



City Council Agenda

City of Campbell, 70 N. First St., Campbell, California

NOTE: This City Council Regular meeting will be conducted in person as well as telecommunication and is compliant with provisions of the Brown Act.

The City Council meeting will be live-streamed on Channel 26 (Xfinity) or Channel 88 (Direct TV), the City's website and on YouTube <https://www.youtube.com/user/CityofCampbell> for those who only wish to view the meeting.

Those members of the public wishing to provide public comment virtually are asked to register in advance at: <https://www.campbellca.gov/signup>. After registering, you will receive a confirmation email containing information about joining the meeting. Members of the public may attend the meeting in person at Campbell City Hall - Council Chambers.

Public comment will also be accepted via email at ClerksOffice@campbellca.gov until 12:00p.m. prior to the start of the meeting. Written comments will be posted on the website and distributed to the Council. If you choose to email your comments, please indicate in the subject line "FOR PUBLIC COMMENT" and indicate the item number.

REGULAR MEETING OF THE CAMPBELL CITY COUNCIL

Tuesday, May 20, 2025 7:00 p.m.

City Hall Council Chamber – 70 N. First Street

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

SPECIAL PRESENTATIONS AND PROCLAMATIONS

NOTE: Items listed under Special Presentations and Proclamations are considered ceremonial. The City Council will not take action on these matters.

- 1. Proclamation Declaring May 18 - 25, 2025 as Hepatitis B Awareness Week in the City of Campbell**
Recommended Action: That the Mayor proclaim May 18 - 25, 2025 as Hepatitis B Awareness Week in the City of Campbell.
- 2. Proclamation Declaring the Month of May 2025 as "Affordable Housing Month" in the City of Campbell**
Recommended Action: That the Mayor proclaim the Month of May 2025 as Affordable Housing Month in the City of Campbell.
- 3. Proclamation Declaring the Week of May 18 - 24, 2025, National Public Works Week**

Recommended Action: That the City Council proclaim the week of May 18-24, 2025, as National Public Works Week for the City of Campbell.

COMMUNICATIONS AND PETITIONS

ORAL REQUESTS

NOTE: This portion of the meeting is reserved for persons wishing to address the City Council on any matter not on the agenda. Persons wishing to address the Council are requested, but not required to complete a Speaker's Card. Speakers are limited to two (2) minutes. The law generally prohibits the Council from discussion or taking action on such items. However, the Council may instruct staff accordingly regarding Oral Requests.

COUNCIL ANNOUNCEMENTS

CONSENT CALENDAR

NOTE: All matters listed under consent calendar are considered by the City Council to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a request is made by a member of City Council, City staff, or a member of the public. Any person wishing to speak on any item on the consent calendar should ask to have the item removed from the consent calendar prior to the time the Council votes to approve. If removed, the item will be discussed in the order in which it appears.

4. **Minutes of City Council Study Session Meeting of May 6, 2025**
Recommended Action: Approve the study session meeting minutes of May 6, 2025.
5. **Minutes of City Council Regular Meeting of May 6, 2025**
Recommended Action: Approve the regular meeting minutes of May 6, 2025.
6. **Approving Bills and Claims**
Recommended Action: Approve the bills and claims in the amount of \$2,526,122.92.
7. **Accept the Service Center Portable Building Replacement Project 17-SS and File the Notice of Completion (Resolution/Roll Call Vote)**
Recommended Action: That the City Council adopt a resolution accepting the Service Center Portable Building Replacement Project (CIP No. 17-SS); directing the Public Works Director or designee to file the Notice of Completion; and authorizing the Finance Director to perform a budget adjustment.
8. **Approve the 1-Year Extension of City's Financial Audit Services Contract (Resolution/Roll Call Vote)**
Recommended Action: That the City Council adopt a resolution approving and authorizing the City Manager to execute the amendment with Eide Bailly LLP for professional audit services.

PUBLIC HEARINGS AND INTRODUCTION OF ORDINANCES

NOTE: Members of the public may be allotted up to two (2) minutes to comment on any public hearing item. Applicants/Appellants and their representatives may be allotted up to a total of five (5) minutes for opening statements and up to a total of three (3) minutes maximum for closing statements. Items requested/recommended for continuance are subject to Council's consent at the meeting.

9. **Public Hearing Pursuant to Government Code Section 3502.3 to Receive a Report on City Of Campbell Vacancies, and Recruitment, and Retention Efforts**

Recommended Action: Receive the informational report on City of Campbell Vacancies, and Recruitment and Retention Efforts Pursuant to Government Code Section 3502.3.

NEW BUSINESS

10. **Resolution Authorizing the Use of Fiscal Year 2025/26 Road Maintenance and Rehabilitation Account (RMRA) Funds for Annual Street Maintenance (FY2023 through FY2026) for Resurfacing of Hamilton Avenue, Project 23-BB (Resolution/Roll Call Vote)**

Recommended Action: That the City Council adopt a resolution authorizing the use of Fiscal Year 2025/26 Road Maintenance and Rehabilitation Account (RMRA) Funds for the Annual Street Maintenance (FY2023 through FY2026) for the resurfacing of Hamilton Avenue, Project 23-BB.

UNFINISHED BUSINESS

11. **Approval and Authorization to Execute a Fourth Amendment to the Consultant Services Agreement with LPA, Inc., in the Amount of \$304,416, for Additional Design and Administrative Support Services During Construction of the Measure O – Police Operations Building Project (CIP No. 23-RR), and a 20% Contingency Amount of \$60,883 for Potential Service Modifications and Their Associated Costs (Resolution/Roll Call Vote)**

Recommended Action: That the City Council adopt a resolution: 1) approving a fourth amendment to the consultant services agreement with LPA, Inc., in an amount not to exceed \$304,416, for additional design and administrative support services during construction of the Measure O - Police Operations Building Project (CIP No. 23-RR); 2) authorizing a 20% contingency amount of \$60,883 for potential service modifications and their associated costs; 3) authorizing the Public Works Director to negotiate and execute service orders up to and within the allocated contingency amount; 4) authorizing the City Manager to execute the fourth amendment as specified in Campbell Municipal Code Section 3.20.100; and 5) authorizing the Finance Director to perform a budget adjustment for the appropriation of funds to cover the additional services and associated costs.

COUNCIL COMMITTEE REPORTS

12. **Council Committee Reports**

Recommended Action: That the City Council report on activities from their committee assignments.

ADJOURN

IMPORTANT NOTICE: Materials related to an item on this agenda submitted to the City Council after distribution of the agenda packet are available for public inspection with the agenda packet

in the lobby of City Clerk's Office, 70 N. First Street, Campbell, CA 95008, during normal business hours. These materials will also be available on the City website at <https://www.ci.campbell.ca.us/agendacenter> with the agenda packet following the last item of the agenda, subject to staff's ability to post the documents prior to the meeting. All documents not posted prior to the meeting will be posted the next business day.

In compliance with the Americans with Disabilities Act, listening assistive devices are available for all meetings held in the City Council Chambers. If you require accommodation, please contact the City Clerk's Office, (408) 866-2117, at least one week in advance of the meeting.



*City
Council
Report*

Item: 1
Category: SPECIAL PRESENTATIONS
 AND PROCLAMATIONS
Meeting Date: May 20, 2025

TITLE: Proclamation Declaring May 18 - 25, 2025 as Hepatitis B Awareness Week in the City of Campbell

RECOMMENDED ACTION

That the Mayor proclaim May 18 - 25, 2025 as Hepatitis B Awareness Week in the City of Campbell.

