

Grossmont Healthcare District

March 3, 2026



Grossmont Healthcare District (GHD)

REQUEST FOR PROPOSALS
Compensation and Classification Study

Inquiries and proposals should be submitted via email to:

Tom Scaglione, Chief Administrative Officer
tscaglione@grossmonthealthcare.org

Address: 9001 Wakarusa Street, La Mesa, CA 91942

Phone: 619-825-5050/www.grossmonthealthcare.org

Respondents to this Request-For-Proposals must submit completed proposals in electronic format by email and with the subject "Bid for Comp and Class Study" and the name of the bidder.

Proposals must be received by **4:00 pm on March 27, 2026.**

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**REQUEST FOR PROPOSALS FOR
COMPENSATION AND CLASSIFICATION STUDY**

I. INTRODUCTION

The Grossmont Healthcare District (GHD, the “District”) requests proposals from interested, highly qualified, and experienced consulting firms to design and conduct a comprehensive classification and compensation study and analysis for the District’s full-time, regular employees.

This Request for Proposals (RFP) describes the project, the required scope of services, the consultant selection process, and the minimum information that must be included in the proposal. Failure to submit information in accordance with the RFP requirements and procedures may be cause for disqualification. The District reserves the right to waive minor proposal deviations or omissions at its sole discretion.

II. GENERAL INFORMATION

There is no express or implied obligation for the District to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Materials submitted by respondents are subject to public inspection under the California Public Records Act (Government Code Sec. 6250 et seq.), unless exempt.

The District reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether the proposer is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected. Interested parties may obtain information about the District on the District’s website: <https://www.grossmonthhealthcare.org/>.

III. DISTRICT BACKGROUND

The Grossmont Healthcare District (GHD or the District) is a local healthcare district, formed in 1952, and organized pursuant to Division 23 of the Health and Safety Code of the State of California to provide and operate health care facilities for a specified geographic region of San Diego County. The District’s boundaries encompass an area of 750 square miles in eastern San Diego County. Included within the District boundaries are the cities of La Mesa, Lemon Grove, Santee, and El Cajon, the San Carlos/Del Cerro communities of the City of San Diego, and certain unincorporated areas within San Diego County. The District owns Grossmont Hospital.

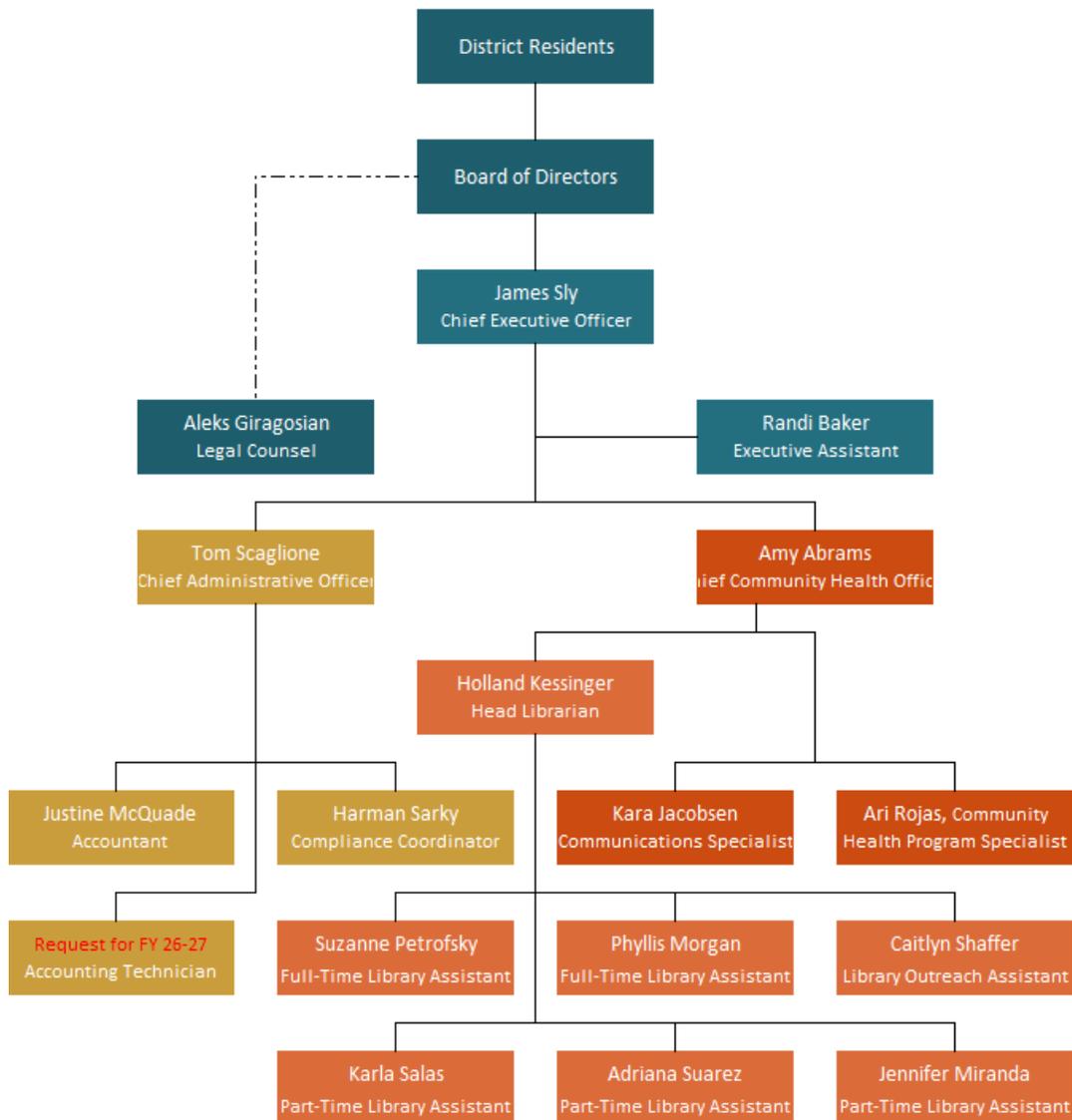
Effective May 29, 1991, the District entered into an Affiliation Agreement with Sharp HealthCare (SHARP), a multi-facility health care system located in San Diego County. The affiliation was effected through the creation of a non-profit public benefit corporation, Grossmont Hospital Corporation (the Corporation), of which SHARP is the sole statutory member. In connection with the affiliation, the District entered into a 30-year Transfer and Lease Agreement with the

