

Agreement Between
City of Pflugerville and HUB International
For
Benefits Consulting Services

THIS AGREEMENT (“Agreement”), entered into the 1st day of September 2023, by and between **City of Pflugerville, Texas** (“City”) and **HUB International** (“HUB”) to provide health and welfare consulting services for the Employee Benefits Program of the Company. Each entity may be referred to in this Agreement individually as “Party” or together as “Parties”.

WITNESSETH:

WHEREAS, the City is in need of assistance in the evaluation of the employee health and welfare benefits; and

WHEREAS, HUB has the unique expertise and experience necessary to provide the services; and

WHEREAS, the City desires to contract with HUB to provide actuarial, health and welfare consulting services for the Employee Benefits program.

NOW, THEREFORE, in consideration of the foregoing and other valuable considerations, the sufficiency and receipt of which are hereby acknowledged, the Parties agree as follows:

- I. **SCOPE OF SERVICES** – HUB shall provide professional services, in compliance with all applicable federal, state, and local laws and regulations relating to the services outlined under “**Exhibit A**”.
- II. **COMPENSATION** – Beginning September 1, 2023, the City agrees to pay HUB \$58,500 annually. HUB will place 100% of its compensation at risk annually based on the City’s satisfaction with HUB International services.

City acknowledges that in addition to the stated consulting fee from time-to-time HUB or its affiliates may also receive contingent compensation, profit sharing payments, bonuses, override commissions, or other profit volume or incentive-based-non-standard commissions from any such insurance carrier or intermediary. The City acknowledges that it has read and understands the “How We Get Paid” disclosure statement available at HUBInternational.com

- III. **TERM OF AGREEMENT** - The term of this Agreement is from September 1, 2023, through July 31, 2024, with four additional 1-year option periods. Years two and three will be capped at a 7.5% increase. Years four and five will be capped at a 5% increase each year. Each option period shall go into effect only upon the prior written agreement of both parties. Either party may terminate this Agreement at any time upon giving sixty (60) days' written notice of its intention to do so.
- IV. **EMPLOYEES** – HUB employees, if any, who perform services for the City under this Agreement shall also be bound by the provisions of this Agreement.
- V. **ASSIGNMENT** – This Agreement may not be assigned without the prior written consent of the City.
- VI. **NOTICES** – Communication and details concerning this Agreement shall be directed to the following contract representatives:

<p>City of Pflugerville: Sereniah Breland City Manager 100 E. Main St. Pflugerville, TX 78660</p>	<p>HUB International: Brent Weegar Senior Vice President 10000 N. Central Expwy., Suite 1200 Dallas, TX 75231</p>
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- VII. **GENERAL COMPLIANCE** - HUB agrees to comply with all applicable federal, state, and local laws and regulations relating to the services provided under this Agreement.
- VIII. **INDEPENDENT CONTRACTOR** - Nothing in this Agreement is intended, to or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. HUB shall at all times remain an independent contractor with respect to the services to be performed under this Agreement. City shall be exempt from payment of and Unemployment Compensation, FICA, retirement, life and/or medical insurance, and Workers' Compensation Insurance, as HUB is an independent contractor. This Agreement is in no way to be construed or interpreted to allow either Party to contract on behalf of the other Party or bind them to any other obligation to a third party other than expressly provided herein.
- IX. **WAIVER OF CONTRACTUAL RIGHT** – The failure of either party to enforce any provision of this agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this agreement.
- X. **CHOICE OF LAW AND VENUE** - This Agreement shall be governed by and construed in accordance with the laws of the state of Texas. The parties hereto hereby irrevocably consent to the exclusive jurisdiction and venue of the courts of the state of Texas, county of Travis, for the purposes of all legal proceedings arising out of or relating to this Agreement or the actions that are contemplated hereby.
- XI. **ENTIRE AGREEMENT** – This Agreement contains the entire agreement of the Parties, with respect to the subject matter herein, and there are no other agreements, provisions, or addendums whether oral or written. This agreement supersedes any prior written or oral agreements between

the Parties.

XII. AMENDMENTS – City or HUB may amend this Agreement, at any time, provided that such amendments make specific reference to the Agreement, and are executed in writing, signed by a duly authorized representative of both organizations and approved by the City’s governing body, if necessary.

XIII. SEVERABILITY - If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

XIV. INDEMNIFICATION

HUB AGREES TO INDEMNIFY, SAVE AND HOLD HARMLESS CITY, ITS AGENTS, OFFICERS, REPRESENTATIVES, EMPLOYEES, AND AFFILIATES, OF AND FROM ANY AND ALL PRESENT OR FUTURE CLAIMS, DEMANDS OR CAUSES OF ACTION THAT MAY ACCRUE ON ACCOUNT OF, OR IN ANY WAY ARISING OUT OF, HUB’S WRONGFUL ACTS AND/OR OMISSIONS UNDER THIS AGREEMENT AND/OR HUB’S MISUSE OF CITY INFORMATION AND/OR RESOURCES.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the _____ day of _____ 2023.

City of Pflugerville

HUB International, Inc.

