



SPECIALIZED SERVICES AGREEMENT

WHEREAS *PST Investigations* is a skilled provider of pre-employment background investigations, workplace investigations, and other services to public agencies, political subdivisions, and

WHEREAS the Client agency (the "Client"), either directly or through a civil service commission, tests, evaluates, ranks, and hires law enforcement officers and corrections officers, and other public safety positions in the performance of its public safety functions, and

WHEREAS the Client desires to contract for new or additional services as set forth herein, NOW, THEREFORE

PST Investigations, a division of Public Safety Testing, Inc. (the "Contractor") and the City of Everett, WA (the "Client"), do enter into this Agreement under the terms and conditions set forth herein.

1. **Description of Basic Services:**

The term of this Agreement is from July 1, 2024 to June 30, 2026.

The Client shall pay the Contractor only for services requested by the Client and performed by Contractor in accordance with this Agreement. Such payment shall be full compensation for services performed, including, but not limited to, all labor, materials, supplies, equipment, independent Contractor costs, and incidentals necessary to complete the services. The maximum total of payments to Contractor by Client under this Agreement, including all fees and expenses and compensation of any kind whatsoever, is **\$100,000**. This \$100,000 is a maximum amount and not a guaranteed amount. The total paid to Contractor will be based on services actually requested by Client and completed by Contractor. This Agreement guarantees no specific amount of services will be requested by Client, and the determination of which services and how many services the Client will request is at the Client's sole discretion.

The Contractor will provide or coordinate independent service providers to perform the following services to the Client, on its request, and at its direction: Background

Investigation and Report: This service is described in the attached Exhibit A, incorporated by this reference as fully as if herein set forth.

- 1.1 The Client requires the candidate to submit a financial credit report as part of their background investigation, unless Client directs otherwise.
- 1.2 The estimated annual salary (plus anticipated overtime, but without benefits) for this position is **above \$75,000.**
- 1.3 For each background investigation, the Client requests the following (unless otherwise noted, most entry-level background investigations' reference interviews will be conducted via telephone):

(check all that apply)

- Onsite visit to current employer. No onsite visit to the current employer is authorized if the candidate's current employer is more than 100 miles away from the Client unless first authorized by the Client.
- Personal visit to the candidate's home; interview spouse/significant other/roommates, etc.
- Personal visit to the candidate's neighborhood. Interview neighbors, etc. A personal visit to the candidate's out-of-state neighborhood is authorized so long as it can be accomplished during the same travel occurrence as the personal visit to the candidate's home. Otherwise, no travel out of state for this purpose is authorized without prior approval by Client.

2. Professional Fees:

The following professional fees for the Contractor or independent service provider shall apply:

2.1 Background Investigation and Reporting

- a) Records/data checks for candidates that reside or have resided outside of the State of Washington may be higher, depending on the State.

Records/Data checks	2024	2025	2026
	\$150	\$158	\$166

b) Education Verification Report

Education Verification Report	2024	2025	2026
	\$43	\$45	\$47

c) **Investigative, interviews, administrative, and follow-up work at the following rates:**

PRE-EMPLOYMENT BACKGROUND INVESTIGATIONS	2024	2025	2026
Entry/Lateral Candidates*	\$77/hour	\$80/hour	\$84/hour
Mid-Manager Candidates*	\$102/hour	\$106/hour	\$111/hour
Executive-level Candidates	\$120/hour	\$125/hour	\$131/hour
*Expedited Pre-employment Background Requests (excluding Executive-level background requests)	20% increase		

2.1.1. Under the Fair Credit Reporting Act, candidates are entitled to dispute any item's completeness or accuracy in their file. If this occurs, the Contractor will conduct a reasonable reinvestigation at no charge to the Client if the Contractor initially reported the disputed information or reasonably could have uncovered the disputed completeness or accuracy with due diligence.

2.1.2 The Contractor's actual costs incurred for travel, meals (excluding alcohol), lodging, parking, tolls, and other related expenses are additional. Mileage will be charged at the current federal standard mileage rate per mile. A 4% surcharge is added to these expenses to cover administrative fees. Washington State sales tax is NOT charged. The Contractor shall provide receipts and/or invoices for all travel- costs for which Contractor seeks reimbursement. The reasonableness of the expenses shall be determined by the Chief of Police or his/her designee.

Any out-of-state travel for investigative purposes will require pre-approval by the Client.

2.2 The Contractor will invoice the Client following completion of described services on behalf of the Contractor or an independent service provider. The Client will make payment within 30 days of receipt of the invoice.