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Corporation whereby the District's assets and liabilities, except land, investment funds, debt established pursuant to certain loan agreements and the deferred compensation program, were transferred to the Corporation in exchange for a receivable (the Transfer). In July 1992, the Corporation exercised its option to prepay the receivable. At the end of the Agreement's 30-year term, notwithstanding extensions, the Corporation will transfer back to the District all assets and liabilities pursuant to terms substantially identical to those of the Transfer Agreement. In June 2014, the voters of the District passed a measure extending the lease an additional 30 years. The Extended Lease Agreement will expire in May 2051. The District is governed by a five-member Board of Directors elected by voting zone and currently has twelve full-time and four part-time employees as noted below in the organization chart.



Organizational Chart



- - - The District contracts for general legal counsel.

IV. PRE-SUBMITTAL ACTIVITIES

All communications relating to the RFP should be directed to:

Tom Scaglione, Chief Administrative Officer
Grossmont Healthcare District
9001 Wakarusa Street
San Marcos, CA 92069
tscaglione@grossmonthealthcare.org
(760) 684-1800

There will be no pre-proposal meeting for this project. Please address all questions relating to the RFP to Tom Scaglione by March 23, 2026.

V. SCOPE OF REQUIRED SERVICES

The consultant shall perform the following broad tasks.

- Review of background materials including organizational charts, budgets, [employee policies and handbook](#), and related information.
- Review and analyze all current job descriptions.
- Obtain sufficient information through further analysis and inquiry for ranking comparable employers.
- Review of current compensation practices and related issues.
- Identify survey labor market and benchmark classes that represent most closely to GHD.
- Conduct comprehensive compensation surveys using comparable survey agencies, using not only job titles, but duties, responsibilities and essential functions based upon the job descriptions from GHD. This will require two separate groups of employers to comp to: 1) one for library staff, and 2) one for remaining staff.
- Conduct a separate survey comparing community specialty libraries (similar to GHD) to general public libraries to determine a premium, if any, associated with staff of specialty libraries.
- Complete internal salary relationship analysis including the development of appropriate internal relationship guidelines (internal equity).
- Assign a salary range to each classification which reflects the results of the market survey and the analysis of the internal relationships.
- Prepare final comprehensive report with recommendations for CAO review.
- Present the final Classification and Compensation Report to GHD Finance Committee and GHD Board of Directors.

VI. PROPOSAL REQUIREMENTS

The proposal must be received digitally no later than 4:00 PM, Pacific Standard Time, on March 27, 2026, via e-mail to tscaglione@grossmonthealthcare.org with the subject "Bid for Comp and Class Study" and the name of the bidder. The proposal shall be signed by an individual authorized to execute legal documents on behalf of the proposed consultant. Failure to comply with the requirements of the RFP may result in disqualification. Proposals and/or modifications received subsequent to the hour and date specified above will not be considered. The proposal should be concise, well organized and demonstrate the proposed consultants' qualifications and experience applicable to the project.

