\$202,982.98
N53	E	<u>Utilities Manager</u>	\$11,716.77	\$13,767.21	\$15,817.65	\$140,601.25	\$165,206.52	\$189,811.79
N45	E	Utilities Supervisor	\$10,555.42	\$12,403.06	\$14,250.70	\$126,665.06	\$148,836.74	\$171,008.42



2026 Pay Plan "N-S" - Non-Represented Supplemental Employees

Ordinance No.

Effective January 1, 2026

By Salary Band

Grade	FLSA	Classification	Hourly		
			Minimum	Midpoint	Maximum
SNR60			\$67.21	\$79.81	\$92.41
		NE* Police Captain			
SNR58			\$60.34	\$71.65	\$82.97
		NE* City Engineer			
		NE* Information Services Manager			
		NE* Security Compliance Manager			
SNR55			\$57.83	\$68.68	\$79.52
		NE* Chief Policy Advisor			
		NE* City Engineer			
		NE* Engineering Manager			
		NE* Information Services Manager			
		NE* Police Support Civilian Commander			
		NE* Project Management Office Manager			
		NE* Security Compliance Manager			
		NE* Supervising Attorney			
SNR53			\$54.08	\$64.22	\$74.36
		NE* Planning Manager			
		NE* Public Works Maintenance Manager			
		NE* Utilities Manager			
SNR50			\$51.40	\$61.03	\$70.67
		NE* Construction Manager			
		NE* Engineering Supervisor			
		NE* Finance Manager			
		NE* Parks Manager			
		NE* Planning Manager			
		NE* Public Works Maintenance Manager			
		NE* Utilities Manager			
SNR45			\$48.72	\$57.85	\$66.99
		NE* City Clerk			
		NE* Executive Department Manager			
		NE* Emergency Preparedness Manager			
		NE* Human Resources Manager			
		NE* Information Services Supervisor			



2026 Pay Plan "N-S" - Non-Represented Supplemental Employees

Ordinance No.

Effective January 1, 2026

NE* Public Safety Communications Manager

NE* Purchasing/Contracting Manager

NE* Utilities Supervisor

<u>SNR43</u>	\$46.01	\$54.63	\$63.26
---------------------	---------	---------	---------

NE* Police Support Services Manager

<u>SNR40</u>	\$44.40	\$52.72	\$61.04
<u>NE*</u> <u>Public Safety Communications Manager</u>			
<u>NE*</u> <u>Deputy Prosecuting Attorney</u>			
<u>NE*</u> <u>Financial Analyst - Principal (NEW)</u>			
<u>NE*</u> <u>Police Support Services Manager</u>			
<u>NE*</u> <u>Community Health Manager</u>			

<u>SNR35</u>	\$42.66	\$50.66	\$58.65
<u>NE*</u> <u>Executive Department Supervisor</u>			
<u>NE*</u> <u>Development Services Supervisor</u>			
<u>NE*</u> <u>Diversity Equity Inclusion Program Advisor</u>			
<u>NE*</u> <u>Financial Analyst - Senior</u>			
<u>NE*</u> <u>Inspection Supervisor</u>			
<u>NE*</u> <u>Maintenance and Operations Supervisor</u>			
<u>NE*</u> <u>Management Analyst - Senior</u>			
<u>NE*</u> <u>Program Manager</u>			
<u>NE*</u> <u>Real Property Manager</u>			



2026 Pay Plan "N-S" - Non-Represented Supplemental Employees

Ordinance No.

Effective January 1, 2026

By Salary Band

Grade	FLSA	Classification	Hourly		
			Minimum	Midpoint	Maximum
SNR33			\$40.08	\$47.60	\$55.11
		<u>NE* DEI Program Advisor</u>			
		<u>NE* Human Resources Analyst - Senior</u>			
		<u>NE* Real Property Manager</u>			
SNR30			\$39.39	\$46.78	\$54.16
		NE* Administrative Supervisor			
		NE* Behavioral Health Professional			
		NE* Finance Supervisor			
		<u>NE* Human Resources Analyst - Senior</u>			
		NE* Grant Supervisor			
		NE* Police Support Services Supervisor			
		NE* Parks Supervisor			
SNR25			\$35.94	\$42.68	\$49.42
		NE Human Resources Analyst			
		NE Human Resources Generalist			
		NE Risk Program Coordinator			
SNR20			\$34.88	\$41.41	\$47.95
		NE* Executive Analyst			
		NE* Financial Analyst			
SNR18			\$32.98	\$39.16	\$45.35
		<u>NE Police Crime Analyst (Limited Duration)</u>			
		<u>NE Police Program Coordinator (Limited Duration)</u>			
SNR15			\$32.11	\$38.13	\$44.15
		NE Department Administrative Coordinator			
		<u>NE Paralegal (NR)</u>			
		<u>NE Police Crime Analyst (Limited Duration)</u>			
		<u>NE Police Program Coordinator</u>			
SNR10			\$29.08	\$34.54	\$39.99
		NE Accounting Associate - Senior			
		NE Administrative Specialist			
		<u>NE Payroll Analyst</u>			