BACKGROUND

Hepatitis Awareness Month has been observed every May in the United States since 2001. *TeamHBV San Jose* is a non-profit youth outreach branch of the Stanford Asian Liver Center and is comprised of 18 students from Archbishop Mitty High School in San Jose, California. *TeamHBV San Jose* aims to raise awareness about hepatitis B and liver cancer and to educate the community on this pressing public health issue.

DISCUSSION

TeamHBV San Jose has provided health education to over 500 individuals through outreach efforts at public libraries, street fairs, and fundraising events. Using interactive tools such as trivia games, they have successfully engaged community members, identified those at risk, and encouraged them to consult healthcare professionals.

HBV is a serious viral infection that affects the liver and is responsible for up to 80% of liver cancer cases. Alarmingly, 1 in 10 Asian and Pacific Islanders are chronically infected with HBV, and without proper monitoring or treatment, 25% of those individuals will die from liver cancer or liver failure. Globally, HBV-related complications result in approximately 1 million deaths each year. Many infected individuals are unaware of their condition, as symptoms often do not appear until the disease has progressed. Fortunately, HBV can be detected through a simple blood test, and a safe, effective vaccine is available to prevent infection.

Designating the week of May 18th to May 25th as a period of focused hepatitis B (HBV) awareness aligns with Hepatitis Testing Day on May 19th and Asian American and Pacific Islander (AAPI) Heritage Month. This initiative aims to further elevate the issue among city leadership and foster greater recognition of the impact of HBV on our communities.

FISCAL IMPACT

There is no fiscal impact associated with this action.

Prepared by: 
Kristen Epolite, Deputy City Clerk

Reviewed by: 
Andrea Sanders, City Clerk

Approved by: 
Angelique Gaeta, Assistant City
Manager

Attachment:

- a. Proclamation - Hepatitis Week 2025

**PROCLAMATION OF THE
MAYOR OF THE CITY OF CAMPBELL**

WHEREAS, every year the month of May is designated as Hepatitis Awareness Month in the United States; and

WHEREAS, TeamHBV San Jose, a non-profit youth outreach group led by 18 Archbishop Mitty High School students, aims to create hepatitis B and liver cancer awareness in the community; and

WHEREAS, May 18th to May 25th, 2025 is recognized as Hepatitis B Awareness Week, with May 19th designated as Hepatitis Testing Day; and

WHEREAS, this week coincides with Asian American and Pacific Islander Heritage month, providing an opportunity to increase awareness among city leadership and recognize this serious health threat to many in the Asian and Pacific Islander (API) community; and

WHEREAS, hepatitis B is a serious infection of the liver that is responsible for up to 80% of liver cancer cases; and

WHEREAS, 1 in 10 Asian and Pacific Islanders are chronically infected with hepatitis B; and

WHEREAS, TeamHBV San Jose recognizes the importance of raising awareness about hepatitis prevention, testing and treatment;

NOW, THEREFORE, I, Sergio Lopez, Mayor of the City of Campbell do hereby proclaim May 18th to May 25th, 2025 as Hepatitis B Awareness Week in the City of Campbell.

WITNESS MY HAND AND SEAL OF THE CITY OF CAMPBELL this 20th day of May 2025.

Sergio Lopez, Mayor
City of Campbell, California



*City
Council
Report*

Item: 2
Category: SPECIAL PRESENTATIONS
 AND PROCLAMATIONS
Meeting Date: May 20, 2025

TITLE: Proclamation Declaring the Month of May 2025 as “Affordable Housing Month” in the City of Campbell

RECOMMENDED ACTION

That the Mayor proclaim the Month of May 2025 as Affordable Housing Month in the City of Campbell.

BACKGROUND

Affordable housing remains a fundamental pillar of a thriving democracy and is integral to the American Dream. Communities flourish when families have access to safe, stable, and affordable homes. In Silicon Valley, however, many families continue to face significant challenges in securing affordable housing.

DISCUSSION

The COVID-19 pandemic both highlighted existing housing instability and the homelessness crisis and has further increased the need for affordable housing during the recovery.

The affordable housing community, including SV@Home, in collaboration with the City of Campbell, concentrates efforts on the production, protection, and preservation of affordable housing options for bay area residents.

May is recognized as Affordable Housing Month in Silicon Valley—a time dedicated to elevating awareness and action around housing. Throughout the month, SV@Home brings together regional housing partners to offer a wide range of virtual and in-person events, including workshops, webinars, and community engagement activities. These events aim to inform, inspire, and mobilize advocates and residents alike to better understand the region’s housing challenges and work collaboratively toward meaningful solutions.

The theme this year is “Strength in Housing,” signifying there is strength in coming together as a community. This theme encourages participants to explore innovative approaches to building equitable, inclusive, and restorative communities.

The City of Campbell encourages all citizens, legislators, and advocates to collaborate in finding viable, creative solutions to the current housing crisis in order to meaningfully increase housing affordability throughout the bay area.

FISCAL IMPACT

There is no fiscal impact associated with this action.

Prepared by: 
Kristen Epolite, Deputy City Clerk

Reviewed by: 
Andrea Sanders, City Clerk

Approved by: 
Angelique Gaeta, Assistant City
Manager

Attachment:

- a. Proclamation - Affordable Housing Week 2025

**PROCLAMATION
OF THE
MAYOR OF THE CITY OF CAMPBELL**

WHEREAS, *affordable housing is a cornerstone of a healthy democracy and an essential component of the American Dream; and*

WHEREAS, *our communities are stronger and more resilient when all individuals and families have access to safe, stable, and affordable homes; and*

WHEREAS, *the affordable housing community in collaboration with the City of Campbell concentrates efforts on the production, protection, and preservation of affordable housing options for bay area residents; and*

WHEREAS, *the City of Campbell has taken many proactive actions to increase the availability of affordable housing, including the adoption of an Affordable Housing Overlay Zone and implementing an Inclusionary Housing Ordinance; and*

WHEREAS, *these organizations have partnered with local agencies and community members to organize Affordable Housing Month to encourage the sharing of best practices, opportunities, and solutions to provide affordable housing;*

WHEREAS, *the 2025 theme for Affordable Housing Month, **Strength In Housing**, highlights the power of community-driven action and the shared responsibility we hold to create inclusive, equitable, and thriving neighborhoods.*

NOW, THEREFORE, *I, Sergio Lopez Mayor, of the City of Campbell, do hereby proclaim the Month of May 2025 as **Affordable Housing Month** in the City of Campbell and encourage all citizens, legislators, and advocates to work together toward innovative and sustainable solutions that will meaningfully expand access to affordable housing throughout the Bay Area.*

WITNESS MY HAND AND SEAL OF THE CITY OF CAMPBELL *this 20th day of May, 2025.*

*Sergio Lopez, Mayor
City of Campbell*



*City
Council
Report*

Item: 3
Category: SPECIAL PRESENTATIONS
 AND PROCLAMATIONS
Meeting Date: May 20, 2025

TITLE: Proclamation Declaring the Week of May 18 - 24, 2025, National Public Works Week

RECOMMENDED ACTION

That the City Council proclaim the week of May 18-24, 2025, as National Public Works Week for the City of Campbell.