The proposed consultant will be evaluated based on the information submitted in accordance with this section. At a minimum, proposals submitted in response to this RFP shall include:

A. Executive Summary

Provide a brief overview of the entire proposal describing the highlights of the proposal. In addition to the proposal overview, please provide the following basic description information regarding the Consultant:

1. Legal name and address of company
2. Legal form of company (partnership, corporation, joint venture, etc.). If joint venture, identify the members of the joint venture and provide all information required within this section for each member
3. If company is wholly owned subsidiary of "parent company"
4. Address(es) of office(s) working on this project
5. Name, title, address, and telephone number of the person to contact concerning the proposal

B. Project Understanding and Approach

Provide a brief description of the Consultant's understanding of the project and proposed technical and management approach. Describe anticipated project challenges and the approach to address those challenges. Discuss lines of communication needed to establish and achieve expectations and maintain the project schedule. The scope of work shall include any information required to further clarify the scope of work included in the RFP. The scope of work shall reflect the cost estimated and the schedule included in the body of the consultant's proposal.

C. Project Organization and Key Personnel

Indicate role and responsibility of Prime Consultant and all Sub-consultants. Describe proposed project team organization, including identification and responsibilities of key personnel. Describe the key team members' experience, emphasizing experience with similar projects and experience working in the local government environment. Provide the office location of each key team member. The District's proposal evaluation will consider the entire team. However, emphasis will be placed on the consultant's Project Manager. The Project Manager to the project shall not be reassigned without prior written approval from the District. Describe proposed local presence for interfacing with the District's Project Manager and Staff. Furnish resumes of key personnel.

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The selected consulting firm and its Staff working for the District on this Project will be required to keep confidential all information they learn about the District.

D. Experience and Technical Competence

Provide a brief description of Consultant's experience in completing similar consulting efforts. List three (3) projects of a similar nature in California with the name of the local government and the local government's representative, telephone numbers, type of work performed, timeframe that work was performed, and value of consulting agreements. Identify team members proposed for the Project and their roles on the representative reference projects. Projects currently being performed may be submitted for consideration.

An affirmative statement should be included that the firm and all assigned key professional Staff are properly registered/licensed to practice in California, if necessary.

E. Schedule

Staff anticipates beginning work in May 2026. Provide a recommended schedule of work indicating specific milestones

F. Cost Estimate

The Consultant's proposal shall include a cost detail with the number of hours as they relate to each task identified in the Scope of Work. In addition, an estimate of all direct costs such as materials and reproduction costs shall be provided for each task. In addition, a typical Consultant rate table shall be provided that lists the Consultants typical hourly charges.

G. References and Example Report

In addition to providing five references, preferably from governmental entities, the proposed consultant shall provide, with the proposal submission by email, the most recent final California Classification and Compensation Study prepared by the consultant.

H. Acknowledgement of Agreement and Statement of Exceptions

The proposed consultant shall certify that it takes no exception(s) to this RFP including but not limited to the District's Standard Professional Services Agreement, included as Attachment A. If the proposed consultant does take exception(s) to any portion of the RFP and/or Standard Professional Services Agreement, the specific exception(s) shall be identified and explained.

VII. CONSULTANT SELECTION SCHEDULE

The District anticipates the process for selecting a consultant and awarding the agreement will be according to the following schedule (dates not firm):

Advertise and Issue RFP:	March 3, 2026
Questions on RFP Deadline:	March 23, 2026
Proposal Due Date:	March 27, 2026, 4:PM

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Oral Interviews (if required):	April 7, 2026
Recommend Agreement Award:	April 14, 2026, Finance Committee meeting
Agreement Award:	April 16, 2026, GHD Board meeting

VIII. QUALIFICATION AND CRITERIA

A. Qualifications

The District will select one firm for all the outlined Scope of Service on the basis of qualifications, experience and cost. The following are the minimum qualifications to be used to evaluate the responses to this Request for Proposals:

1. The proposer has advanced knowledge of the laws and practices relating to employee classification and compensation within a local government setting.
2. The proposer has a demonstrated track record of success in handling all aspects of employee classification and compensation and at least five (5) years of providing these services to public entities in the State of California.
3. Each proposer shall provide five references, preferably from governmental agencies, for relevant work performed in the past five years. When possible, include references from cities of a similar size and characteristics to the District.
4. The proposer can demonstrate an understanding of the assignment and knowledge of the skills necessary to serve in the role of the Classification and Compensation Consultant.

B. Selection Criteria

The District will conduct a comprehensive, fair and impartial evaluation of the proposals received in response to the Request for Proposal. All proposals received from the vendors will be reviewed and evaluated by a committee of qualified personnel. The names, information, or experience of the individual members will not be made available to any vendor. The Evaluation Committee will first screen all proposals submitted, according to the minimum qualifications set forth above. The following criteria will be used in reviewing and comparing the proposals and in determining the highest scoring bid:

1. 40% *Qualifications*, background and prior experience of the firm, experience of key staff assigned to oversee services provided to the District, evaluation of size and scope of similar work performed and success on those projects.
2. 30% *Cost and Fees* to the District. Cost is not the sole determining factor but will be taken into consideration. Proposer must offer services at a rate comparable to the rate proposer offers to other governmental agencies for similar work. Offering a higher rate to the District than the comparable rate is grounds for disqualification of the Proposer. If rates differ for different types or levels of service, the Proposer should so state in their proposal.
3. 20% *References* including past performance of proposer.
4. 10% *Responsiveness* to the Request for Proposal and quality of the proposal.