2026 Pay Plan "N-S" - Non-Represented Supplemental Employees

Ordinance No.
Effective January 1, 2026

SNR05	\$27.21	\$32.32	\$37.42
NE Administrative Assistant			



2026 Pay Plan "N-S" - Non-Represented Supplemental Employees

Ordinance No.
Effective January 1, 2026

By Classification

Grade	FLSA	Classification	Monthly		
			Minimum	Midpoint	Maximum
SNR10	NE	Accounting Associate - Senior	\$29.08	\$34.54	\$39.99
SNR05	NE	Administrative Assistant	\$26.86	\$31.90	\$36.94
SNR10	NE	Administrative Specialist	\$29.08	\$34.54	\$39.99
SNR30	NE*	Administrative Supervisor	\$39.39	\$46.78	\$54.16
SNR30	NE*	Behavioral Health Professional	\$39.39	\$46.78	\$54.16
SNR55	NE*	Chief Policy Advisor	\$57.83	\$68.68	\$79.52
SNR45	NE*	City Clerk	\$48.72	\$57.85	\$66.99
SNR58	NE*	City Engineer	\$60.34	\$71.65	\$82.97
SNR40	NE*	Community Health Manager	\$44.40	\$52.72	\$61.04
SNR50	NE*	Construction Manager	\$51.40	\$61.03	\$70.67
SNR15	NE	Department Administrative Coordinator	\$32.11	\$38.13	\$44.15
SNR40	NE*	Deputy Prosecuting Attorney	\$44.40	\$52.72	\$61.04
SNR35	NE*	Development Services Supervisor	\$42.01	\$49.88	\$57.76
SNR33	NE*	Diversity Equity Inclusion Program Advisor	\$40.08	\$47.60	\$55.11
SNR45	NE*	Emergency Preparedness Manager	\$48.72	\$57.85	\$66.99
SNR55	NE*	Engineering Manager	\$57.83	\$68.68	\$79.52
SNR50	NE*	Engineering- Supervisor	\$51.40	\$61.03	\$70.67
SNR20	NE*	Executive Analyst	\$34.15	\$40.55	\$46.95
SNR45	NE*	Executive Department Manager	\$48.72	\$57.85	\$66.99
SNR35	NE*	Executive Department Supervisor	\$42.01	\$49.88	\$57.76
SNR50	NE*	Finance Manager	\$51.40	\$61.03	\$70.67
SNR30	NE*	Finance Supervisor	\$39.39	\$46.78	\$54.16
SNR20	NE*	Financial Analyst	\$34.15	\$40.55	\$46.95
SNR35	NE*	Financial Analyst - Senior	\$42.01	\$49.88	\$57.76
SNR40	NE*	Financial Analyst - Principal (NEW)	\$44.40	\$52.72	\$61.04
SNR30	NE*	Grant Supervisor	\$39.39	\$46.78	\$54.16
SNR25	NE	Human Resources Analyst	\$35.94	\$42.68	\$49.42
SNR25	NE	Human Resources Generalist	\$35.94	\$42.68	\$49.42
SNR33	NE*	Human Resources Analyst - Senior	\$40.08	\$47.60	\$55.11
SNR45	NE*	Human Resources Manager	\$48.72	\$57.85	\$66.99
SNR58	NE*	Information Services Manager	\$60.34	\$71.65	\$82.97
SNR45	NE*	Information Services Supervisor	\$48.72	\$57.85	\$66.99
SNR35	NE*	Inspection Supervisor	\$42.01	\$49.88	\$57.76
SNR35	NE*	Maintenance and Operations Supervisor	\$42.01	\$49.88	\$57.76
SNR35	NE*	Management Analyst - Senior	\$42.01	\$49.88	\$57.76
SNR15	NE*	Paralegal (NR)	\$32.11	\$38.13	\$44.15
SNR50	NE*	Parks Manager	\$51.40	\$61.03	\$70.67
SNR30	NE*	Parks Supervisor	\$39.39	\$46.78	\$54.16
SNR10	NE	Payroll Analyst	\$29.08	\$34.54	\$39.99



2026 Pay Plan "N-S" - Non-Represented Supplemental Employees

Ordinance No.