Signature

Signature

Print

Print

Title

Title

Date

Date

‘EXHIBIT A’

SCOPE OF SERVICES

Analysis and reporting

1. Analyze existing coverage and identify or develop cost -saving alternative benefit strategies and plans.
2. Assist in the development of long-range goals and strategies, including making projections of potential savings.
3. Provide actuarial analysis and recommendations based on utilization and performance reports, statistical and/or financial reports, and plan specific data.
4. Assist the City of Pflugerville in monitoring and analyzing experience trends and providing timely alerts on changing patterns and appropriate recommendations.
5. Provide, maintain, and update comparison reports of other similar sized public and private companies' benefit plan offerings and costs to determine their competitiveness with the City of Pflugerville's programs.
6. Provide financial and/or performance reviews of fully insured plans and programs.
7. Be available to provide various types of reports as needed, such as costs analysis for benefit changes, and other statistical, financial, forecasting, trend, or experience reports.
8. Assist in preparing overall employee insurance fund budget and projections.
9. Maintain full and accurate records with respect to all matters and services provided on behalf of the City of Pflugerville's benefit plans and programs. Provide City of Pflugerville staff or officials all spreadsheets, assumptions and calculations upon completion of any project performed on behalf of the City of Pflugerville's benefit plans and programs.
10. Provide impact analysis, plan options, and strategic recommendations with regard to PPACA.

Liaison and problem intervention

1. Act as liaison between the City of Pflugerville and insurance providers.
2. Provide day-to-day consultation on plan interpretation and problem resolution.
3. Provide timely customer service and assistance to staff, employees and retirees with issues involving provider billing, claims, vendor service issues/problems, advocacy for services, disputes, interpretation of contracts and services, changes and general troubleshooting.
4. Attendance as needed at meetings with City of Pflugerville staff, employees and/or retirees to facilitate and assist in the management of the City of Pflugerville's employee benefit plans.
5. Assist the City of Pflugerville in proactive mitigation of negative impacts or disruption of services to employees and retirees from benefit and/or provider network changes.

Compliance

1. Assist with ongoing plan administration and ensure that programs are in compliance with state and federal legislation.
2. provide on-site training to City of Pflugerville staff, as needed, regarding regulatory updates, and/or best practice seminars for the effective administration of benefit plans.
3. Review and disseminate information to staff on new or revised state and federal legislation that impacts benefit programs.
4. Assist City of Pflugerville staff with annual audit to ensure compliance with all mandated reporting and posting/notice requirements for benefit plans.

Annual renewal process and evaluation

1. Establish a strategy for benefits, both annually and three to five years in the future. Consider trends, prospective legislations, new delivery systems and geographic health-care practices to make long-term projections.
2. Bid City of Pflugerville health insurance program and employee benefits on an "as needed" basis. Review proposals and prepare an analysis of each with recommendations.
3. Review and make cost-saving recommendations regarding the modification of plan design, benefit levels, premiums, communications and quality of current employee and retiree benefit plans.
4. Recommend appropriate plans to ensure that quality and cost-effective benefits are provided by the plans.
5. Provide annual estimates of renewal rates and cost trends and assist City of Pflugerville staff in preparation of budget figures.
6. Conduct thorough and applicable market research in preparation for contract renewals.
7. Assist in negotiating pricing with administration vendors and insurance carriers on renewals and service modification requests.
8. Represent the City of Pflugerville in all negotiations with providers on various topics, including, but not limited to, premiums, benefit levels and plan design, performance measures and guarantees, contractual terms and conditions, insurance booklets, premium and copay rates, and quality assurance standards.
9. Make recommendations for items of negotiation with providers, including, but not limited to, benefit levels and plan design, premiums, quality of service, performance measures and guarantees, and return on investment, where applicable.
10. Prepare specifications and compile data, obtain quotes and proposals, negotiate rates and analyze and compare proposals.
11. Review rate proposals to ensure underlying assumptions are appropriate and accurate to the City of Pflugerville.
12. Provide communication development and support for the annual enrollment period, new benefit offerings and/or changes to the existing benefit offerings.
13. Attend, assist with, and coordinate the annual benefits fair and open enrollment meeting

Other service requirements

1. Assist in the development of an employee wellness program to improve employee health and reduce employee and retiree health-care costs, both in the short-term and in the long-term.
2. Recommend and help develop enhancements and improvements for communications specific to the needs of the City of Pflugerville's employees, including, but not limited to, brochures, pamphlets, matrices, comparison charts, summaries, electronic communications, forms, handbooks, and employee orientation, to include required compliance notices.
3. Provide timely research and responses to technical questions posed by City of Pflugerville staff.
4. Provide regular and timely communications needed for the effective administrative of benefit plans.
5. Provide guidance and recommendations on items such as, but not limited to, trends in benefit plans, methods for improving costs containment, financial arrangements and administration.
6. Attend and assist with meetings as needed with the City of Pflugerville's city council, City of Pflugerville staff and employees.
7. Recommend particular broker-sponsored seminars, benefit events and educational forums that would be beneficial to the City of Pflugerville.
8. Develop and/or assist in developing and evaluating employee needs and satisfaction surveys.
9. Work collaboratively with other consultants and City of Pflugerville staff.
10. Manage plan transitions as necessary between insurance providers.
11. Review and evaluate current administrative processes related to enrollment and billing. Recommend and assist with implementation of administrative process enhancements.