Direct Deposit (ACH Enrollment). Clients are encouraged to set up direct deposit (ACH enrollment) for their payments. There will be no additional fee for direct deposit payments (ACH enrollment).

Credit Card. A three percent (3%) fee will be added at the time of payment to each payment made using a credit card. Such a fee aims to cover the Contractor's credit card processing fees.

3. Warranties and Reservations:

3.1 Each service provided pursuant to this Agreement shall be conducted and provided in accordance with generally accepted practice in the relevant

industry. The Contractor shall comply with state and federal statutes. No other warranty, express or implied, is provided by the Contractor.

- 3.2 The Contractor shall maintain complete written records of its files pertaining to candidates for two years following the background, in accordance with the Fair Credit Reporting Act statute of limitations. The Contractor expressly agrees and warrants that the Contractor has acquired all tests and written materials utilized in accordance with the appropriate copyright agreements and laws and that it has a valid right to use and administer any written materials and tests in accordance with such agreements and laws.
- 3.3 The Contractor retains a right of co-ownership to its work product produced under this contract, limited to the uses stated in paragraphs 3.3.1-3.3.3.

3.3.1 If the Client requests a background investigation within 60 days of completing a background investigation for another agency of the same candidate, the Client agency will receive a 25% discount for the investigation report. The report itself may require updating based on the Client's needs.

3.3.1.1 If the Client requests additional work beyond the original background investigation, such additional work and related expenses will be charged directly to the Client.

3.3.2 If another agency requests a background investigation within 60 days of completing a background investigation of the same candidate conducted for the Client, the Client will receive a 25% rebate or credit.

3.3.3 If an agency requests a background investigation on a candidate with an ongoing investigation with the Contractor for another agency, the Contractor will complete the background investigation for the original requesting agency. Two (2) weeks after the report is submitted to the original requesting agency, the report will be sent to the second agency.

4. Certifications:

- 4.1 Consumer Reports: The Client is aware that the Fair Credit Reporting Act applies to background checks conducted by third-party investigators. Therefore, in accordance with the Fair Credit Reporting Act, the Client makes the following certifications to the Contractor:

4.1.1. The Client certifies that it seeks the information in the background check provided by the Contractor for employment purposes.

4.1.2. The Client further certifies that the Client will not use the background check for any purpose except for employment purposes.

4.1.3. The Client also certifies that before taking an adverse action based in whole or in part on the background check, the Client shall provide to the

candidate oral, written, or electronic notice of the adverse action and a description in writing of the rights of the candidate under the Fair Credit Reporting Act, as written by the Federal Trade Commission. And provide to the candidate orally, in writing, or electronically the Contractor's name, address, and telephone number. The Contractor will provide a copy of the candidate's rights under the Fair Credit Reporting Act at the time the background check is provided to the Client.

4.1.4. The Client is further required to certify that prior to procuring a background check from the Contractor, the Client will (a) make a clear and conspicuous disclosure in writing to the candidate for employment in a document that consists solely of the disclosure, that a consumer report may be obtained for employment purposes; and (b) obtain from the candidate for employment an authorization in writing that the Client may procure a background check. However, the Contractor shall act as the Client's agent to make this disclosure and obtain the candidate's authorization. The disclosure and authorization will be obtained during the candidate's application process with the Contractor.

4.2 Investigative Consumer Reports: The Client is aware that an "investigative consumer report" means a background check in which information on the candidate's character, general reputation, personal characteristics, or mode of living is obtained through personal interviews with neighbors, friends, or associates of the candidate or with others with whom he or she acquires or who may have knowledge concerning any such items of information. If the Client has requested such interviews to take place, the Client makes all of the certifications contained in Section 4.1 above and the following additional certifications:

4.2.1. The Client certifies that it will comply with Section 606(b) of the Fair Credit Reporting Act, which provides that the Client shall, upon written request made by the candidate within a reasonable period after the receipt of the disclosure made pursuant to Section 4.2.2 below, make a complete and accurate disclosure of the nature and scope of the investigation requested. This disclosure must be made in writing, mailed, or otherwise delivered to the candidate not later than five days after the date on which the request is received.

4.2.2. The Client is further required to certify that it has clearly and accurately disclosed to the candidate that an investigative consumer report, including information as to their character, general reputation, personal characteristics, and mode of living, whichever are applicable, may be made and that such disclosure has been or will be delivered to the candidate not later than three days after the date on which the report was first requested. The Client further certifies that the disclosure will include a statement informing the consumer of their right to request the additional disclosures provided under Section 606(b) of the Fair Credit Reporting Act. However, the Contractor shall act as the Client's agent for the purposes of making this

disclosure. The disclosure will be made during the candidate's application process with the Contractor.