BACKGROUND

In 1960, the American Public Works Association (APWA) instituted a public education campaign to draw attention to the importance of Public Works in the community. Public Works professionals are charged with critical responsibilities in connection with the planning, design, construction, maintenance and operation of numerous public works projects, programs, and facilities. These accomplishments are important in building and maintaining strong communities and are particularly noteworthy when their implementation succeeds despite limited availability of labor and/or financial resources.

DISCUSSION

National Public Works Week is observed each May to raise the public's awareness of Public Works issues and activities; and to recognize the qualities Public Works professionals bring to their jobs every day.

This year marks the 65th Annual National Public Works Week, and the theme for 2025 is "People, Purpose, Presence." This year's theme encapsulates the qualities that Public Works professionals bring to their jobs every day. Communities may not take much notice of the dedication of Public Works professionals because they quietly do their jobs without fanfare. Yet Public Works is always there, working behind the scenes to advance the quality of life for all by making communities safer, more vibrant, and better places to live. Whether serving as first responders, responding to electricity outages, providing waste pickup, or making roads and sidewalks passable after a winter weather event, public works is always there when people need them.

The Campbell Public Works staff work diligently to keep the City's streets, parks, and other public facilities in a safe and well-maintained condition to create a sense of civic

pride and positive morale. Additionally, staff continue to design, manage, and implement projects that are of value to the community, support a more sustainable environment, and improve the overall quality of life in Campbell.

The attached proclamation declares the week of May 18-24, 2025, as National Public Works Week for the City of Campbell.

Prepared by:



JoAnna Thomason, Executive Assistant

Reviewed by:



Amy Olay, Interim Public Works Director

Approved by:



Angelique Gaeta, Assistant City Manager

Attachment:

- a. Proclamation

**PROCLAMATION
OF THE
MAYOR OF THE CITY OF CAMPBELL**

WHEREAS, in 1960 the American Public Works Association instituted a public education campaign to draw attention to the importance of Public Works in the community life; and

WHEREAS, Public Works professionals focus on services that are of vital importance for creating sustainable and resilient communities that improve the quality of life for the City; and

WHEREAS, these infrastructure, facility, and service efforts could not be possible without the dedication of Public Works professionals – including engineers, managers and employees at all levels – in both government and the private sector – who all have a role in maintaining, rebuilding, improving and protecting our nation’s transportation services, water and solid waste systems, public buildings, and facilities essential for our residents; and

WHEREAS, the quality and effectiveness behind the planning, design, construction, and maintenance of these operations are dependent upon the dedication and skills of Public Works officials; and

WHEREAS, it is within the best interest of residents, community groups, and civic leaders to gain as much knowledge and understanding about the important functions, services, and programs supported by Public Works and the impact this has on their respective communities; and

WHEREAS, the year 2025 marks the 65th annual National Public Works Week sponsored by the American Public Works Association/Canadian Public Works Association, with the theme of “People, Purpose, Presence;”

NOW, THEREFORE, I, Sergio Lopez, Mayor of the City of Campbell, do hereby proclaim the week of May 18-24, 2025, as National Public Works Week within the City of Campbell, calling upon all residents and civic organizations to acquaint themselves with the programs and services supported by the many facets of Public Works, and recognize the contributions that Public Works employees make every day to ensure the health, safety, comfort and quality of life for all.

WITNESS MY HAND AND SEAL OF THE CITY OF CAMPBELL this 20th day of May 2025.

Sergio Lopez, Mayor
City of Campbell, California

CITY COUNCIL MINUTES

City of Campbell, 70 N. First St., Campbell, California



STUDY SESSION MEETING OF THE CAMPBELL CITY COUNCIL

Tuesday, May 6, 2025 – 5:00 PM
 City Hall Council Chamber
 70 N. First St., Campbell, California

This City Council meeting was duly noticed pursuant to open meeting requirements of the Ralph M. Brown Act (G.C. Section 54956).

CALL TO ORDER

The City Council of the City of Campbell convened this day in the special meeting place, the City Hall Council Chamber, 70 N. First St., Campbell, California.

ROLL CALL

Attendee Name	Title	Status
Anne Bybee	Councilmember	Present
Terry Hines	Councilmember	Present
Elliot Scozzola	Councilmember	Present
Dan Furtado	Vice Mayor	Present
Sergio Lopez	Mayor	Absent

PUBLIC COMMENT

Public comments were provided following staff presentations.

NEW BUSINESS

- Fiscal Year 2026 Budget Study Session - Preliminary Workplans, Operating Budget, and Capital Improvement Plan (CIP)**
Recommended Action: That the City Council receive an update and provide feedback on preliminary Fiscal Year (FY) 2026 Workplans, the FY 2026 Operating Budget, and the 2026 - 2030 Five-Year Capital Improvement Plan (CIP).

Department Head staff presented information on the developed FY 2026 Workplans based on Council's adopted priorities of Long-Term Land Use Planning & Housing, City Infrastructure; Financial Stability, Sustainability, and

Community Health & Safety. Also included were Workplans relating to Operations and CIP.

The City Council asked general questions on the Workplans.

Staff presented information on the preliminary FY 202 General Fund Budget, discussing revenues, expenditures and deficits. This included information on position vacancies, decreased CIPR funding, personnel requests and other significant factors such as sales tax losses, increased insurance premiums and contractual obligations. It was noted that current budget projections showed a General Fund Budget deficit of \$3.23 million.

Staff presented information on corrective budgetary considerations such as temporary hiring freezes, utilization of CalPERS pension reserve, and deferrals of some one-time requests.

In response to an inquiry, City Manager Loventhal confirmed he will be making his recommendations at the June 3 meeting, on the deferral of the one-time and recurring requests based on Councilmember feedback.

Staff presented information on the FY 2026-2030 Capital Improvement Plan. (CIP)

Vice Mayor Furtado asked if anyone from the public wished to speak.

Carlos Duran, representative of the NorCal Carpenters Union expressed concerns on the potential of postponing City employees with Cost of Living Adjustments (COLA) and requested alternative considerations and project deferrals to fund staff COLA's.

Vice Mayor Furtado called for a recess at 6:33 p.m. The City Council reconvened at 6:38 p.m.

Councilmember Hines commented on Workplans noting support for the Police Department Drone Program and pavement maintenance projects. He recommended looking at the workplan items and eliminating those that are lower priority services. Councilmember Hines encouraged staff to continue pursuing grant opportunities.

Councilmember Bybee supported keeping expenditures status quo and considerations of health care increases should be discussed with labor groups, with an effort to support employee health care costs. Also supported by Councilmember Bybee was a temporary hiring freeze on vacant positions; the personnel requests submitted; and a 6-month deferral on the Drone program. She did not support the use of pension reserve funds.

Councilmember Scozzola did not support the use of pension reserve funds. He suggested reviewing individual budget line items to see if reductions can be made.

Councilmember Furtado supported freezing temporary positions, decreasing temporary and contract staff, and removing the proposed new one-time General Fund expenditure requests as presented as attachment D in the staff report. He did not support cutting funding to the Street Maintenance programs or utilizing the pension reserves.

ADJOURN

Vice Mayor Furtado adjourned the meeting at 6:52 PM

APPROVED:

ATTEST:

Dan Furtado, Vice Mayor

Andrea Sanders, City Clerk

Minutes Acceptance: Minutes of May 6, 2025 5:00 PM (CONSENT CALENDAR)

CITY COUNCIL MINUTES

City of Campbell, 70 N. First St., Campbell, California



REGULAR MEETING OF THE CAMPBELL CITY COUNCIL

Tuesday, May 6, 2025 7:00 p.m.