IX. SPECIAL CONDITIONS

A. Reservations: This RFP does not commit the District to award an agreement, to defray any costs incurred in the preparation of a proposal pursuant to this RFP, or to procure or contract for work.

B. Public Records: All proposals submitted in response to this RFP become the property of the District and public record, and as such may be subject to public review.

C. Right to Cancel: The District reserves the right to cancel, for any or no reason, in part or in its entirety, this RFP including but not limited to: selection schedule, submittal date, and submittal requirements. If the District cancels or revises the RFP, all proposers will be notified in writing by the District.

D. Additional Information: The District reserves the right to request additional information and/or clarification from any or all proposers to this RFP.

E. Conflict of Interest: The District complies with all California statutes and regulations related to conflicts of interest.

F. Public Information: Consultants who wish to release information to the public regarding consultant selection, agreement award or data provided by the District must receive prior written approval from the District before disclosing such information to the public.

G. Agreement for Professional Services: The selected consultants will be required to sign the attached Standard Professional Services Agreement and to provide the insurance certificates and all other required documentation within seven (7) calendar days of notification of selection.

H. Insurance Requirements: The District requires consultants doing business with it to obtain insurance as shown in the Standard Professional Services Agreement. The required insurance certificates must comply with all requirements of the standards as shown in the agreement and must be provided within seven (7) days of notice of selection and prior to the commencement of any work on the project.

I. Disclosure Provision: Under the applicable conflict of interest requirements, the District Manager is required to identify consultants who must file a statement of economic interest. The selected consultant may be required to complete and file Form 700 with the District before starting.

**PROFESSIONAL SERVICES AGREEMENT
FOR CONSULTANT SERVICES**

(Grossmont Healthcare District / [Company or Individual])

1. IDENTIFICATION

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the Grossmont Healthcare District, a California independent special district (“District”), and [Company Name], a [Company Form] (“Consultant”).

2. RECITALS

2.1 The District has determined that it requires the following professional services from a consultant: [enter description of consultant’s services].

2.2 Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.

2.3 Consultant represents that it has no known relationships with third parties, board members, or employees of the District which would (1) present a conflict of interest with the rendering of services under this Agreement under Government Code Section 1090, the Political Reform Act (Government Code Section 81000 *et seq.*), or other applicable law, (2) prevent Consultant from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, the District and Consultant agree as follows:

3. DEFINITIONS

3.1 “Scope of Services”: Such professional services as are set forth in Consultant’s [enter consultant’s proposal date] proposal to the District attached hereto as Exhibit A and incorporated herein by this reference.

3.2 “Agreement Administrator”: The Agreement Administrator for this project is Aaron Byzak, Interim CEO. The Agreement Administrator shall be the principal point of contact at the District for this project. All services under this Agreement shall be performed at the request of the Agreement

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Administrator. The Agreement Administrator will establish the timetable for completion of services and any interim milestones. The District reserves the right to change this designation upon written notice to Consultant.

- 3.3 “Project Administrator”: The Project Administrator for this Agreement is [Name and title]. The Project Administrator shall be the principal point of contact for the Contractor for this project. No change shall be made to the Project Administrator without District’s prior written consent.
- 3.4 “Approved Fee Schedule”: Consultant’s compensation rates are set forth in the fee schedule attached hereto as Exhibit B and incorporated herein by this reference. This fee schedule shall remain in effect for the duration of this Agreement unless modified in writing by mutual agreement of the parties.
- 3.5 “Maximum Amount”: The highest total compensation and costs payable to Consultant by the District under this Agreement. The Maximum Amount under this Agreement is _____ Dollars (\$_____).
- 3.6 “Commencement Date”: [date].
- 3.7 “Termination Date”: [date].

4. TERM

- 4.1 The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Termination Date unless extended by written agreement of the parties or terminated earlier under Section 15 (“Termination”) below. Consultant may request extensions of time to perform the services required hereunder. Such extensions shall be effective if authorized in advance by the District in writing and incorporated in written amendments to this Agreement.

5. CONSULTANT’S DUTIES

- 5.1 **Services.** Consultant shall perform the services identified in the Scope of Services. The District shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.
- 5.2 **Coordination with the District.** In performing services under this Agreement, Consultant shall coordinate all contact with the District through its Agreement Administrator.