Effective January 1, 2026

<u>SNR53</u>	<u>NE*</u> <u>Planning Manager</u>	\$54.08	\$64.22	\$74.36
SNR60	NE* Police Captain	\$67.21	\$79.81	\$92.41
<u>SNR18</u>	<u>NE</u> <u>Police Crime Analyst (Limited Duration)</u>	\$32.98	\$39.16	\$45.35
<u>SNR18</u>	<u>NE</u> <u>Police Program Coordinator</u>	\$32.98	\$39.16	\$45.35
SNR55	NE* Police Support Civilian Commander	\$57.83	\$68.68	\$79.52
<u>SNR43</u>	<u>NE*</u> <u>Police Support Services Manager</u>	\$46.01	\$54.63	\$63.26
SNR30	NE* Police Support Services Supervisor	\$39.39	\$46.78	\$54.16
SNR35	NE* Program Manager	\$42.01	\$49.88	\$57.76
SNR55	NE* Project Management Office Manager	\$57.83	\$68.68	\$79.52
<u>SNR45</u>	<u>NE*</u> <u>Public Safety Communications Manager</u>	\$48.72	\$57.85	\$66.99
<u>SNR53</u>	<u>NE*</u> <u>Public Works Maintenance Manager</u>	\$54.08	\$64.22	\$74.36
<u>SNR45</u>	<u>NE*</u> <u>Purchasing/Contracting Manager</u>	\$48.72	\$57.85	\$66.99
<u>SNR33</u>	<u>NE*</u> <u>Real Property Manager</u>	\$40.08	\$47.60	\$55.11
SNR25	NE Risk Program Coordinator	\$35.94	\$42.68	\$49.42
<u>SNR58</u>	<u>NE*</u> <u>Security Compliance Manager</u>	\$60.34	\$71.65	\$82.97
SNR55	NE* Supervising Attorney	\$57.83	\$68.68	\$79.52
<u>SNR53</u>	<u>NE*</u> <u>Utilities Manager</u>	\$54.08	\$64.22	\$74.36
SNR45	NE* Utilities Supervisor	\$48.72	\$57.85	\$66.99

NON-CODE

**CITY OF REDMOND
ORDINANCE NO. XXXX**

AN ORDINANCE OF THE CITY OF REDMOND,
WASHINGTON, AMENDING PAY PLAN "G-S" IN ORDER
TO SET SALARIES FOR THE GENERAL SUPPLEMENTAL
EMPLOYEES FOR THE YEAR 2026; PROVIDING FOR
SEVERABILITY AND ESTABLISHING AN EFFECTIVE
DATE

WHEREAS, Resolution No. 1142 calls for an adjustment of salaries in keeping with changes in salaries in the local labor market of both private and municipal employers; and

WHEREAS, these changes should now be reflected by amending the pay plans for general supplemental employees.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND,
WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Pay Plan "G-S" Amended. Effective January 1, 2026, Pay Plan "G-S" covering general supplemental employees is hereby amended and the salary ranges adjusted 3.8 percent above the ranges in effect on December 31, 2025, as adopted by Ordinance No. 3202. In conjunction with the adjustment of the salary ranges, the salaries of all employees covered by the "G-S" pay plans will be increased across-the-board 3.8 percent. The amended Pay Plan is attached as Exhibit 1 and incorporated herein as if set forth in full.

Section 2. Severability. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this ordinance.

Section 3. Effective Date. This ordinance shall take effect five days after its publication, or publication of a summary thereof, in the City's official newspaper, or as otherwise provided by law.

ADOPTED by the Redmond City Council this _____ day of
_____, 2025.

CITY OF REDMOND

ANGELA BIRNEY, MAYOR

ATTEST:

CHERYL XANTHOS, MMC, CITY CLERK (SEAL)

APPROVED AS TO FORM

DANIEL P. KENNY, CITY ATTORNEY

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
SIGNED BY THE MAYOR:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.: _____



2026 Pay Plan "G-S" - General Supplemental

Ordinance No.