City Hall Council Chamber – 70 N. First Street

This City Council meeting was duly noticed pursuant to open meeting requirements of the Ralph M. Brown Act (G.C. Section 54956).

This meeting was recorded and can be viewed in its entirety at www.campbellca.gov/agendacenter.

CALL TO ORDER

The City Council of the City of Campbell convened this day in the regular meeting place, the City Hall Council Chamber, 70 N. First St., Campbell, California.

ROLL CALL

Attendee Name	Title	Status
Anne Bybee	Councilmember	Present
Terry Hines	Councilmember	Present
Elliot Scozzola	Councilmember	Present
Dan Furtado	Vice Mayor	Present
Sergio Lopez	Mayor	Absent

PLEDGE OF ALLEGIANCE

Vice Mayor Furtado invited caregiver Janette Rosales and Santa Clara County Family Resource/Foster Parent Recruiter Linh Chau up to lead the Pledge in recognition of Foster Care and Resource Parent Awareness Month.

Vice Mayor Furtado provided Ms. Rosales and Ms. Chau Certificates of Appreciation for leading the Pledge of Allegiance.

SPECIAL PRESENTATIONS AND PROCLAMATIONS

1. **Proclamation Declaring the Month of May as Resource Parent Appreciation Month**

Recommended Action: That the City Council authorize the Mayor to proclaim the month of May as "Resource Parent Appreciation Month" in the City of Campbell.

Vice Mayor Furtado provided information on National Foster Care/Resource Parent Awareness Month and recognized the month of May Resource Parent Appreciation Month in the City of Campbell.

The City Council thanked them for hard work they do and their selfless contributions to the community.

Ms. Rosales thanked the City Council for the recognition on behalf of the resource and foster parents in the City of Campbell and encouraged everyone to continue their collaboration with the County in these programs.

Vice Mayor Furtado presented a proclamation to Ms. Rosales and Ms. Chau.

2. **2024-2025 Campbell Youth Commission Update**

Recommended Action: That the City Council receive an update from the Campbell Youth Commission.

Youth Commission staff liaison Balasubramanian introduced the presenters, Youth Commission Chair Sophie Tuan and Vice Chair Archit Jain.

The Commission provided an update on the Campbell Youth Commission Subcommittees: Community, Career & Educational Support, and Health. Youth Commission events included a Teen Wellness and Opportunities Day, which included a Health Fair, and a Resource Fair with job and volunteer positions. A multicultural Fair was held with dance performances from around the world.

The Councilmembers thanked the Commission for their service and the work completed this year and encouraged the Commissioners to continue their efforts.

3. **Proclamation Declaring the Week of May 4-10, 2025 as Municipal Clerks Week**

Recommended Action: That the City Council authorize the Mayor to proclaim the week of May 4-10, 2025 as Municipal Clerks Week in the City of Campbell.

Vice Mayor Furtado provided information on Municipal Clerks Week and recognized the Campbell City Clerk's Office.

The City Council congratulated and thanked the City Clerk's Office for their hard work and dedication to the City of Campbell.

Vice Mayor Furtado presented a proclamation to Deputy City Clerk Epolite with a proclamation.

Deputy City Clerk Epolite thanked the City Council for the recognition and the support provided to the Clerk's Office.

4. **Proclamation Recognizing Peace Officers Memorial Day and Declaring the Week of May 11-17, 2025 as National Police Week**

Recommended Action: That the City Council recognize May 15, 2024, as “Peace Officers Memorial Day,” and May 11-17, 2025 as “National Police Week” to honor those law enforcement officers who have lost their lives in the line of duty for the safety and protection of others.

Vice Mayor Furtado provided information on Peace Officers Memorial Day and National Police Week.

He presented a proclamation to Police Chief Berg and his attending staff to recognize May 15, 2025, as “Peace Officers Memorial Day,” and May 11-17, 2025 as “National Police Week” to honor those law enforcement officers who have lost their lives in the line of duty for the safety and protection of others.

The City Council expressed their appreciation to the Police Department for their excellent service. Vice Mayor Furtado noted that the Santa Clara Sherriff's Office will be holding their annual event on May 15 memorializing the fallen officers in Santa Clara County.

Police Chief Berg thanked the City Council for the recognition and honoring not only those officers that have lost their lives but the current officers that put their lives on the line to keep the community safe. The Water Tower will be lit blue on May 15 in support of Peace Officers Memorial Day.

COMMUNICATIONS AND PETITIONS

There are no communications and petitions.

ORAL REQUESTS

Mark Trout requested a proclamation supporting Immigration & Customs Enforcement. (ICE)

COUNCIL ANNOUNCEMENTS

This week we celebrate the 56th Annual Professional Municipal Clerks Week, a time to honor and reflect on the invaluable contributions of municipal clerks. These dedicated professionals are the backbone of local government, serving as the keepers of official records, election coordinators, and the first point of contact for citizens seeking assistance and information. As we celebrate this week, we extend our deepest appreciation to municipal clerks for their unwavering dedication, hard work, and commitment to public service.

May 6 is National Nurses Day. Nurses are more than professionals; they are superheroes without capes. They bring hope in times of uncertainty, comfort in moments of distress, and healing through their tireless commitment. As we celebrate National Nurses Day, let's remember to be grateful for their sacrifices, their expertise, and the vital role they play in keeping the world healthy.

Join the Campbell Veterans Memorial Foundation in honoring the men and women who have died while serving in the United States military on Monday, May 26 from 9:00 am to 10:00 am at the Orchard City Green located here at City Hall.

City offices will be closed for business Monday, May 26 in observance of Memorial Day. Police and emergency services will remain open.

CONSENT CALENDAR

Vice Mayor Furtado asked if anyone wished to remove an item from the Consent Calendar.

The Consent Calendar was considered as follows:

5. **Minutes of City Council Regular Meeting of April 15, 2025**

Recommended Action: Approve the regular meeting minutes of April 15, 2025.

This action approves the regular meeting minutes of April 15, 2025.

6. **Approving Bills and Claims**

Recommended Action: Approve the bills and claims in the amount of \$3,406,773.49.

This action approves the bills and claims in the amount of \$3,406,773.49 as follows: bills and claims checks dated March 31, 2025, in the amount of \$1,496,103.36; bills and claims checks dated April 7, 2025, in the amount of \$1,221,451.18; payroll checks dated April 10, 2025, in the amount of \$74,608.62; and bills and claims dated April 14, 2025, in the amount of \$614,610.33

7. **Monthly Treasurer's Report (March 2025)**

Recommended Action: That the City Council review and accept the Monthly Treasurer's Report for the month ended March 31, 2025.

This action reviews and accepts the Monthly Treasurer's Report for the month ended March 31, 2025.

8. **Monthly Investment Transactions Report (March 2025)**

Recommended Action: That the City Council review and accept the Monthly Investment Transactions Report for March 2025.

This action reviews and accepts the Monthly Investment Transactions Report for March 2025.

9. **Investment Report - Quarter Ending March 2025**

Recommended Action: That the City Council approve the Investment Report for the quarter ending March 2025 and the report be noted and filed.

