

RESOLUTION NO. 2014-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING AN AGREEMENT WITH THE ACCOUNTING FIRM OF LANCE SOLL AND LUNGHARD, LLP TO PROVIDE AUDITING SERVICES AND AUTHORIZING THE CITY MANAGER TO EXERCISE TWO ONE-YEAR OPTIONS TO EXTEND THE AGREEMENT

WHEREAS, section 1017 of the Chula Vista Charter requires an annual independent audit of the City; and

WHEREAS, the current five-year Agreement with Pun and McGeedy, LLP terminated with completion of the June 30, 2013, audit report; and

WHEREAS, a Request for Proposal ("RFP") to provide auditing services for the City was issued January 31, 2014, and closed on February 20, 2014; and

WHEREAS, the Finance Department followed Municipal Code 2.56, Ordinance No. 2517 and Council Policy No. 102-05 in the consultant services selection process; and

WHEREAS, the RFP was posted electronically on PlanetBids.Com, a web-based vendor and bid management system that is widely used by other local agencies. In addition, the RFP was sent directly to accounting firms that had expressed an interest in performing audit services for the City; and

WHEREAS, seven proposals were received and evaluated by the Selection Committee based on the following criteria: A. Organization, size, and structure of the audit firm; B. Qualifications and experience of staff to be assigned to the City's audit; C. Audit firm's understanding of the work to be performed and comprehensiveness of audit work plan; and D. Pricing of Services; and

WHEREAS, There were other elements of the proposal that were considered mandatory for further consideration. These mandatory elements are:

- Independence: the firm was required to provide an affirmative statement that it is independent of the City as defined by generally accepted auditing standards and the U.S. General Accounting Office's *Government Auditing Standards*.
- Conflict of Interest: the firm should list and describe any professional relationships involving the City for the past five years together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the audit.
- License to Practice: the firm is required to provide an affirmative statement that the firm and all assigned key professional staff are properly licensed to practice in the State of California.; and

WHEREAS, the primary basis of the ratings was the proposing firm's technical competence; and

WHEREAS, additional points were awarded based on the price of the proposal;
and

WHEREAS, the Selection Committee interviewed two firms; and after checking references for the two firms recommend Lance Soll and Lunghard, LLP (“LSL”) as the successful proposer; and

WHEREAS, the scope of work proposed to be performed by LSL includes the preparation of various financial and audit reports for fiscal years 2013-14, 2014-15, and 2015-16; and

WHEREAS, the consultant agreement authorizes the City Manager to extend the agreement for two additional years.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Chula Vista does hereby approve the Agreement with the accounting firm of Lance, Soll and Lunghard, LLP, in the form presented, with such minor modifications as may be required or approved by the City Attorney, a copy of which shall be kept on file in the Office of the City and authorizes and directs the Mayor to execute same.

Presented by

Approved as to form by

Maria Kachadoorian
Director of Finance

Glen Goggins
City Attorney