- 5.3 **Budgetary Notification.** Consultant shall notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Consultant shall concurrently inform the Agreement Administrator, in writing, of Consultant's estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.
- 5.4 **Professional Standards.** Consultant shall perform all work to the standards of Consultant's profession and in a manner reasonably satisfactory to the District. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this Agreement, including all Cal/OSHA requirements, the conflict of interest provisions of Government Code § 1090 and the Political Reform Act (Government Code § 81000 et seq.).
- 5.5 **Campaign Contributions.** This Agreement is subject to Government Code section 84308, as amended by Senate Bill 1439 (2022), Senate Bill 1181 (2024), and Senate Bill 1243 (2024). Consultant shall disclose any contribution to an elected or appointed District official's campaign or committee in an amount of more than five hundred dollars (\$500) made within 12 months preceding the Commencement Date, by Consultant, its, her, or his agent, or another party affiliated with Consultant. Consultant shall provide a signed copy of the attached Campaign Contribution Disclosure Form to District prior to, or concurrent with, Consultant's execution of this Agreement and no later than the Commencement Date.
- 5.6 **Appropriate Personnel.** Consultant has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. No change shall be made in Consultant's project administrator without the District's prior written consent.
- 5.7 **Substitution of Personnel.** Any persons named in the proposal or Scope of Services constitutes a promise to the District that those persons will perform and coordinate their respective services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of the District. If the District and Consultant cannot agree as to the substitution of key personnel, the District may terminate this Agreement for cause.

- 5.8 **Permits and Approvals.** Consultant shall obtain, at its sole cost and expense, all permits and regulatory approvals necessary for Consultant's performance of this Agreement. This includes, but shall not be limited to, professional licenses, encroachment permits and building and safety permits and inspections.
- 5.9 **Notification of Organizational Changes.** Consultant shall notify the Agreement Administrator, in writing, of any change in name, ownership or control of Consultant's firm or of any subcontractor. Change of ownership or control of Consultant's firm may require an amendment to this Agreement.
- 5.10 **Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the District under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the District. In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of the District or as part of any audit of the District, for a period of three (3) years after final payment under this Agreement.
- 5.11 **Skilled and Trained Workforce Requirement.** When the use of a skilled and trained workforce is required to complete a contract pursuant to existing law, this contract is subject to such requirement and Contractor agrees to use a skilled and trained workforce.

6. SUBCONTRACTING

- 6.1 **General Prohibition.** This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Consultant shall not assign or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.
- 6.2 **Consultant Responsible.** Consultant shall be responsible to the District for all services to be performed under this Agreement.
- 6.3 **Identification in Fee Schedule.** All subcontractors shall be specifically listed and their billing rates identified in the Approved Fee Schedule,

Exhibit B. Any changes must be approved by the Agreement Administrator in writing as an amendment to this Agreement.

- 6.4 **Compensation for Subcontractors.** The District shall pay Consultant for work performed by its subcontractors, if any, only at Consultant's actual cost plus an approved mark-up as set forth in the Approved Fee Schedule, Exhibit B. Consultant shall be liable and accountable for any and all payments, compensation, and federal and state taxes to all subcontractors performing services under this Agreement. The District shall not be liable for any payment, compensation, or federal and state taxes for any subcontractors.

7. COMPENSATION

- 7.1 **General.** The District agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Fee Schedule in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Consultant shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by the District in advance.
- 7.2 **Invoices.** Consultant shall submit to the District an invoice, on a monthly basis or as otherwise agreed to by the Agreement Administrator, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by employee name and classification/position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges.
- 7.3 **Taxes.** The District shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law. Consultant shall be solely responsible for calculating, withholding, and paying all taxes.
- 7.4 **Disputes.** The parties agree to meet and confer at mutually agreeable times to resolve any disputed amounts contained in an invoice submitted by Consultant.
- 7.5 **Additional Work.** Consultant shall not be reimbursed for any expenses incurred for work performed outside the Scope of Services unless prior written approval is given by the District through a fully executed written amendment. Consultant shall not undertake any such work without prior written approval of the District.

8. OWNERSHIP OF WRITTEN PRODUCTS

8.1 All reports, documents or other written material, and all electronic files, including computer-aided design files, developed by Consultant in the performance of this Agreement (such written material and electronic files are collectively known as “written products”) shall be and remain the property of the District without restriction or limitation upon its use or dissemination by the District except as provided by law. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

9. RELATIONSHIP OF PARTIES

9.1 **General.** Consultant is, and shall at all times remain as to the District, a wholly independent contractor.

9.2 **No Agent Authority.** Consultant shall have no power to incur any debt, obligation, or liability on behalf of the District or otherwise to act on behalf of the District as an agent. Neither the District nor any of its agents shall have control over the conduct of Consultant or any of Consultant’s employees, except as set forth in this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of the District.

9.3 **Independent Contractor Status.** Under no circumstances shall Consultant or its employees look to the District as an employer. Consultant is an independent contractor and shall not be entitled to any employment benefits. District makes no representation as to the effect of this independent contractor relationship on Contractor's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Contractor specifically assumes the responsibility for making such a determination. Contractor shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation, and other applicable federal and state taxes.