5. Independent Contractor:

The Contractor is an independent contractor. Any and all agents, employees, or contractors of the Contractor shall have such relation only with the Contractor. Nothing herein shall be interpreted to create an employment, agency, or contractual relationship between the Client and any employee, agent, or sub-contractor of the Contractor.

6. Indemnity and Hold Harmless:

To the extent of the Contractor's negligence, breach of this Agreement, intentional misconduct, or violation of applicable law, the Contractor shall defend, indemnify, and hold harmless the Client from and against any and all claims, lawsuits, or liability arising from this Agreement.

7. Termination: The Contractor and the Client may withdraw from this Agreement at any time for any reason with 60 days written notice, provided, however, that the provisions of paragraphs 3.2 shall remain in full force and effect following the termination of this Agreement with respect to, and continuing for so long as the consent of the candidate tested by the Contractor remains in effect.

8. Entire Agreement, Amendment: This Agreement contains the complete and integrated understanding and agreement between the parties related to the subject matter herein and supersedes any understanding, agreement or negotiation whether oral or written not set forth herein. This Agreement may only be amended by written amendment executed by Mayor of the City of Everett for Client and by an authorize representative of Contractor for Contractor.

9. Miscellaneous Provisions:

9.1 Audits and Inspections. At any time during normal business hours and as often as the Client may deem necessary, the Contractor shall make available to the Client for the Client's examination all of the Contractor's records and documents with respect to all matters covered by this Agreement and, furthermore, the Contractor will permit the Client to audit, examine and make copies, excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement.

9.2 City of Everett Business License. Contractor agrees to obtain a City of Everett business license prior to performing any work pursuant to this Agreement.

9.3 State of Washington Requirements. Contractor agrees to register and obtain any State of Washington business licenses, Department of Revenue

account and/or unified business identifier number as required by state law prior to performing any work pursuant to this Agreement.

- 9.4 **Compliance with Federal, State, and Local Laws.** Contractor shall comply with and obey all federal, state and local laws, regulations, and ordinances applicable to the operation of its business and to its performance of work hereunder.
- 9.5 **Compliance with the Washington State Public Records Act.** Contractor acknowledges that the Client is subject to the Public Records Act, chapter 42.56 RCW (the "Act"). All records owned, used or retained by the Client are public records subject to disclosure unless exempt under the Act, whether or not such records are in the possession or control of the Client or Contractor. Contractor shall cooperate with the Client so that the Client may comply with all of its obligations under the Act. Within ten (10) days after receipt of notice from the Client, Contractor shall deliver to the Client copies of all records relating to this Agreement or relating to the Work that the Client determines qualify as the Client's public records under the Act. If the Client receives a public records request relating to this Agreement or relating to the Work, the Client shall seek to provide notice to Contractor at least ten (10) days before the Client releases records pursuant to such public records request, but in no event will the Client have any liability to Contractor for any failure of the Client to provide such notice. In addition to its other indemnification and defense obligations under this Agreement, Contractor shall indemnify and defend the Client from and against any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorney's fees and litigation expenses), suits, judgments, or damage arising from or relating to any failure of Contractor to comply with this Section 9.5.
- 9.6 **Equal Employment Opportunity.** Contractor shall not discriminate against any employee, applicant for employment, or other person on the basis of race, color, religion, sex, age, disability, marital state, or national origin or other circumstance prohibited by applicable federal, state, or local law or ordinance. Contractor shall comply with and shall not violate any applicable provisions of Chapter 49.60 RCW, Title VI of the Civil Rights Act of 1964, and all applicable federal, state, or local law or ordinance regarding non-discrimination.
- 9.7 **Employment/Conflict of Interest.** The Contractor warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the Contractor, to solicit or secure this Agreement and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the Client shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement price or consideration or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

Further, it is recognized that Contractor may or will be performing professional services during the term of this Agreement for other parties; however, such performance of other services shall not conflict with or interfere with Contractor's ability to perform the services. Contractor agrees to resolve any such conflicts of interest in favor of the Client.

9.8 **Waiver.** Any waiver by the Contractor or the Client or the breach of any provision of this Agreement by the other party will not operate, or be construed, as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provisions.


9.9 **Venue.** Venue for any lawsuit arising out of this Agreement shall be in the Superior Court of Snohomish County, Washington.