Effective January 1, 2026

Hourly

Grade FLSA	Position Title	Minimum	Midpoint	Maximum
S23 NE	Farm Animal Caretaker	\$18.76	\$21.44	\$24.12
S24 NE	Recreation Aide	\$18.76	\$21.44	\$24.12
S25 NE	Nutrition Assistant	\$18.76	\$22.11	\$25.46
S26 NE	Beachfront Lifeguard	\$20.10	\$24.12	\$28.14
S27 NE	Recreation Instructor	\$20.10	\$33.50	\$46.90
S28 NE	Fitness Instructor	\$20.10	\$33.50	\$46.90
S29 NE	Recreation Leader	\$20.10	\$24.12	\$28.14
S30 NE	Guest Services Representative	\$20.10	\$24.12	\$28.14
S31 NE	Equestrian Instructor	\$21.43	\$26.80	\$32.16
S32 NE	Audio Visual Media Specialist	\$21.43	\$26.80	\$32.16
S33 NE	Beachfront Assistant Manager	\$22.77	\$26.80	\$30.82
S34 NE	Beachfront Manager	\$24.12	\$28.14	\$32.16
S35 NE	Recreation Specialist	\$24.12	\$34.84	\$45.56
S37 NE	Intern, High School	\$18.04	\$21.08	\$24.12
S38 NE	Intern, College	\$20.10	\$25.12	\$30.15
S39 NE	Intern, Graduate Program	\$25.14	\$32.67	\$40.20

2026 PAY PLAN UPDATES – *COUNCIL APPROVAL REQUIRED*
Effective 1-1-26

Consumer Price Index – Workers (CPI-W) 2025 First Half = 2.3% (“*The CPI measures inflation as experienced by consumers in their day-to-day living expenses*” U.S. Bureau of Labor Statistics)

November 18 – HR Director report to council on the 2026 pay plan updates

December 2 – Seeking Council Consent to approve all the 2026 pay plan updates with the exception of the “N,” “N-S,” “G-S,” and “E” pay plans

December 9 – HR Director report to Council on the 2026 pay plans

January 6 – Seek Council Consent on the “N,” “N-S,” “G-S,” and “E” pay plans

EO = Elected Officials (Council Members and Mayor)

2026 COLA	Based on...	Comments	HR Director Recommendation
2.3%	CPI-W 2025 First half	<p><u>Council</u>: Salary Commission authorized Council to receive COLA based on CPI-W First Half 2025 (Ordinance 3166).</p> <p><u>Mayor</u>: The City Council authorized the Mayor’s salary to receive COLA based on CPI-W First Half 2025 (Ordinance 3173)</p>	Approve both COLA adjustments to the EO Pay Plan.

E = Executive Employees (Directors and Deputy Directors)

2026 COLA	Based on...	Comments	HR Director Recommendation
3.8%	N (Non-Reps) pay plan COLA	<p>COLA Explanation. The COLA for non-represented employees has traditionally followed RCHEA COLA with the understanding the non-represented employees primarily manage RCHEA employees. This extends out to deputy directors and directors who manage those classifications and by following the same COLA retain appropriate pay differential between the different levels of classifications.</p> <p><u>Please Note</u>: HR is seeking your approval to update the Personnel Manual to have non-represented pay plans follow the CPI-W First Half, with the intent to conduct an annual market analysis and adjust pay ranges that are under market. The annual market</p>	Approve the COLA adjustment to the E Pay Plan. Approve the movement of the classifications within the pay bands. Approve the new classification and other title changes