9.4 **Indemnification of CalPERS Determination.** In the event that Contractor or any employee, agent, or subcontractor of Contractor providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the District, Contractor shall indemnify, defend, and hold harmless District for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Contractor or its employees, agents, or subcontractors, as well as for the payment of any

penalties and interest on such contributions, which would otherwise be the responsibility of District.

10. INDEMNIFICATION

- 10.1 **Definitions.** For purposes of this section, "Consultant" shall include Consultant, its officers, employees, servants, agents, or subcontractors, or anyone directly or indirectly employed by either Consultant or its subcontractors, in the performance of this Agreement. "District" shall include the District, its officers, agents, employees and volunteers.
- 10.2 **Consultant to Indemnify District.** To the fullest extent permitted by law, Consultant shall indemnify, hold harmless, and defend the District from and against any and all claims, losses, costs or expenses for any personal injury or property damage arising out of or in connection with Consultant's alleged negligence, recklessness or willful misconduct or other wrongful acts, errors or omissions of Consultant or failure to comply with any provision in this Agreement.
- 10.3 **Scope of Indemnity.** Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential or otherwise, Property damage shall include injury to any personal or real property. Consultant shall not be required to indemnify the District for such loss or damage as is caused by the sole active negligence or willful misconduct of the District.
- 10.4 **Attorneys Fees.** Such costs and expenses shall include reasonable attorneys' fees for counsel of the District's choice, expert fees and all other costs and fees of litigation. Consultant shall not be entitled to any refund of attorneys' fees, defense costs or expenses in the event that it is adjudicated to have been non-negligent.
- 10.5 **Defense Deposit.** The District may request a deposit for defense costs from Consultant with respect to a claim. If the District requests a defense deposit, Consultant shall provide it within 15 days of the request.
- 10.6 **Waiver of Statutory Immunity.** The obligations of Consultant under this section are not limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to the District.
- 10.7 **Indemnification by Subcontractors.** Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this section from each and every subcontractor or any other person or

entity involved in the performance of this Agreement on Consultant's behalf.

10.8 **Insurance Not a Substitute.** The District does not waive any indemnity rights by accepting any insurance policy or certificate required pursuant to this Agreement. Consultant's indemnification obligations apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.

11. INSURANCE

11.1 **Insurance Required.** Consultant shall maintain insurance as described in this section and shall require all of its subcontractors, consultants, and other agents to do the same. Approval of the insurance by the District shall not relieve or decrease any liability of Consultant Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.

11.2 **Documentation of Insurance.** The District will not execute this agreement until it has received a complete set of all required documentation of insurance coverage. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. Consultant shall file with the District:

- Certificate of Insurance, indicating companies acceptable to the District, with a Best's Rating of no less than A:VII showing. The Certificate of Insurance must include the following reference:
[insert project name]
- Documentation of Best's rating acceptable to the District.
- Original endorsements effecting coverage for all policies required by this Agreement.
- Complete, certified copies of all required insurance policies, including endorsements affecting the coverage.

11.3 **Coverage Amounts.** Insurance coverage shall be at least in the following minimum amounts:

Professional Liability Insurance: \$1,000,000 per occurrence,
\$2,000,000 aggregate

General Liability:

- General Aggregate: \$2,000,000
- Products Comp/Op Aggregate \$2,000,000
- Personal & Advertising Injury \$1,000,000
- Each Occurrence \$1,000,000
- Fire Damage (any one fire) \$ 50,000

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- Medical Expense (any 1 person) \$ 5,000

Workers' Compensation:

- | | |
|------------------------------|------------------|
| • Workers' Compensation | Statutory Limits |
| • EL Each Accident | \$1,000,000 |
| • EL Disease - Policy Limit | \$1,000,000 |
| • EL Disease - Each Employee | \$1,000,000 |

Automobile Liability:

- Any vehicle, combined single limit \$1,000,000

Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements or limits shall be available to the additional insured. Furthermore, the requirements for coverage and limits shall be the greater of (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured

- 11.4 **General Liability Insurance.** Commercial General Liability Insurance shall be no less broad than ISO form CG 00 01. Coverage must be on a standard Occurrence form. Claims-Made, modified, limited or restricted Occurrence forms are not acceptable.
- 11.5 **Worker's Compensation Insurance.** Consultant is aware of the provisions of Section 3700 of the Labor Code which requires every employer to carry Workers' Compensation (or to undertake equivalent self-insurance), and Consultant will comply with such provisions before commencing the performance of the work of this Agreement. If such insurance is underwritten by any agency other than the State Compensation Fund, such agency shall be a company authorized to do business in the State of California.
- 11.6 **Automobile Liability Insurance.** Covered vehicles shall include owned, non-owned, and hired automobiles and, trucks.
- 11.7 **Professional Liability Insurance or Errors & Omissions Coverage.** The deductible or self-insured retention may not exceed \$50,000.
- 11.8 **Claims-Made Policies.** If any of the required policies provide coverage on a claims-made basis the Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Claims-Made Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract

effective date, the Contractor must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.