This action approves the Investment Report for the quarter ending March 2025 to be noted and filed.

10. **2024 Fire Marshal Inspection Report (Resolution/Roll Call Vote)**

Recommended Action: That the City Council adopt a resolution acknowledging receipt of the Fire Marshal, State Mandated Inspection Report for the City of Campbell.

Resolution 13280 acknowledges receipt of the Fire Marshal, State Mandated Inspection Report for the City of Campbell.

11. **Approval of the Vacation of a Public Easement Designated and Delineated as Overhang P.U.E. Within Lot 155 of Tract Map No. 1671, Known as 1791 Villarita Drive, and Direct the City Clerk to Record the Resolution (Resolution/Roll Call Vote)**

Recommended Action: That the City Council adopt a resolution: Vacating the public easement designated and delineated as Overhang P.U.E. within Lot 155 of Tract Map No. 1671 recorded on April 23, 1957, in Book 81 Pages 10 and 11 of Official Records, Santa Clara County against a portion of the property known as 1791 Villarita Drive; and Directing the City Clerk to record the resolution.

Resolution 13281 approves vacating the public easement designated and delineated as Overhang P.U.E. within Lot 155 of Tract Map No. 1671 recorded on April 23, 1957, in Book 81 Pages 10 and 11 of Official Records, Santa Clara County against a portion of the property known as 1791 Villarita Drive; and directs the City Clerk to record the resolution.

12. **Budget Adjustment to Fund Emergency Repairs at the Community Center Pool (Resolution/Roll Call Vote)**

Recommended Action: That the City Council approve a Resolution authorizing a Budget Adjustment to fund the emergency repairs at the Community Center Pool.

Resolution 13282 authorizes a budget adjustment to fund the emergency repairs at the Community Center Pool.

13. **Adopt a Resolution Appointing Directors to the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA) (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution appointing directors to the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA).

Resolution 13283 appoints directors to the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA).

14. **Downtown Special Event Fee Waiver Policy Amendments (Resolution/Roll Call Vote)**

Recommended Action: Adopt a resolution amending the Downtown Special Event Fee Waiver Policy to (1) increase the maximum fee waiver allowed for specified organizations from 25% to 30%; and (2) remove the \$100,000 limit on net revenue an event can generate and remain eligible for a fee waiver.

Resolution 13284 amends the Downtown Special Event Fee Waiver Policy to (1) increase the maximum fee waiver allowed for specified organizations from 25% to 30%; and (2) remove the \$100,000 limit on net revenue an event can generate and remain eligible for a fee waiver.

M/S: Hines/Bybee – That the City Council approve the Consent Calendar. The motion was adopted by the following roll call vote:

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Hines
SECONDER:	Scozzola
AYES:	Bybee, Hines, Scozzola, Furtado
ABSENT:	Lopez

PUBLIC HEARINGS AND INTRODUCTION OF ORDINANCES

There are no public hearings and introductions of ordinances.

NEW BUSINESS

15. Downtown Special Event Permit - Chamber Boogie Music Festival (Resolutions/Roll Call Vote)

Recommended Action: That the City Council adopt a resolution approving a Downtown Special Event Permit for the Campbell Chamber of Commerce’s Boogie Music Festival.

Assistant City Manager Gaeta presented a staff report dated May 6, 2025. It was noted that the Council could decide to approve a multi-year agreement for this event.

Following City Council questions, Vice Mayor Furtado asked if anyone from the public wished to speak.

Ken Johnson, Campbell Chamber of Commerce Executive Director stated support for the fee waiver and spoke of their upcoming “Boogie Music Festival” noting new features such as a “Battle of the Bands” contest.

Councilmember Bybee stated support for a multi-year agreement with the caveat that should the City’s financial circumstances change that the fee waiver be brought to Council for approval.

Staff confirmed that an annual review of the fee waiver will be done should circumstances change.

After discussion, **M/S: Hines/Scozzola – That the City Council adopt Resolution 13285 approving a 3-year Downtown Special Event Permit for the Campbell Chamber of Commerce’s Boogie Music Festival. The motion was adopted by the following roll call vote:**

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Hines
SECONDER:	Scozzola

Minutes Acceptance: Minutes of May 6, 2025 7:00 PM (CONSENT CALENDAR)

AYES:	Bybee, Hines, Scozzola, Furtado
ABSENT:	Lopez

16. **Approval of Purchase Agreement with PeopleSpace, in the Amount of \$865,000 for the Procurement of Fixed Furniture and Equipment (FF&E) as Programmed in the CIP for the Measure O – Police FF&E Project (CIP No. 22-JJ), and a 20% Contingency Amount of \$173,000, for Potential Service Modifications and Their Associated Costs (Resolution/Roll Call Vote)**

Recommended Action: That the City Council adopt a resolution authorizing: 1) City Council approval of a purchase agreement with PeopleSpace, in the amount of \$865,000, for the procurement of Furniture, Fixtures and Equipment (FF&E) as programmed in the CIP for the Measure O - Police FF&E project (CIP No. 22-JJ); 2) staff to dispense with the City's formal bidding procedures as specified in the exemption of Campbell Municipal Code (CMC) Section 3.20.030, subsections (6) which authorizes the City's procurement of these services through its membership with multiple purchasing cooperatives and their contract with PeopleSpace; 3) an additional 20% contingency amount of up to \$173,000 for potential service modifications, tariff cost impacts, supply chain disruptions and their associated costs; 4) the Public Works Director to negotiate and execute contract change orders up to and within the allocated contingency amount; and 5) the City Manager to execute the said purchase agreement as specified in Campbell Municipal Code Section 3.20.100.

Sr. Project Manager Castellanos presented a staff report dated May 6, 2025.

Following City Council questions, Vice Mayor Furtado asked if anyone from the public wished to speak.

There were no public speakers.

After discussion, **M/S: Bybee/Scozzola – That the City Council adopt Resolution 13286 authorizing 1) City Council approval of a purchase agreement with PeopleSpace, in the amount of \$865,000, for the procurement of Furniture, Fixtures and Equipment (FF&E) as programmed in the CIP for the Measure O - Police FF&E project (CIP No. 22-JJ); 2) staff to dispense with the City's formal bidding procedures as specified in the exemption of Campbell Municipal Code (CMC) Section 3.20.030, subsections (6) which authorizes the City's procurement of these services through its membership with multiple purchasing cooperatives and their contract with PeopleSpace; 3) an additional 20% contingency amount of up to \$173,000 for potential service modifications, tariff cost impacts, supply chain disruptions and their associated costs; 4) the Public Works Director to negotiate and execute contract change orders up to and within the allocated contingency amount; and 5) the City Manager to execute the said purchase agreement as specified in Campbell Municipal Code Section 3.20.100. The motion was adopted by the following roll call vote:**

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Bybee
SECONDER:	Scozzola
AYES:	Bybee, Hines, Scozzola, Furtado
ABSENT:	Lopez

17. **Award a Contract with Alta Planning + Design for the Development of the Campbell Multimodal Transportation Plan (Resolution/Roll Call Vote)**

Recommended Action: That the City Council adopt a Resolution approving and awarding a contract and authorizing the City Manager to execute the contract with Alta Planning + Design for the development of the Campbell Multimodal Transportation Plan in an amount not to exceed \$545,966.

Community Development Director Eastwood presented a staff report dated May 6, 2025.

Following City Council questions, Vice Mayor Furtado asked if anyone from the public wished to speak.

