

RESOLUTION NO. 20-58

Resolution Of The City Council Of The City Of Emeryville Authorizing The City Manager To Enter Into A Sixth Amendment To The Professional Services Agreement For Audit Services With Lance, Soll & Lunghard, LLP, Increasing The Services Agreement Amount By \$116,070 To An Amount Not To Exceed \$1,222,663 For The Fiscal Year 2019-2020 Audit

WHEREAS, pursuant to Resolution No. 10-16, the City of Emeryville entered into a Professional Services Agreement with Lance, Soll & Lunghard, LLP ("Consultant") as of February 2, 2010 ("Agreement") to engage Consultant for audit services for fiscal years 2009-2010 through 2013-2014; and

WHEREAS, on September 1, 2015, the City Council authorized the City manager to enter into a First Amendment to the Professional Services Agreement for audit services for fiscal year 2014-2015; and

WHEREAS, on May 17, 2016, the City Council authorized the City manager to enter into a Second Amendment to the Professional Services Agreement for audit services for fiscal year 2015-2016; and

WHEREAS, on April 4, 2017, the City Council authorized the City manager to enter into a Third Amendment to the Professional Services Agreement for audit services for fiscal year 2016-2017; and

WHEREAS, on May 16, 2018, the City Council authorized the City manager to enter into a Fourth Amendment to the Professional Services Agreement for audit services for fiscal year 2017-2018; and

WHEREAS, on June 20, 2019, the City Council authorized the City manager to enter into a Fifth Amendment to the Professional Services Agreement for audit services for fiscal year 2018-2019; and

WHEREAS, the City desires to extend the Agreement for an additional one-year period for audit services for fiscal year 2019-2020; and

WHEREAS, the City has determined that Consultant is qualified by training and experience to render such services, and Consultant has agreed to provide such services; and

WHEREAS, Consultant has submitted a proposal with the approved proposal attached and incorporated as Exhibit A-6 to the Sixth Amendment to Professional Services Agreement; now, therefore, be it

RESOLVED, that the City Council of the City of Emeryville hereby authorizes the City Manager to enter into a Sixth Amendment to the Professional Services Agreement for audit services with Lance, Soll & Lunghard, LLP, increasing the services agreement

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RESOLVED, that the City Council of the City of Emeryville hereby authorizes the City Manager to enter into a Sixth Amendment to the Professional Services Agreement for audit services with Lance, Soll & Lunghard, LLP, increasing the services agreement

Lance, Soll & Lunghard, LLP Contract FY2019-20
City Council Meeting | June 16, 2020
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amount by \$116,070 to an amount not to exceed \$1,222,663 for the fiscal year 2019-2020 audit.

ADOPTED, by the City Council of the City of Emeryville at a regular meeting held Tuesday, June 16, 2020, by the following vote:

AYES:	<u>5</u>	Mayor Patz, Vice Mayor Martinez, and Council Members Bauters, Donahue, and Medina
NOES:	<u>0</u>	
ABSTAIN:	<u>0</u>	
ABSENT:	<u>0</u>	

DocuSigned by:

Christian R. Patz

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MAYOR

ATTEST:

DocuSigned by:

Sheri Hartz

CITY CLERK

APPROVED AS TO FORM:

Michael Guiraud

CITY ATTORNEY



City of Emeryville

CALIFORNIA

PROFESSIONAL SERVICES AGREEMENT

SIXTH AMENDMENT

THIS SIXTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT

("Amendment") is effective as of this _____ day of _____, 2020, by and between **THE CITY OF EMERYVILLE**, a municipal corporation, ("City") and **Lance, Soll & Lunghard, LLP** ("Consultant"), collectively referred to as the "Parties."

WITNESSETH THAT

WHEREAS, the City and Consultant entered into a Professional Services Agreement ("Agreement") effective February 2, 2010 (pursuant to Resolution No. 10-16), whereby Consultant performed auditing services for fiscal years 2009-2010 through 2013-2014; and

WHEREAS, City and Consultant entered into a first amendment to the Professional Services Agreement, effective September 1, 2015, for audit services for fiscal year 2014-2015; and

WHEREAS, City and Consultant entered into a second amendment to the Professional Services Agreement, effective May 19, 2016 for audit services for fiscal year 2015-2016; and

WHEREAS, City and Consultant entered into a third amendment to the Professional Services Agreement, effective April 17, 2017 for audit services for fiscal year 2016-2017; and

WHEREAS, City and Consultant entered into a fourth amendment to the Professional Services Agreement, effective May 16, 2018, for audit services for fiscal year 2017-2018; and

WHEREAS, City and Consultant entered into a fifth amendment to the Professional Services Agreement, effective, June 20, 2019, for audit services for fiscal year 2018-2019 ("Fifth Amendment"); and

WHEREAS, the City desires to extend the Agreement for an additional one- year period for audit services for fiscal year 2019-2020; and

WHEREAS, the City finds that specialized knowledge, skills, and training are necessary to render the services necessary to do the work contemplated under this Amendment; and

FOR CITY USE ONLY			
Contract No.		CIP No.	
Resolution No.		EPW No.	