- 11.9 **Additional Insured Endorsements.** The District and its board members, officers, employees, and consultants must be endorsed as an additional insured for each policy required herein, other than Professional Errors and Omissions and Worker’s Compensation, for liability arising out of ongoing and completed operations by or on behalf of the Consultant. Consultant’s insurance policies shall be primary as respects any claims related to or as the result of the Consultant’s work. Any insurance, pooled coverage or self-insurance maintained by the District, its elected or appointed officials, directors, officers, agents, employees, volunteers, or consultants shall be non-contributory. All endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. General liability coverage can be provided using an endorsement to the Consultant’s insurance at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37.
- 11.10 **Failure to Maintain Coverage.** In the event any policy is canceled prior to the completion of the project and the Consultant does not furnish a new certificate of insurance prior to cancellation, the District has the right, but not the duty, to obtain the required insurance and deduct the premium(s) from any amounts due the Consultant under this Agreement. Failure of the Consultant to maintain the insurance required by this Agreement, or to comply with any of the requirements of this section, shall constitute a material breach of this Agreement.
- 11.11 **Notices.** Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. Consultant shall provide no less than 30 days’ notice of any cancellation or material change to policies required by this Agreement. Consultant shall provide proof that cancelled or expired policies of insurance have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages. The name and address for Additional Insured Endorsements, Certificates of Insurance and Notices of Cancellation is: Grossmont Healthcare District, Attn: Aaron Byzak, Interim CEO, 9001 Wakarusa St, La Mesa, CA 91942.
- 11.12 **Consultant’s Insurance Primary.** The insurance provided by Consultant, including all endorsements, shall be primary to any coverage available to the District. Any insurance or self-insurance maintained by the District

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and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.

- 11.13 **Waiver of Subrogation.** Consultant hereby waives all rights of subrogation against the District. Consultant shall additionally waive such rights either by endorsement to each policy or provide proof of such waiver in the policy itself.
- 11.14 **Report of Claims to District.** Consultant shall report to the District, in addition to the Consultant's insurer, any and all insurance claims submitted to Consultant's insurer in connection with the services under this Agreement.
- 11.15 **Premium Payments and Deductibles.** Consultant must disclose all deductibles and self-insured retention amounts to the District. The District may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within retention amounts. Ultimately, the District must approve all such amounts prior to execution of this Agreement.

The District has no obligation to pay any premiums, assessments, or deductibles under any policy required in this Agreement. Consultant shall be responsible for all premiums and deductibles in all of Consultant's insurance policies. The amount of deductibles for insurance coverage required herein are subject to the District's approval.

- 11.16 **Duty to Defend and Indemnify.** Consultant's duties to defend and indemnify the District under this Agreement shall not be limited by the foregoing insurance requirements and shall survive the expiration or early termination of this Agreement.

12. MUTUAL COOPERATION

- 12.1 **District Cooperation in Performance.** The District shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant's services under this Agreement.
- 12.2 **Consultant Cooperation in Defense of Claims.** If any claim or action is brought against the District relating to Consultant's performance in connection with this Agreement, Consultant shall render any reasonable assistance that the District may require in the defense of that claim or action.

13. NOTICES

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Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, email or overnight courier service during Consultant's and the District's regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to the District

If to Consultant

James Sly
Chief Executive Officer
Grossmont Healthcare District
9001 Wakarusa St.
La Mesa, CA 91942
(619) 825-5050
abyzak@grossmonthealthcare.org

[Name]
[Title]
[Organization]
[Address]
[Address]
[Telephone]
[Email]

With courtesy copy to:

Aleks R. Giragosian, Esq.
General Counsel
Colantuono, Highsmith & Whatley, PC
790 E. Colorado Blvd., Ste. 850
Pasadena, CA 91101
(213) 542-5700
AGiragosian@chwlaw.us

14. SURVIVING COVENANTS

14.1 The parties agree that the covenants contained in Section 5.10 (Records), Section 10 (Indemnification), Section 11 (Insurance), Section 12 (Mutual Cooperation), Section 14 (Surviving Covenants), Section 16 (Interpretation of Agreement), and Section 17 (General Provisions) of this Agreement shall survive the expiration or termination of this Agreement, subject to the provisions and limitations of this Agreement and all otherwise applicable statutes of limitations and repose.

15. TERMINATION

15.1 **District Termination.** The District may terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All the District data, documents, objects, materials or other tangible things shall be returned to the District upon the termination or expiration of this Agreement.

- 15.2 **Consultant Termination.** Consultant may terminate this Agreement for a material breach of this Agreement by the District upon 30 days' notice.
- 15.3 **Compensation Following Termination.** Upon termination, Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement. The District shall have the benefit of such work as may have been completed up to the time of such termination.
- 15.4 **Remedies.** The District retains any and all available legal and equitable remedies for Consultant's breach of this Agreement.