	<p>analysis will ensure appropriate differential between management and union staff exists.</p> <p>2025 Market Analysis. An external consultant, CabotDow Associates, was retained to review the pay ranges for each classification within E pay plan. 12 cities were surveyed within Washington, Oregon, California, and Arizona. All 12 cities had similar population, total annual budget, and number of FTEs as Redmond. Regional Price Parity was assigned to each jurisdiction which adjusts for cost-of-living differences in different geographical areas. Each classification was then assessed based upon the 60th percentile of the market data and ranges were adjusted accordingly. In the 2026 "E" pay plan, the movement of the classifications based on the market adjustments are identified in redline.</p> <p>Assistant Chief Operating Officer. This is a new classification that is being added to the pay plan. Over the past several years, new divisions have been added to the Executive Department, including Environment Sustainability, REDI, Grant Management, and City Attorney along with Federal Lobbyist duties. The Department has grown by 14 FTEs since 2020 to accommodate the new programs. With oversight of all Departments and the growth outlined above, the span of control for the two senior executives (COO and Deputy Director) is unwieldy. Before 2020, the Executive Office had two Chief Executives which was reduced due to budget constraints. Creating the Assistant Chief Operating Officer will restore an executive position in the Mayor's Office, reduce the span of control, allow for succession planning for the COO position and will, along with the Mayor and COO, provide strategic oversight and direction within the Executive Department.</p>	<p>as indicated within the pay bands.</p>
--	---	---

N = Non-Represented Employees (Managers, Supervisors, and confidential classifications)

N-S = Non-Represented Supplemental Employees

2026 COLA	Based on...	Comments	HR Director Recommendation
3.8%	RCHEA negotiated flat rate COLA	<p>COLA Explanation. As explained above within the E Pay Plan comments, the COLA for non-represented employees has traditionally followed RCHEA COLA with the understanding the non-represented employees primarily manage RCHEA employees. Again, HR is seeking your approval to update the Personnel Manual to have non-represented pay plans follow the CPI-W First Half, with the intent to conduct an annual market analysis and adjust pay ranges that are under market. The annual market analysis will ensure appropriate differential between management and union staff.</p> <p>2025 Market Analysis. HR compensation staff conducted an external market analysis of all N pay plan classifications. The previous market analysis was conducted in 2022. Each classification was assessed based upon the 60th percentile of the market data and where similar classifications were placed internally, and then the pay ranges were adjusted up and down accordingly. In the 2026 "N" pay plan, the movement of the classifications based on these adjustments are identified in redline.</p> <p>New Pay Bands Established. Based on the market data, several new pay bands were created. This is an appropriate and expected outcome to ensure classifications are appropriately placed in a pay band instead of being placed in too high or too low of a pay band.</p> <p>New Classifications. Principal Financial Analyst, Human Resources (HR) Generalist, and Paralegal classifications are being added to the pay plans. The Principal Financial Analyst provides for higher-level financial analyst work to address a specialty focus. The HR Generalist is the same classification level as the HR Analyst, with the Generalist having an entry-level knowledge of HR that requires a broader focus versus the Analyst being more specialized in an HR function. The Paralegal in the</p>	<p>Approve the COLA adjustment to the N and N-S Pay Plans.</p> <p>Approve the movement of the classifications within the pay bands.</p> <p>Approve the new and deleted classifications within the pay bands.</p> <p><u>Note:</u> The N-S pay plan follows the changes of the N pay plan.</p>

		<p>N pay plan is a confidential legal position versus the Paralegal in RCHEA handles a broad variety of non-confidential paralegal support.</p> <p>Classifications Eliminated. The Purchasing/ Contracting Manager and Payroll Analyst are being removed from the pay plans. Both classifications are no longer necessary and should be eliminated.</p>	
--	--	--	--

G-S = General Supplemental Employees (Council Members and Mayor)

2026 COLA	Based on...	Comments	HR Director Recommendation
3.8%	Non-Reps COLA	Only COLA increase to each classification. No other changes.	Approve COLA adjustment to the G-S Pay Plan.

A = AFSCME (Maintenance Operations Center (MOC) Public Works and Parks Operations Employees)

AF-S = AFSCME Supplemental Employees

2026 COLA	Based on...	Comments	HR Director Recommendation
2.3%	CPI-W 2025 First half	In accordance with AFSCME's CBA, the negotiated COLA for 2026 is to be based upon CPI-W 2025 first half, which is 2.3%. There are no other changes to either pay plan.	Approve the COLA adjustment to the A and AF-S Pay Plans.

P = Police Uniformed (Police Officer, Corporal, Sergeant)

2026 COLA	Based on...	Comments	HR Director Recommendation
2.3%	CPI-W 2025 First half	In accordance with Police Uniformed CBA, the negotiated COLA for 2026 is to be based upon CPI-W 2025 first half, which is 2.3%. There are no other changes to the pay plan.	Approve the COLA adjustment to the P Pay Plan.

EXECUTIVE DEPARTMENT

AS OF 1/1/2026