There were no public speakers.

After discussion, **M/S: Scozzola/Hines - That the City Council adopt Resolution 13287 approving and awarding a contract and authorizing the City Manager to execute the contract with Alta Planning + Design for the development of the Campbell Multimodal Transportation Plan in an amount not to exceed \$545,966. The motion was adopted by the following roll call vote:**

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Scozzola
SECONDER:	Hines
AYES:	Bybee, Hines, Scozzola, Furtado
ABSENT:	Lopez

UNFINISHED BUSINESS

There is no unfinished business.

COUNCIL COMMITTEE REPORTS

18. **Council Committee Reports**

Recommended Action: That the City Council report on activities from their committee assignments.

Councilmember Bybee attended the Santa Clara County Library District JPA Board of Directors meeting; attended a reception hosted by Congressman Liccardo for a Youth Art Contest; Arbor Day celebration; and acknowledged the

passing of long-term City employee Judy Bell who served as the Human Resources Manager for many years.

Councilmember Scozzola attended ribbon cutting ceremonies for Silicon Valley Clean Energy Hanford Hybrid Energy Center, Window Graphics and South Bay Window Filming; attended the Bunnies & Bonnets event; the West Valley Community Resource Fair; the CalCCA (California Community Choice Association) conference; and a meeting of the Campbell Historical Museum & Ainsley House Foundation; toured the new Ainsley Spout House restaurant with food tasting by Table & Terrace Catering.

Councilmember Hines highlighted the Downtown Campbell Business Association (DCBA) events; attended as an alternate meetings of the West Valley Stormwater JPA, and West Valley Solid Waste Authority JPA; met with City of San Jose Vice Mayor Pam Foley; spoke of the upcoming City of San Jose District 9 events "Music in the Valley" to be held at Cambrian Park Plaza; and gave a business shoutout to Be.Steak.A restaurant.

Vice Mayor Furtado attended meetings of the West Valley Stormwater Authority JPA and West Valley Solid Waste Authority meeting; attended a tour of the San Jose-Santa Clara Regional Wastewater Treatment Plant; attended the League of California Cities Legislative meeting in Sacramento and visited the offices of State Senator Josh Becker and Assemblymember Marc Berman.

ADJOURN

Vice Mayor Furtado adjourned the meeting at 7:55 PM

APPROVED:

ATTEST:

Dan Furtado, Vice Mayor

Andrea Sanders, City Clerk

Minutes Acceptance: Minutes of May 6, 2025 7:00 PM (CONSENT CALENDAR)



*City
Council
Report*

Item: 6
Category: CONSENT CALENDAR
Meeting Date: May 20, 2025

TITLE: Approving Bills and Claims

RECOMMENDED ACTION

Approve the bills and claims in the amount of \$2,526,122.92.

DISCUSSION

The bills and claims that have been audited and approved by staff for payments made as noted below:

<u>Type</u>	<u>Check Date</u>	<u>Amount</u>
Bills & Claims	April 21, 2025	\$1,266,546.06
Payroll	April 24, 2025	\$35,528.39
Bills & Claims	April 28, 2025	\$1,224,048.47
	Total	\$2,526,122.92

FISCAL IMPACT

Requested action does not require a budget adjustment. Adequate funding was available to cover all expenses as listed.

Prepared by:

Celia Deniz, Accounting Clerk II

Reviewed by:

Norite Vong, Assistant Finance Director

Approved by:



Angelique Gaeta, Assistant City
Manager



*City
Council
Report*

Item: 7
Category: CONSENT CALENDAR
Meeting Date: May 20, 2025

TITLE: Accept the Service Center Portable Building Replacement Project 17-SS and File the Notice of Completion (Resolution/Roll Call Vote)

RECOMMENDED ACTION

That the City Council adopt a resolution accepting the Service Center Portable Building Replacement Project (CIP No. 17-SS); directing the Public Works Director or designee to file the Notice of Completion; and authorizing the Finance Director to perform a budget adjustment.

BACKGROUND

Located at 290 Dillon Avenue, the City of Campbell (City) Service Yard consists of several office buildings and warehouse spaces that support the operational and staffing needs of various operational units – including a separate on-site trailer that houses the City’s traffic signals and streetlight operations. Installed in 1992, the trailer has provided office space for approximately 4 to 6 staff members from the Signals and Lighting and Parks Maintenance sections, while also housing specialized equipment that monitors the City’s signalized intersections and assists with real-time diagnostics and repair efforts.

In recent years, the trailer has experienced frequent mechanical and structural failures, significantly impacting staff’s ability to effectively maintain the City’s streetlight operations and traffic control systems. As the trailer’s interior and exterior features continued to deteriorate, repairs became increasingly costly and time-consuming. To address those needs, the Service Center Portable Building project (CIP No. 17-SS) received an allocation of **\$345,018** in FY 2023-24.

On November 7, 2023, the City Council adopted Resolution No. 13075, approving and awarding a contract to Mobile Modular, in an amount not to exceed \$261,728, for the purchase and installation of a new trailer, along with any additional improvements needed, to complete the Service Center Portable Building Replacement project.

DISCUSSION

Construction for the Service Center Portable Building Replacement project (No. 17-SS) began on October 10, 2024, and concluded on January 31, 2025. All work was completed in accordance with the approved plans and specifications developed by staff,

as well as the terms outlined in the executed service contract agreement with Mobile Modular. Elements completed during the project's construction included:

- Demolition of the existing portable building (trailer)
- Installation of a new 24' x 60' portable building with ADA-compliant features
- Reconnection of utilities (i.e., electrical, sewer, water and fiber optic cables)
- Purchase and installation of new office furniture (i.e., desks, bookcases, conference table and chairs)
- Installation of new 20' x 25' metal warehouse building for equipment and parts storage

During demolition, asbestos was discovered beneath the metal roof panels of the existing trailer, necessitating additional services outside of the project's original scope of work. These services were necessary to ensure proper testing and abatement were completed before the installation of the new trailer, as their related costs would be addressed with the project's closeout and acceptance.

Overall, the completion of this project and its associated improvements has extended the operational lifespan of the Service Center Portable Building by approximately 25 years. Furthermore, it significantly diminishes the need for frequent structural repairs and their associated costs, which in turn, will yield substantial long-term savings and facilitate the efficient utilization of time and resources by staff to address other critical maintenance needs at the Service Center.

With the project deemed complete, a resolution has been prepared to accept the improvements and direct the Public Works Director, or designee, to file the Notice of Completion with the Santa Clara County Recorder's Office (Attachment B).

NEXT STEPS

Staff requests that the City Council adopt a resolution accepting the Service Center Portable Building Replacement project (No. 17-SS); directing the Public Works Director or designee to file the Notice of Completion; and authorizing the Finance Director to perform a budget adjustment for the asbestos remediation services and their associated costs, as detailed below.