9.10 **Signature/Counterparts.** This Agreement may be signed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall be deemed one and the same document. Execution and delivery of this Agreement by the parties shall be legally valid and effective through any combination of: (i) executing and delivering a paper copy, (ii) transmitting the executed paper copy by email in pdf format or other electronically scanned format, or (iii) execution and transmittal by AdobeSign or DocuSign or other e- signature method.

This Agreement is dated this _____ day of 07/02/2024, 2024.

CITY OF EVERETT, WA

**PST INVESTIGATIONS
PUBLIC SAFETY TESTING, INC.**

By: 

By: Jon F. Walters, Jr. 07/01/2024
Date

Print: Cassie Franklin

Print: Jon F. Walters, Jr.

Its: Mayor

Its: President

Point of Contact: Michael Duerr

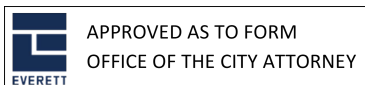
Greg Wilson
Director of Investigation
20818 44th Ave W, STE 160
Lynnwood, WA 98036
425.741.8872 / 425.7876.9615


Title: Assistant Human Resources Director

Address: 2930 Wetmore Ave Suite

City/State/Zip: Everett, WA 98201

Telephone: 425.257.8767



Attest:


City Clerk

Invoicing Preference (select one):

- US Postal Service Mail
- Electronic via email @ _____

Subscriber's Contact for Billing

(Please complete if different from the contact information above)

Contact: <u>Michael Duerr</u>	Address: <u>2930 Wetmore Ave Suite 5A</u>
Title: <u>Assistant Human Resources Director</u>	City/State/Zip: <u>Everett, WA 98201</u>
Agency: <u>City of Everett</u>	Telephone: <u>425.257.8767</u>
Email: <u>mduerr@everettwa.gov</u>	

EXHIBIT A

BASIC BACKGROUND INVESTIGATIONS

SCOPE OF WORK

1. PST discusses the department's scope of work, essential attributes to screen for, etc.
2. The candidate completes the Personal History Statement, notarizes signatures, completes the necessary waiver and notification forms, and submits them to PST. PST reviews information provided, PHS, etc.
3. PST conducts records/data checks
 - Public Records Check¹
 - WA Criminal history conviction information
 - Pending convictions and/or outstanding warrants
 - Federal Court Check
 - Sex Offender Registration
 - Credit Check/Prior Address History
 - SSN Verification
 - Department of Licensing Records (driver's license) (may be submitted by candidate)
4. Personal History Questionnaire (PHQ) completed by the applicant online.
5. One-on-one comprehensive in-person interview with the candidate.
6. For entry-level candidates, telephone interviews of significant references (approx. 6-12 telephonic interviews). May conduct in-person or onsite interviews as requested by the client agency. Second-tier references may also be contacted as necessary.
 - For management/executive and lateral candidates, on-site visits will be conducted. They will visit current/past agencies and meet with coworkers, supervisors, subordinates, government officials, citizens, community leaders, etc.
7. Summary Report to the Client
 - Summary of interviews
 - Findings
 - Records check reports
 - Personal History Statement
 - Personal History Questionnaire Report
 - Documents, Certificates
8. PST meets with Client staff – debrief (optional)

CONSIDERATIONS

- The Client will notify PST of any issues or areas they may want to examine closely on any candidate.
- The Client is aware that the Fair Credit Reporting Act (FCRA) applies to background checks conducted by third-party investigators. The Client must provide a copy of the background check report to a candidate before taking an adverse employment decision based on the reports/records. As a third-party investigator, the FCRA prohibits PST from reporting certain adverse information beyond seven (7) years (for positions with an annual salary under \$75,000).
- PST is a licensed Private Investigative Agency in the State of Washington.
- PST will contact the Client at any point during a candidate's background investigation when potentially disqualifying information is obtained. The Client will advise PST on how to proceed at that point.
- The Client will provide PST with any relevant information on each candidate, such as a copy of the Client's employment application completed by the candidate, waivers, special requests, etc.
- PST personnel have extensive investigation and/or law enforcement investigative experience. PST investigators are WA-licensed unarmed Private Investigators.

¹ 1 Client is required to run checks on government databases that Contractor does not have access to, such as WACIC, NCIC, DOL, etc.











2024 PST Investigations Agreement_06052024_SD


Final Audit Report

2024-07-02

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-  Signer jon@publicsafetytesting.com entered name at signing as Jon F. Walters, Jr.
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 Agreement completed.

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