City of Emeryville | Amendment to the Professional Services Agreement

WHEREAS, the City has determined that the Consultant is qualified by training and experience to render such services; and

WHEREAS, the Consultant desires to provide such services and has submitted a proposal date of May 20, 2020, with the approved proposal attached and incorporated as Exhibit A; and,

WHEREAS, the public interest will be served by this Amendment; and

NOW, THEREFORE, the Parties hereto do mutually agree as follows:

- A. Paragraph I.B. of the Agreement, "Scope of Services," is hereby amended to include the scope of services described in Exhibit A-6.
- B. Paragraph III.B of the Agreement, "Compensation and Method of Payment", is hereby amended to increase compensation for audit services under the Agreement by an additional amount not to exceed \$116,070, for a total amount not to exceed \$1,222,663. Paragraph III.B. is hereby amended in its entirety to read as follows:

The total amount paid under this Agreement as compensation for services performed and reimbursement for costs incurred shall not, in any case exceed One Million, Two Hundred Twenty-Two Thousand, Six Hundred, Sixty-Three Dollars (\$1,222,663), except as outlined in Section 2.C above.

- A. The Parties desire to extend the termination date of this Agreement from June 30, 2020, as set forth in the Fifth Amendment to June 30, 2021.
- B. All other provisions of the Agreement shall remain in full force and effect, and this Amendment shall remain subject to said promises.
- C. The Effective Date of this Amendment is the date on which the Amendment is executed on behalf of the City.

WAIVER OF AGREEMENT

The City's failure to enforce any provision of this Amendment or the waiver in a particular instance shall not be construed as a general waiver of any future breach or default.

City of Emeryville | Amendment to the Professional Services Agreement

IN WITNESS WHEREOF the City and the Consultant have executed this Amendment, which shall become effective as of the date the City Manager executes this Amendment on behalf of the City.

Approved As To Form:

DocuSigned by:
Andrea Visveshwara
Michael A. Guina, City Attorney

CITY OF EMERYVILLE

Dated: _____, 2020

Christine Daniel, City Manager

CONSULTANT

Dated: _____
June 2, 2020

BY: 

ITS: Bryan Gruber, Partner, Lance, Soll & Lunghard LLP



May 20, 2020

Susan Hsieh, CPA
Finance Director
City of Emeryville

Dear Ms. Hsieh,

As you are aware, our contract with the City of Emeryville for auditing services expired with the fiscal year ending June 30, 2019. Over the years, we have provided the City with auditing and accounting services which included:

- Performed a financial audit of the basic financial statements of the City of Emeryville. These financial statements were included within a Comprehensive Annual Financial Report (CAFR) and met all the requirements necessary to receive the Government Finance Officers Association Award for Excellence in Financial Reporting.
- Performed various compliance audits which included the federal single audit, child care audit, and county measures.
- Prepared various state controller reports including financial transaction reports and the street report.

We have made it an *absolute priority* to provide the City of Emeryville with the best service available and we would like to continue to provide this level of service to the City. Since LSL specializes in the audits of cities and has an extensive government services staff, we provide for staff rotation on your engagement so that the City will always receive a fresh look at its system and records. This coupled with the knowledge base we have gained from working with the City over the years, provides for optimal audit services.

We would like to propose a one-year extension to our original agreement to provide continuous and uninterrupted auditing services to the City. As a part of our services, LSL CPAs will continue to provide extensive Governmental Accounting Standards Board (GASB) assistance to the City throughout the year.

Please see the attached Appendix A for our proposed fees for the next year. The services to be performed, fee structure and billing methods would remain unchanged from our original agreement.

Again, LSL CPAs looks forward to continue to provide quality services to the City of Emeryville. Please sign below to acknowledge your acceptance of this agreement and return to my attention. Should you or any other representative of the City have additional questions regarding this agreement, please do not hesitate to contact Bryan Gruber, Partner at (714) 672-0022.

Very truly yours,

A handwritten signature in black ink that reads "Lance, Soll & Loughard, LLP". The signature is written in a cursive, flowing style.

Signature

Date



CITY OF EMERYVILLE

LSL CPAs – Quote for Audit Services
Appendix A

FEES	2019-2020
City Audit	\$82,000
Successor Housing Compliance	5,200
GANN Limit Review Report	825
Child Development	8,600
Measure B, VRF, and BB (\$2,805 each)	8,415
State Controller Report	2,630
Street Report	2,050
Single Audit (if required)	6,350
Total	\$116,070