



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

26

2. Council Meeting Date:
May 8, 2014

TO: MAYOR & COUNCIL

3. Date Prepared: April 24, 2014

THROUGH: CITY MANAGER

4. Requesting Department:
Management Services

5. SUBJECT: Agreement No. AC3-946-3212, Amendment No. 1, with Heinfeld, Meech & Co., P.C. for Audit Services

6. RECOMMENDATION: Approval of Agreement No. AC3-946-3212, Amendment No. 1 for Professional Auditing Services with Heinfeld, Meech & Co., P.C. for one year extension in an amount not to exceed \$100,287.

7. HISTORICAL BACKGROUND/DISCUSSION: The City is required by City Charter and state statute to issue an annual audited financial report. In addition, federal law requires the City to undergo an annual single audit of federal financial assistance. The scope of services includes audit work for the City, the Chandler Health Care Benefit Trust, the Chandler Worker's Compensation and Employer Liability Trust, the Chandler Cultural Foundation, the Volunteer Fireman's Pension and Relief Trust Fund Report, the Local Transportation Assistance Fund Report (LTAF), the Annual Expenditure Limitation Report, the ADEQ Landfill Assurance Report and the Highway User Revenue Fund (HURF) Report.

8. EVALUATION PROCESS: In May 2013, Council awarded an agreement for audit services to Heinfeld, Meech & Co., P.C. for a one-year period with options to extend for four one-year periods. Staff is satisfied with the services provided and recommends the first one-year extension.

9. FINANCIAL IMPLICATIONS: Funds totaling \$100,287 for the FY 2013-14 audits are available in FY 2014-15 from the following:

General Fund Accounting	101.1230.5212.0.0.0	\$ 62,824
General Fund Fire Administration	101.2210.5212.0.0.0	\$ 1,295
Highway User Revenue Fund (HURF)	215.3300.5212.0.0.0	\$ 1,239
Local Transportation Assistance Fund (LTAF)	216.3340.5212.0.0.0	\$ 1,295
Community Development Block Grant Fund (CDBG)	219.4700.5212.BG1314	\$ 3,445
PHA Family Sites Fund	224.4650.5212.0.0.0	\$ 2,525
PHA Elderly and Scattered Sites Fund	227.4650.5212.0.0.0	\$ 2,066
PHA Section 8 Vouchers Fund	233.4650.5212.0.0.0	\$ 3,445
Solid Waste Operating Fund	625.3700.5219.0.0.0	\$ 2,590
Chandler Workers Compensation & Employer Liability Trust Fund	736.1230.5212.0.0.0	\$ 3,904
Chandler Health Care Trust Fund	741.1230.5212.0.0.0	\$ 6,144
Chandler Cultural Foundation		\$ 9,515
Total Not To Exceed For Audit Services		<u>\$ 100,287</u>

10. PROPOSED MOTION: Move to approve Amendment No. 1, extending Agreement No. AC3-946-3212 for Professional Auditing Services with Heinfeld, Meech & Co., P.C. for one year, in an amount not to exceed \$100,287.

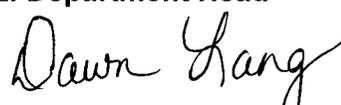
ATTACHMENT: Amendment No. 1

APPROVALS

11. Requesting Department


Penny Burczyk, Accounting Manager

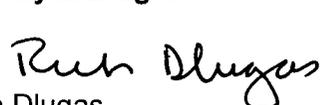
12. Department Head


Dawn Lang, Management Services Director

13. Procurement Officer


Carolee Stees, CPPB

14. City Manager


Rich Dlugas

AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
HEINFELD MEECH, LLC
FOR AUDIT SERVICES
AGREEMENT NO. AC3-946-3212

This Amendment #1 to that certain Agreement between the City of Chandler (CITY) and Heinfeld Meech, LLC (CONTRACTOR) for Audit Services dated May 24, 2013 and is entered into this ____ day of April, 2014.

WHEREAS, a one year agreement with four additional one year renewal options was awarded to Heinfeld Meech, LLC for Audit Services,

NOW THEREFORE, the parties agree as follows:

1. This contract is extended for a one-year period, June 1, 2014 through May 31, 2015, which is referred to herein as the "Second Contract Year."
2. Section 4.1 of the Contract is hereby amended to read as follows:

4.1 PRICE: CITY shall pay to CONTRACTOR the sum of one hundred thousand two hundred eighty-seven dollars (\$100,287) for the Second Contract Year for the work and services described herein, which sum shall include all costs or expenses incurred by CONTRACTOR, payable as set forth in Exhibit B, attached hereto and made a part hereof by reference.
3. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this ____ day of April, 2014.

CITY OF CHANDLER:

By: _____
Mayor

APPROVED AS TO FORM:

City Attorney *CA*

ATTEST:

City Clerk

CONSULTANT:

By: *Diane Bradley*
Title: *Partner*

ATTEST: (If corporation)
[Signature]
Secretary

WITNESS: (If individual or Partnership)

SEAL]