16. INTERPRETATION OF AGREEMENT

- 16.1 **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.
- 16.2 **Integration of Exhibits.** All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the provisions of this Agreement and its exhibits, the provisions of this Agreement shall prevail. In the event of any material discrepancy between the express provisions of this Agreement and the exhibits of this Agreement, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between the District and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on by the District and Consultant.
- 16.3 **Headings.** The headings and captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the language of the section or paragraph shall control and govern in the construction of this Agreement.
- 16.4 **Pronouns.** Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).

16.5 **Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

16.6 **No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.

17. GENERAL PROVISIONS

17.1 **Confidentiality.** All data, documents, discussion, or other information developed or received by Consultant for performance of this Agreement are deemed confidential and Consultant shall not disclose it without prior written consent by the District. The District shall grant such consent if disclosure is legally required. All the District data shall be returned to the District upon the termination or expiration of this Agreement.

17.2 **Conflicts of Interest.** Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subcontractor to file, a Statement of Economic Interest with the District's Filing Officer if required under state law in the performance of the services. For breach or violation of this warranty, the District shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of the District, during the term of his or her service with the District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

[Add the following paragraph 17.3, 17.3.1 and/or 17.3.2, as applicable, for consulting contracts with multiple phases, or contracts that relate to, or are prior to, subsequent phases of a larger project.]

17.3 Conflict of Interest / Multiple Phase Projects – This Agreement is subject to the requirements of Government Code § 1097.6 relating to consultants entering into subsequent or multiple contracts for the same project.

17.3.1 Engaging or Advising on Public Contracting on behalf of the District.

A. The scope of Consultant’s work is limited to conceptual, preliminary, or initial plans or specifications for a prior stage of the project.

B. Consultant shall provide access to the work, such that all bidders or proposers for the subsequent stages shall have access to the same information as Consultant, including all conceptual, preliminary, or initial plans or specifications prepared by Consultant pursuant to this Agreement.

17.3.2 Multiple Project Phases.

A. Consultant’s duties and services under this Agreement shall not include preparing or assisting the District with any portion of the District’s preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with the District.

B. The District shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of this project. Consultant’s participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications.

C. Consultant shall cooperate with the District to ensure that all bidders for a subsequent contract on any subsequent phase of this project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by Consultant pursuant to this Agreement.

17.4 Non-assignment. Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without the District’s prior written consent, and any attempt to do so shall be void and of no effect. The District shall not be obligated or liable under this Agreement to any party other than Consultant.

17.5 Binding on Successors. This Agreement shall be binding on the successors and assigns of the parties.

- 17.6 **No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.
- 17.7 **Attachments.** To the extent a conflict exists between the attachments and the terms of this Agreement, the terms of this Agreement will control.
- 17.8 **Time of the Essence.** Time is of the essence for each and every provision of this Agreement.
- 17.9 **Non-Discrimination.** Consultant shall not discriminate against any employee or applicant for employment because of race, sex (including pregnancy, childbirth, or related medical condition), creed, national origin, color, disability as defined by law, disabled veteran status, Vietnam veteran status, religion, age (40 and above), medical condition (cancer-related), marital status, ancestry, or sexual orientation. Employment actions to which this provision applies shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; or in terms, conditions or privileges of employment, and selection for training. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, the provisions of this nondiscrimination clause.
- 17.10 **Waiver.** No provision, covenant, or condition of this Agreement shall be deemed to have been waived by the District or Consultant unless in writing signed by one authorized to bind the party asserted to have consented to the waiver. The waiver by the District or Consultant of any breach of any provision, covenant, or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other provision, covenant, or condition.
- 17.11 **Excused Failure to Perform.** Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in the District's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 17.12 **Remedies Non-Exclusive.** Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the

simultaneous or later exercise by such party of any or all of such other rights, powers or remedies.

- 17.13 **Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs expended in the action.
- 17.14 **Venue.** The venue for any litigation shall be the Superior Court of San Diego County, California and Consultant hereby consents to sole jurisdiction in San Diego County for purposes of resolving any dispute or enforcing any obligation arising under this Agreement.
- 17.15 **Counterparts; Electronic Signatures.** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument. The parties acknowledge and agree that this Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed or emailed versions of an original signature, electronically scanned and transmitted versions (e.g., via pdf) of an original signature, or a digital signature.
- 17.16 **Recitals.** The Recitals are incorporated by this reference.

(Signature page follows)

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

“DISTRICT”

Grossmont Healthcare District

Signature: _____

Printed: _____

Title: _____

Date: _____

“CONSULTANT”

[Name of Company or Individual]

Signature: _____

Printed: _____

Title: _____

Date: _____

Attest:

Signature: _____

Printed: _____

Title: Board Secretary

Date: _____

Approved as to form:

Signature: _____

Printed: _____

Title: General Counsel

Date: _____

**“EXHIBIT A”
SCOPE OF WORK**

[Insert Scope of Work text here]

**“EXHIBIT B”
FEE SCHEDULE**

[INSERT FEE SCHED