



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

28

2. Council Meeting Date:

April 26, 2007

TO: MAYOR & COUNCIL

3. Date Prepared: March 27, 2007

THROUGH: CITY MANAGER

4. Requesting Department: Management Services—Accounting

5. SUBJECT: Extension of Agreement AC3-0893-2012 with Heinfeld, Meech and Co., P.C. for professional audit services in an amount not to exceed \$80,881.

6. RECOMMENDATION: Recommend approval of extension of Agreement AC3-0893-2012 to Heinfeld, Meech and Co., P.C. in an amount not to exceed \$80,881.

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. Consistent with the City's practice to competitively procure a contract for auditing services every five years, a request for proposals for auditing services was issued upon the expiration of the previous contract. The current contract is a one-year contract with the option to renew for up to four additional one-year periods. If approved, the contract would be in its fifth of a possible five (5) years.

It is also noted that the scope of services includes the City and affiliated organizations, i.e., the City of Chandler Industrial Development Authority and the Chandler Cultural Foundation. At their pleasure, the respective boards of these entities may have audit work performed under this contract at their cost.

8. EVALUATION PROCESS: On May 8, 2003, City Council approved Agreement AC3-0893-2012 for professional audit services to Heinfeld, Meech and Co., P.C. Council approved subsequent contract extensions in 2004, 2005 and 2006.

City staff is satisfied with the contractor's performance and recommends extension of the agreement for another one (1) year period.

9. FINANCIAL IMPLICATIONS: Funds for this project are available in FY 2007/08 from the General, Housing, and Solid Waste Funds, Accounting and Auditing Services as follows:

101.1230.0.5212.000000	\$ 55,227	Accounting Division
101.2210.0.5212.000000	\$ 934	Fire Administration
215.3300.0.5212.000000	\$ 2,436	Highway Users Fund
216.3340.0.5212.000000	\$ 1,447	Transit Services
219.4700.0.5212.BG0607	\$ 3,000	Community Development Block Grant
224.4650.0.5212.000000	\$ 1,500	Housing Division
227-4650-0-5212.000000	\$ 1,500	Housing Division
233.4650.0.5212.000000	\$ 3,000	Housing Division
625.3700.0.5219.000000	\$ 3,061	Solid Waste Administration
	1,886	Chandler IDA
	<u>6,890</u>	Chandler Cultural Foundation
Total Contract	\$ 80,881	

10. PROPOSED MOTION: Move to extend Agreement AC3-0893-2012 for a one-year period with Heinfeld, Meech, and Co., for professional audit services, as amended, in an amount not to exceed \$80,881, and authorize the Mayor to sign the contract documents.

APPROVALS

11. Requesting Department



Brian Ritschel, Accounting Manager

12. Department Head



O.D. Burr, Acting Management Services Director

13. Buyer/Contract Admin.



Robert Descheemaker, CPPB, Purchasing Supervisor

14. City Manager



W. Mark Pentz

**CITY OF CHANDLER
AMENDED AGREEMENT
PROFESSIONAL AUDIT SERVICES
CONTRACT NO. AC3-0893-2012**

It is mutually agreed by and between the City of Chandler, hereinafter called CITY and Heinfeld, Meech & Co., P.C., hereinafter called the CONSULTANT, that certain "Professional Audit Services, Contract No. AC3-0893-2012", is hereby amended as follows:

- 1) Extend the Agreement for one year through June 30, 2008

All services provided by this amendment shall be subject to all terms and conditions of the original contract and subsequent amendments.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names this _____ day of _____, 2007.

CITY OF CHANDLER:

NAME OF FIRM:
Heinfeld, Meech & Co., P.C.

Mayor

BY: 

Partner
Title

ATTEST:

City Clerk

APPROVED AS TO FORM:

SEAL

City Attorney
