

**AGREEMENT TO PROVIDE AGENT OF RECORD SERVICES
RELATING TO EMPLOYEE BENEFITS**

THIS AGREEMENT is made this 11th day of May, 2010, by and between the INDIAN RIVER COUNTY BOARD OF COUNTY COMMISSIONERS, headquartered at 1801 27th Street, Vero Beach, Florida 32960, hereinafter referred to as "COUNTY", and Gehring Group, Inc., with its principal place of business located at 11505 Fairchild Gardens Avenue, Suite 202, Palm Beach Gardens, FL 33410, hereinafter referred to as "GEHRING GROUP". Commencement date GEHRING GROUP will begin providing services outlined below shall be July 1, 2010.

RECITALS:

- a. COUNTY is a political subdivision existing under the State of Florida, and in the conduct of its business, desires to obtain certain consulting services relating to its benefits program.
- b. GEHRING GROUP is an active corporation, existing under the State of Florida, experienced in the foregoing and agrees to perform these services for the COUNTY under the terms and conditions set forth in this Agreement.

In consideration of the mutual promises set forth in this Agreement, it is agreed by and between COUNTY and GEHRING GROUP as follows:

**SECTION ONE
NATURE OF WORK**

GEHRING GROUP will perform consulting and advisory services on behalf of the COUNTY with respect to its benefits program, as more particularly described in the "SCOPE OF SERVICES" as set forth in **EXHIBIT "A"**, attached hereto and incorporated herein by reference.

**SECTION TWO
PLACE OF WORK**

GEHRING GROUP agrees, on request, to come to the COUNTY's offices in Vero Beach, Florida, or such other places as reasonably designated by the COUNTY, to meet with representatives of the COUNTY, as necessary.

**SECTION THREE
TIME DEVOTED TO WORK**

In the performance of services, the services and hours GEHRING GROUP is to work on any given day, will be entirely within GEHRING GROUP'S control and COUNTY will rely upon GEHRING GROUP to devote such time, as is reasonably necessary, to fulfill the intent and purpose of this Agreement, which is initially to source and provide on a cost effective basis, the benefit programs required by the COUNTY to be effective

as of October 1, 2010, providing for adequate time to hold an orderly open enrollment period for employees. The COUNTY will provide the necessary support documents so GEHRING GROUP can provide the benefit analysis in a time frame appropriate for an October 1, 2010 effective date.

SECTION FOUR PAYMENT

GEHRING GROUP will be compensated through either payment of commissions received from the various carriers who have contracted with the COUNTY to provide coverage to the COUNTY, or through direct payment from COUNTY to GEHRING GROUP as outlined in **EXHIBIT "C"** entitled "Fees". The annual services to be provided by the GEHRING GROUP to the COUNTY are described in **EXHIBIT "A"** entitled "SCOPE OF SERVICES TO BE PROVIDED BY GEHRING GROUP"; and to include the "Additional Services" listed in **EXHIBIT "A."** The undertaking by GEHRING GROUP to perform professional services defined within this Agreement extends only to those services specifically described herein. If upon the request of the COUNTY, GEHRING GROUP agrees to perform additional services hereunder, the COUNTY shall pay GEHRING GROUP for the performance of such additional services an amount (in addition to all other amounts payable under this Agreement) based on the hourly fees established herein, plus reimbursable expenses incurred by GEHRING GROUP, or pursuant to an addendum to this Agreement if executed by the parties to this Agreement addressing the additional services.

SECTION FIVE TERM

The term shall commence upon the parties' execution of the Agreement ("Commencement Date"). The term of this Agreement shall be three years, and may be renewed for three additional one year periods at the sole option of the COUNTY. The COUNTY's option of extending the Agreement for an additional year shall be deemed automatically exercised, unless the COUNTY gives written notice to the GEHRING GROUP of its intent not to exercise the option at least 60 days in advance of the anniversary of the Commencement Date.

SECTION SIX STATUS OF GEHRING GROUP

This Agreement calls for the performance of the services of GEHRING GROUP as an independent contractor, and GEHRING GROUP, an active Florida corporation, will not be considered an employee of the COUNTY for any purpose.