FISCAL IMPACT

The total costs for the Service Center Portable Building Replacement project (CIP No. 17-SS) had exceeded its initial CIP budget as detailed in the following summary of its associated costs breakdowns:

Source of Funds	Amount
Capital Improvement Project – Service Center Portable Building Replacement Project (CIP No. 17-SS)	\$ 345,018
<i>Public Works Operating Budget – Program 770 (Signals &</i>	<i>\$ 7,377</i>

<i>Lighting Maintenance)</i>	
Total Funding Amount	\$ 352,395

Use of Funds	Amount (Actuals)
Construction Contract with Mobile Modular	\$ 259,600
Demolition of Existing Building (trailer) & Asbestos Testing and Abatement	\$ 18,605
Delivery	\$ 3,169
Office Furniture	\$ 17,441
Utility Connections	\$ 15,500
Metal Warehouse	\$ 38,080
Total Project Costs	\$ 352,395

As shown in the figures above, the project exceeded its original CIP budget of **\$345,018** by approximately **\$7,377**, due to the unforeseen discovery of asbestos during the demolition of the existing trailer and the associated remediation services and their costs. Supplemental funding from the Public Works Operating Budget, Program 770 (Signals & Lighting Maintenance) will be used to cover these additional expenses as reflected in a budget adjustment to be performed by the Finance Director.

ALTERNATIVES

1. Do not accept the improvements and direct staff accordingly.

Prepared by:



Ron Taormina, PW Superintendent

Reviewed by:



Amy Olay, Interim Public Works Director

Approved by:



Angelique Gaeta, Assistant City Manager

Attachment:

- a. Resolution
- b. Notice of Completion (17-SS) - Sample
- c. Budget Adjustment

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL
ACCEPTING THE SERVICE CENTER PORTABLE BUILDING REPLACEMENT
PROJECT NO. 17-SS; DIRECTING THE PUBLIC WORKS DIRECTOR OR
DESIGNEE TO FILE THE NOTICE OF COMPLETION; AND AUTHORIZING THE
FINANCE DIRECTOR TO PERFORM A BUDGET ADJUSTMENT**

WHEREAS, the Service Center Portable Building project (CIP No. 17-SS) was allocated **\$345,018** in FY 2023-24; and

WHEREAS, on November 7, 2023, the City Council adopted Resolution No 13075, approving and awarding a contract to Mobile Modular, in an amount not to exceed \$261,728, for the purchase and installation of a new Signals and Lighting trailer, along with any additional improvements needed, to complete the Service Center Portable Building Replacement project; and

WHEREAS, construction began on October 10, 2024, and concluded on January 31, 2025, with all work completed in accordance with the approved plans and specifications developed by staff; and

WHEREAS, elements completed during construction included: demolition of the existing trailer, installation of a new portable building with ADA-compliant features, reconnection of all utilities, and the purchase and installation of new office furniture and a 20'x25' metal warehouse building; and

WHEREAS, during demolition, asbestos was discovered beneath the metal roof panels of the existing trailer, necessitating additional services outside of the project's original scope of work; and

WHEREAS, upon its completion, the project's total costs were **\$352,395**; and

WHEREAS, the project had exceeded its original CIP budget of \$345,018 by approximately \$7,377 due to the unforeseen discovery of asbestos and the associated remediation services and their costs; and

WHEREAS, supplemental funding from the Public Works Operating Budget, Program 770 (Signals & Lighting Maintenance) will be used to cover those additional expenses as reflected in budget adjustment to be performed by the Finance Director;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Campbell hereby accepts the work completed for the Service Center Portable Building Replacement Project (No. 17-SS), directs the Public Works Director or designee to file the notice of completion, and authorizes the Finance Director to perform the necessary budget adjustment.

PASSED AND ADOPTED this ____ day of _____, 2025, by the following roll call vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

APPROVED:

ATTEST:

Sergio Lopez, Mayor

Andrea Sanders, City Clerk

Recording Requested by
and when recorded, mail to:

City of Campbell
City Clerk's Office
70 North First Street, City Hall – Upper Level
Campbell, CA 95008
(408) 866-2150



CITY OF CAMPBELL
NOTICE OF COMPLETION AND ACCEPTANCE
OF PUBLIC WORKS CONTRACT
(C.C.C. 3093)

This document is for the benefit of the **City of Campbell**. Request for the Recordation without fee is made in accordance with Section 6103 of the Government Code of the State of California.

Contractor's Name: Mobile Modular Inc.	Contract Date: 10/10/2024
Surety: Sullivan Curtis Monroe Insurance Services	Final Contract Amount: \$259,600
Job Title: Service Center Portable Building Replacement Project (CIP No. 17-SS)	
Location: Campbell Service Center	
Scope of Work: Installation of new portable building, office furniture, and metal warehouse building.	
Owner: City of Campbell, City Hall, 70 North Street, Campbell, CA 95008	

This work was accepted by me on 1/31/2025, on behalf of the City of Campbell. I certify under penalty of perjury that the foregoing is true and correct. (C.C.P. 2015.5)

Executed on xx/xx/2025,
at Campbell, California

Ron Taormina, Public Works Superintendent
Department of Public Works
City of Campbell

Attachment: Notice of Completion (17-SS) - Sample (Accept the Service Center Portable Building Replacement Project)

City of Campbell Request for Budget Adjustments			
Department/Program	Division	Date	Request No.
Public Works	17-SS - Service Center Portable Building Replacement Project	May 20, 2025	BA-23
<u>Budget to be Reduced</u>			
Fund/Program	Account Number	Description	Amount
<u>Budget to be Increased</u>			
Fund/Program	Account Number	Description	Amount
REVENUE 435.990	6999	Capital Transfer In (From Signals & Lighting Maintenance)	7,377
EXPENDITURES 207.990	9999	Capital Transfer Out (To CIP Fund)	7,377
435.17SS	7883	Improvements	7,377
REASON FOR REQUEST - BE SPECIFIC:			
To transfer \$7,377 from the Signals and Lighting Maintenance Budget Unit to the Service Center Portable Building Replacement Project (17-SS) for costs related to unforeseen discovery of asbestos during the demolition of the existing trailer and associated remediation services.			
Will Fuentes Finance Director	Amy Olay Interim Public Works Director	Brian Loventhal City Manager	

Attachment: Budget Adjustment (Accept the Service Center Portable Building Replacement Project)



*City
Council
Report*

Item: 8
Category: CONSENT CALENDAR
Meeting Date: May 20, 2025

TITLE: Approve the 1-Year Extension of City's Financial Audit Services Contract (Resolution/Roll Call Vote)

RECOMMENDED ACTION

That the City Council adopt a resolution approving and authorizing the City Manager to execute the amendment with Eide Bailly LLP for professional audit services.

BACKGROUND

On April 20, 2020, the City Council adopted **Resolution 12579**, authorizing the City Manager to approve and execute the Consultant Services Agreement with Eide Bailly LLP (Eide Bailly) for professional audit services. Eide Bailly was selected through an extensive Request for Proposal (RFP) process during which the City received 10 proposals from local and regional auditing firms across California. Subsequently, Eide Bailly was awarded a contract for professional audit services for an initial three (3) year period with an option to extend for an additional two (2) years in an aggregate amount not to exceed \$288,825 for the five-year period. That initial agreement is shown as **Attachment C**.

DISCUSSION

City policy requires an independent auditing firm to conduct an annual audit of the City financials. The Government Finance Officers Association (GFOA) recommends that governmental entities should enter into multi-year agreements of at least five (5) years in duration when obtaining the services of independent auditors. Such multi-year agreements can take a variety of different forms (e.g., a series of single-year contracts), consistent with applicable legal requirements. Such agreements allow for greater continuity and help to minimize the potential disruption in connection with the independent audit. Multi-year agreements can also help to reduce audit costs by allowing auditors to recover certain "startup" costs over several years, rather than over a single year.

