Staff Report Item 13

TO: East Bay Community Energy Board of Directors
FROM: Jason Bartlett, Finance Manager
SUBJECT: Extension of Accountant Contract (Action Item)
DATE: December 18, 2019

Recommendation

Authorize the CEO to extend the Maher Accountancy contract for an additional year through December 31, 2020 adding an amount of $200,000 for services in 2020.

Background and Discussion

EBCE uses an independent accountant to support ongoing financial operations. The accountant is crucial to EBCE’s invoicing, payments, and reporting functions.

Per Resolution No R-2018-16, EBCE staff solicited bids for accounting services and selected Maher Accountancy in April of 2018. Although the Resolution allowed for a two-year engagement, the original contract was for 13 months of service from June 1, 2018 to June 30, 2019 and was extended for a six-month period through December.

The extended contract was for a term not longer than six months beginning July 1, 2019 to allow for the future accountant selection process to stagger with future auditor selections. Although the two positions of accountant and auditor are independent of each other, for information sharing purposes it is beneficial to ensure EBCE is not transitioning accountants at the time of an audit, which begins on July 1st of each year. In this manner, moving forward EBCE would be selecting an accountant after an audit is complete.

During the contracted 19 months, Maher Accountancy has assisted with two audits and has performed exceptionally well in managing EBCE’s books and ledgers. The firm’s familiarity with the CCA space is unparalleled as they are the accounting firm for several other CCA’s, including Clean Power Alliance, Marin Clean Energy, Monterey Bay Community Power, Peninsula Clean Energy, Silicon Valley Clean Energy, and Sonoma Clean Power.

EBCE has negotiated a contract price with Maher Accountancy of $13,250 per month for the following calendar year. This new rate is still competitive with the originally solicited bids, which ranged up to $14,000 per month in 2018. In addition to the monthly charge, there is an additional one-time charge of $15,000 to provide accounting assistance with EBCE’s annual...
audit. This also remains competitive with original bids. The total not-to-exceed amount of the extension is $200,000.

EBCE wishes to continue to benefit from the expertise of Maher Accountancy and seeks Board approval to extend the current contract for an additional year through December 31, 2020 and add an additional $200,000 to the contract budget.

**Fiscal Impact**
The contract extension will call for a monthly fixed rate of $13,250 for the year to equal $159,000, an additional charge of $15,000 to provide accounting services to assist with the annual audit, and an amount of allocated for contingencies for a total not-to-exceed amount of $200,000 for the year.

**Attachments**

A. Resolution authorizing the CEO to extend EBCE’s contract with Maher Accountancy for an additional year through December 31, 2019 at a not-to-exceed amount of $200,000.

B. First Amendment to the Consulting Services Agreement for Services by and Between East Bay Community Energy Authority and Maher Accountancy.
RESOLUTION NO.____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY TO DELEGATE AUTHORITY TO CEO TO EXTEND THE TERM AND INCREASE THE BUDGET OF THE CONSULTING SERVICES AGREEMENT MAHER ACCOUNTANCY

THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY FIND, RESOLVE AND ORDER AS FOLLOWS:

WHERAS, The East Bay Community Energy Authority ("EBCE") was formed on December 1, 2016, under the Joint Exercise of Power Act, California Government Code sections 6500 et seq., among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs in all of the member jurisdictions.

WHERAS, The Board of Directors delegated authority to the CEO to select an accounting firm in April 2018, after EBCE solicited bids.

WHERAS, EBCE executed a Consulting Services Agreement with Maher Accountancy from a term of one year, from May 31, 2018 to June 30, 2019. EBCE then executed another Consulting Services Agreement with Maher Accountancy from July 1, 2019 to December 31, 2019.

WHERAS, Maher Accountancy has extensive experience providing accounting services to CCA’s specifically, and EBCE would like to continue to benefit from the firm’s expertise through December 31, 2020.

WHERAS, Maher Accountancy is still providing service at competitive costs relative to the initially received bids.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The CEO or his or her designee is hereby authorized to negotiate and execute the Agreement in substantially the same form attached as Exhibit A, which shall be effective for a period of twelve months and shall not exceed $200,000 in total compensation, to allow Maher Accountancy to continue providing accountancy services.

ADOPTED AND APPROVED this _______day of ____________________, 2019.
Dan Kalb, Chair

ATTEST:

Stephanie Cabrera, Clerk of the Board
First Amendment to the Consulting Services Agreement for Services by and Between East Bay Community Energy Authority and Maher Accountancy

This First Amendment to the Agreement with Maher Accountancy, for Consulting Services (“Amendment”) is made this 3rd day of December, 2019, by and between the East Bay Community Energy Authority, a Joint Powers Agency formed under the laws of the State of California (“EBCE”) and Maher Accountancy, an California corporation, for the purposes of extending the termination date and providing for additional compensation.

Recitals

A. EBCE and Maher Accountancy entered into that certain agreement for consulting services dated July 1, 2019, wherein Maher Accountancy agreed to provide accounting services to EBCE.

B. EBCE desires to continue to use Maher Accountancy’s expertise in the area of accounting services and Maher Accountancy has the manpower available to assist EBCE in this area.

Now therefore, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Section 2 of the Agreement is modified to identify a termination date of December 31, 2020, unless terminated earlier pursuant to Section 8 of the Consulting Services Agreement.

2. Section 6.1 of the Agreement is modified so that the maximum compensation under the Agreement is $299,000 (adding an additional amount of $200,000 for additional services).

3. Exhibit E – Compensation/Budget, is amended as outlined in Exhibit E.

4. All other terms and conditions in the Agreement not otherwise modified by this Amendment will remain in full force and effect.
In witness whereof, the Parties have entered into this Amendment on the date written above.

East Bay Community Energy Authority  
A Joint Powers Authority  

Maher Accountancy  
An individual

Name:  
Title:  

Name:  
Title:  

Approve as to Form  
EBCE General Counsel  

Name:  
Title:  
Exhibit E

Compensation/Budget

Monthly Financial Operational Assistance Fee: $13,250 ($159,000 for 2020).
Financial Audit Management: $15,000
Contingency for out of scope work: $26,000

Additional services not included in the scope of this document (“out of scope work”) will be subject to an additional charge as agreed upon by the parties.

Reimbursable Expenses:

Administrative, overhead, secretarial time of overtime, word processing, photocopying, in house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. Travel expenses must be authorized in advance in writing by EBCE and shall only be reimbursed to the extend consistent with the Authority’s travel policy. Subscription and transaction fees for cloud-based accounts payable system (Bill.com) will be borne by EBCE.