



Legislation Text

File #: 2021-175, Version: 1

Report to Mayor and City Council

Tuesday, March 02, 2021

Consent

SUBJECT:

CONSIDER APPROVAL OF AMENDMENT NO. 3 TO THE AGREEMENT WITH WHITE NELSON DIEHL EVANS (WNDE) (C16-09) FOR THE TRANSFER AND ASSIGNMENT OF WNDE'S RIGHTS, INTERESTS, DUTIES AND OBLIGATIONS TO CLIFTONLARSONALLEN LLP (CLA) (CITY COUNCIL).

I. SUMMARY

The purpose of this item is to approve Amendment No. 3 to a contract with White Nelson Diehl Evans LLP (WNDE) to authorize the transfer and assignment of WNDE's rights, interests, duties and obligations under the Agreement to CliftonLarsonAllen LLP (CLA), thereby allowing CLA to continue provision of contract services.

The City and WNDE have entered into a contract for WNDE's provision of mandatory independent annual financial audit services and the issuance of the Comprehensive Annual Financial Reports (CAFR).

In November 2020, the partners at WNDE joined and became principals of CLA. Because the agreement does not allow the transfer and assignment of WNDE's rights, interests, duties and obligations without prior City Council approval, staff is requesting approval of Amendment No. 3 (Exhibit no. 4) to approve the transfer and assignment of WNDE's rights, interests, duties and obligations to CLA in order for CLA to continue services for Fiscal Year 2020-2021 financial audit and CAFR issuance.

II. RECOMMENDATION

1. APPROVE Amendment No. 3 to the Agreement with White Nelson Diehl Evans LLP (WNDE) to approve the transfer and assignment of WNDE's right, interests, duties and obligations to CliftonLarsonAllen LLP.

2. AUTHORIZE the Mayor to execute the Agreement following approval as to form by City Attorney.

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III. ALTERNATIVES

1. TAKE any other action the City Council deems appropriate, consistent with the requirements of law.

IV. BACKGROUND

The purpose of this item is to approve Amendment No. 3 to the contract with White Nelson Diehl Evans LLP (WNDE) to authorize the transfer and assignment of WNDE's rights, interests, duties and obligations under the Agreement to CliftonLarsonAllen LLP (CLA), thereby allowing CLA to continue provision of contract services.

The original contract with WNDE was entered into June 8, 2016 (Exhibit No. 1). WNDE is providing the City with the mandatory independent annual financial audit services and the issuance of the Comprehensive Annual Financial Reports (CAFR). On July 1, 2019, the parties entered into Amendment No. 1 (Exhibit No. 2) to reflect the exercise of the first of the two one-year extensions continuing through June 30, 2020. On July 14, 2020, the parties entered into Amendment No. 2 (Exhibit No. 3) to exercise the second of the two one-year extensions for from July 1, 2020 through June 30, 2021.

In November 2020, the partners at WNDE joined and became principals of CLA. Section 4.5 of the Agreement states that "neither this Agreement nor any interests herein may be transferred, assigned, conveyed, hypothecated or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without prior written approval of City." The agreement does not allow the transfer and assignment of WNDE's rights, interests, duties and obligations without prior City Council approval. Staff is requesting approval of Amendment No. 3 (Exhibit no. 4) to approve the transfer and assignment of WNDE's rights, interests, duties and obligations to CLA in order for CLA to continue services of the Fiscal Year 2020-2021 financial audit and CAFR issuance.

Staff intends to conduct an RFP shortly to identify a vendor to continue the City's annual financial audit services beginning in Fiscal Year 2021-22.

V. FISCAL IMPACT

There is no additional funding requested at this time. The total appropriation is available within the Finance department budget of the general fund.

VI. EXHIBITS

1. White Nelson Diehl Evans Agreement (pg: 4 - 43)
2. Amendment No. 1 (pg: 44 - 79)
3. Amendment No. 2 (pg: 80 - 112)

4. Amendment No. 3 (pg: 113 - 118)

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