SECTION SEVEN INDEMNIFICATION

GEHRING GROUP shall protect, defend, indemnify, and hold harmless, the COUNTY, its employees, agents, elected or appointed officials, and representatives from any and all claims and liabilities, including all attorney's fees and court costs, including appeals, for which COUNTY, its employees, agents, elected or

appointed officials, and representatives can or may be held liable as a result of injury to persons or damage to property occurring by reason of any negligent acts or omissions or willful misconduct of GEHRING GROUP, its employees, or agents arising out of or connected with this Agreement or any breach of this Agreement by GEHRING GROUP. GEHRING GROUP shall not be required to indemnify COUNTY or its agents, employees, or representatives when an occurrence results solely from the wrongful acts or omissions of COUNTY, or its agents, elected or appointed officials, employees, or representatives.

SECTION EIGHT TERMINATION

Notwithstanding Section Five, the COUNTY may terminate this Agreement for any reason, with or without cause, by giving GEHRING GROUP 60 days advance written notice of the COUNTY's intent to terminate the Agreement.

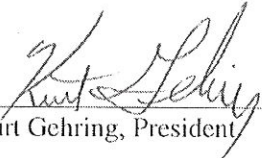
SECTION NINE MISCELLANEOUS

1. As an independent contractor, GEHRING GROUP shall pay all expenses in connection with its consulting business and GEHRING GROUP will not incur any indebtedness on behalf of COUNTY with this AGREEMENT.
2. In the event either party hereto shall file a lawsuit to enforce any of the terms hereof, the prevailing party shall be entitled to recover all costs, charges, and expenses of enforcement, including reasonable attorney's fees incurred in a trial of appellate proceeding.
3. This Agreement, constitutes the entire Agreement between the parties relative to the transaction contemplated herein and neither this Agreement nor any term or provision hereof may be waived, except by an instrument in writing executed by the COUNTY and GEHRING GROUP.
4. This Agreement shall be interpreted and enforced in accordance with the laws of the State of Florida, and the venue for any action brought or arising out of this Agreement shall be Indian River County, Florida.
5. Should any term or provision of this Contract be held, to any extent, invalid or unenforceable, as against any person, entity or circumstance during the term hereof, by force of any statute, law, or ruling of any forum of competent jurisdiction, such invalidity shall not affect any other term or provision of this Contract, to the extent that the Contract shall remain operable, enforceable and in full force and effect to the extent permitted by law.
6. This Contract may be amended, extended, or renewed only with the written approval of the parties.
7. This opportunity is also made available to any and all local, County, and State of Florida governments. Pursuant to their own governing laws, and subject to the agreement of the Contractor, other entities may be permitted to make purchases at the terms and conditions contained herein.
8. This Contract states the entire understanding and agreement between the parties and supersedes any and all written or oral representations, statements, negotiations, or agreements previously existing between the parties with respect to the subject matter of this Contract. The GEHRING GROUP recognizes that any representations, statements or negotiations made by COUNTY staff do not suffice to legally bind the COUNTY in a contractual relationship unless they have been reduced to writing and signed by an

authorized COUNTY representative. This Contract shall inure to the benefit of and shall be binding upon the parties, their respective assigns, and successors in interest.

IN WITNESS WHEREOF, the parties or their duly authorized representatives hereby execute this Contract on the date first written above.

GEHRING GROUP

By: 
Kurt Gehring, President

Date: _____

**INDIAN RIVER COUNTY BOARD OF
COUNTY COMMISSIONERS**

By: 
Peter O'Bryan, Chairman

Approved by BCC: May 11, 2010




Attest: J.K. Barton, Clerk

By:


Deputy Clerk

Approved as to form and legal sufficiency:

for: 
Alan S. Polackwich, Sr. County Attorney
Indian River County, Florida

Approved:

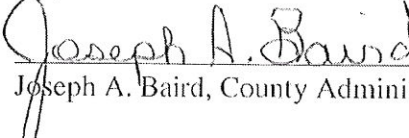

Joseph A. Baird, County Administrator

EXHIBIT A
SCOPE OF SERVICES TO BE PROVIDED BY GEHRING GROUP

SCOPE OF SERVICES AS OUTLINED IN RFQ #2010025 – HEALTH INSURANCE/ EXCESS LOSS REINSURANCE BROKERAGE AND ACTUARIAL SERVICES FOR INDIAN RIVER COUNTY BOARD OF COUNTY COMMISSIONERS

1. The solicitation, analysis, review, and recommendation of a third-party administrator for the County's self-insured group health insurance program to include the presentation of proposals from a minimum of three (3) companies.
2. The solicitation, analysis, review, and recommendation of group health excess insurance for the County's self-insured group health insurance program to include the presentation of proposals from a minimum of three (3) companies.
3. The solicitation, analysis, review, and recommendation of fully insured group health insurance programs, if requested to include the presentation of proposals from a minimum of three (3) respondent companies.
4. A review of the underwriting, rating, and claims activity of the group health insurance program to examine the adequacy of funding levels as well as the provision of the estimated financial effect of the program changes. Preparation of a Critical Factors Analysis Report of the health plan to identify the sources of causation and to identify medical, pharmacy and other cost drivers and make recommendation for potential plan design alternatives to address these cost drivers.
5. Performance of a Mid Year Health Rate Review as of April 30 of medical and pharmacy claims to assure the adequacy of rates budgeted. Seek Renewal Proposals from existing vendors and carriers and prepare a renewal summary with expiring and renewal pricing and terms. Provides assistance in the completion of the Executive Summary to the Board of Commissioners. Prepare an annual renewal proposal summary for presentation to the Board of Commissioners due no later than July 1 each year.
6. Prepare a general review of the County's benefit program to include its structure and financing and to make recommendations to improve the program where possible. It will also include the review and preparation of all written materials utilized under the County's benefit program.
7. A review of the County's flexible spending account program to include the solicitation, analysis, review and recommendation of account administration firms and plan design.
8. Open Enrollment Communication Materials – Provide assistance in the preparation of annual open enrollment communication and enrollment materials. Provide enrollment services for the annual open enrollment period.

9. Provide actuarial services on a direct or sub contracted basis. Collect and distribute actuarial data to staff actuaries or sub-contracting actuaries to complete the FS 112.08 annual study and an updated study during mid fiscal year.
10. Assist the Human Resource Director in reviewing group health insurance program costs to include the preparation of routine group health program management reports which detail the performance of the plan; develop rates for budget; identify and prepare a critical factors analysis to identify cost drivers; monitor the sufficiency of rates; review of group health plan design to determine the propriety of plan wording and to determine areas whereby plan design might be adjusted to enhance the economy and efficiency of the program. Prepare a medical and pharmacy plan design analysis that identifies the potential cost savings of increased deductibles, co-payments, out of pocket and other structural changes.
11. Solicit and Analyze proposals from qualified Pharmacy benefit Management firms for the County's selection to include the actuarial analysis of various pricing and benefit options.

ADDITIONAL SERVICES:

- Continuous Plan Analysis
- Consistent Client Contact
- Development of Requests for Proposals/Quotes
- Program Implementation
- Ongoing Service
- On-site Service
- Employee Surveys
- Displacement Analysis
- Customized Professional Employee Benefits Handbook
- In-House Graphics Department – Professional Employee Communications
- Legislative Compliance & Updates
- Conduct benefits surveys, if directed, for comparing COUNTY benefits with other agencies and companies.
- Conduct periodic on-site meetings with employees and/or dependants individual claim resolution and benefits counseling upon request.
- Provide guidance and assistance with COBRA compliance and administration.
- Employee and staff access to the BenTek Benefits Resource Center.

EXHIBIT "C"

Fees

GEHRING GROUP will provide all services as included and described in Exhibit A (including "Additional Services") and will be paid from COUNTY via monthly commissions equal to the following percentage for insurance programs secured by GEHRING GROUP. Such commissions will be paid by the insurance providers and the total paid shall not exceed \$65,000 per fiscal year (October 1 – Sept 30). GEHRING GROUP will provide COUNTY an accounting of all commissions/fees/bonuses/overrides received, annually or upon request by the COUNTY. GEHRING GROUP agrees to allow the COUNTY to audit the annual accounting through direct contact with the carriers. GEHRING GROUP will release the carrier to provide information regarding any and all payment of aforementioned compensation upon request by the COUNTY.

IF COUNTY SELECTS A FULLY-INSURED HEALTH PROGRAM:

(Fully insured) Health Insurance TBD%

OR

IF COUNTY SELECTS A SELF-INSURED HEALTH PROGRAM:

Group Health Admin Fee \$1.50 per employee per month
Group Health Reinsurance 11.2 %