Eide Bailly, as the City's current audit firm, has performed exceptional work during the past five (5) years and has been a valuable resource to the City's Finance Department. The amendment and one-year extension of the current contract will allow continuity in auditing services of Fiscal Year Ending June 30, 2025 for an additional year and an

additional amount of **\$70,000**. Consistent with the initial agreement, Eide Bailly will be providing the following audit services:

1. City Audit and Related Reports

- a. The audit firm will perform an audit of all funds of the City of Campbell. The audit will be conducted in accordance with auditing standards generally accepted in the United States of American and Government Auditing Standards, issued by the Comptroller of the United States. The City's Annual Comprehensive Financial Report (ACFR) will be prepared and word processed by the audit firm. The ACFR will comply with the latest required GASB Statements applicable for the year under audit. The audit firm will render their auditors' report on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. The auditor firm will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of the City.

2. Gann Limit Review Report

- a. The audit firm shall perform agreed-upon auditing procedures pertaining to the City's Gann Limit (Appropriations Limit) and render a letter annually to the City regarding compliance.

3. Single Audit and Related Reports

- a. The audit firm may perform a single audit on the expenditures of federal grants in accordance with Uniform Guidance as any other applicable federal, state, local or programmatic audit requirements and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the City's financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each Major Program.

4. West Valley Solid Waste Management Authority (JPA)

- a. The audit firm shall perform an audit of and prepare basic financial statements and a management letter for the West Valley Solid Waste Management Authority, a California Joint Powers Authority. The Authority includes the Cities of Campbell, Monte Sereno, Saratoga, and the Town of Los Gatos. The City maintains the financial records and provides accounting services for the Authority. The Authority's financial activities are reported in a single enterprise fund.

5. TDA Article 3 Audit

- a. The audit firm shall perform an audit of the TDA activity, if any, and include an opinion of fair presentation in conformity with generally accepted accounting principles and compliance with applicable program guidelines.

6. State Controller's Office Financial Transaction Report (FTR)

- a. The audit firm shall provide, compile, and file the Annual Financial Transactions Report (FTR) to the State Controller of California, from data provided by City staff.

However, in order to fully provide these auditing services for Fiscal Year Ending June 30, 2025, the agreement with Eide Bailly will need to be extended an additional year and increased from \$288,825 to **\$358,825**; thereby requiring approval by the City Council.

Furthermore, GFOA recommends that government entities should undertake a full-scale competitive process such as an RFP for the selection of independent auditors at the end of the term of each audit contract, consistent with applicable legal requirements. California Assembly Bill (AB) No. 1345, Section 12410.6(b) requires that lead auditors rotate every six (6) fiscal years. The extension of Eide Bailly's contract would be the firm's sixth year with the City and complies with all requirements of AB No. 1345. As included in the FY 2026 Proposed Operating Budget as a preliminary workplan item, the Finance Department will develop and publish an RFP for auditing services by December 2025. Upon review of solicited proposals, staff will recommend a preferred firm for Finance Subcommittee and Council consideration. Eide Bailly will be able to bid for another contract during the RFP process, but will need to assign a different audit partner to lead the City's audit engagements in order to comply with AB No. 1345.

FISCAL IMPACT

The amendment will add an additional year and an additional **\$70,000** to the Consultant Services Agreement with Eide Bailly LLP and has been included in the City's FY 2026 Proposed Operating Budget for Council's consideration and approval on June 17, 2025. Thus, no further budgetary appropriations are needed at this time.

ALTERNATIVES

1. Do not approve the request for contract amendment, but instead direct staff to seek proposals from other firms that provide professional audit services.
2. Provide staff with other direction.



Prepared by:

Norite Vong, Assistant Finance Director

Approved by:



Angelique Gaeta, Assistant City
Manager

Attachment:

- a. Resolution
- b. Amendment #1 (Eide Bailly LLP - 5-20-25)
- c. Original Executed Agreement (Eide Bailly LLP Consulting Services)

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL APPROVING AND AUTHORIZING THE CITY MANAGER EXECUTE AN AMENDMENT TO THE CONSULTANT SERVICES AGREEMENT WITH EIDE BAILLY FOR PROFESSIONAL AUDIT SERVICES

WHEREAS, on April 20, 2020, the City Council adopted Resolution 12579, which authorized the City Manager to approve and execute the Consultant Services Agreement with Eide Bailly LLP for professional audit services for an initial three year period with an option to extend for an additional two years; and

WHEREAS, City policy requires an independent auditing firm conduct an annual audit of the City’s financials; and

WHEREAS, Eide Bailly has been the City’s independent auditors for the past five fiscal years; and

WHEREAS, the City now has the need to amend its agreement with Eide Bailly by \$70,000 and bring it up to a total of \$358,825 to provide an additional year of professional auditing services; and

WHEREAS, the City will undertake a full-scale competitive RFP process at the end of its contract amendment and term with Eide Bailly to select and enter into a new multiyear agreement with an independent auditing firm; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Campbell does hereby approve and authorize the City Manager to an execute an amendment to the Consultant Services Agreement with Eide Bailly LLP for professional audit services.

PASSED AND ADOPTED this 20th day of May, 2025 by the following roll call vote:

AYES: Councilmembers:
NOES: Councilmembers:
ABSENT: Councilmembers:

APPROVED:

Sergio Lopez, Mayor

ATTEST:

Andrea Sanders, City Clerk

Attachment: Resolution (Approve the 1-Year Extension of City's Financial Audit Services Contract)

AMENDMENT TO CONTRACT SERVICES AGREEMENT

AMENDMENT #1

CITY OF CAMPBELL
70 NORTH FIRST STREET
CAMPBELL, CA 95008
(408) 866-2140

This Amendment to Contract Services Agreement (hereinafter “Amendment”) amends the Consultant Services Agreement (hereinafter “Agreement”) to provide Professional Auditing Services for the City of Campbell originally entered into on the 21st day of April, 2020, by and between the City of Campbell (a Municipal Corporation, hereinafter referred to as “City”) and Eide Bailly LLP (a California Corporation).

As provided for under the terms of this Amendment, the City and Consultant agree to amend the following provisions of the Agreement as follows:

- Compensation. The compensation under Section 3.1 has a maximum contract obligation amount of \$288,825. Included as Exhibit 2 is Amendment #1 to the original Consultant Services Agreement; in which the maximum contract obligation amount shall be repealed and replaced with a maximum contract obligation of \$358,825.
- Term. Section 10.10 states that this contract shall terminate following the completion of the audit period for fiscal year ending June 30, 2024. Included as Exhibit 1 is the Consultant Services Agreement; in which the term of the contract shall be repealed and replaced with termination following the completion of the audit period for fiscal year ending June 30, 2025.

All other terms and conditions as set forth in the Agreement shall remain in effect.

Signature Warranty:

The undersigned are authorized to represent and enter into this Amendment on behalf of the Consultant.

This Amendment to the Consultant Services Agreement shall become effective upon its execution by the City, in witness whereof, the parties have executed this Amendment the day and year first written above.

CONTRACTOR

CITY OF CAMPBELL

By: _____

By: _____

Name: Ahmad Gharaibeh

Name: Brian Loventhal

Title: Partner

Title: City Manager

Date: _____

Date: _____

Attachments:

Exhibit 2 – Amendment #1

Exhibit 3 – Original Consultant Service Agreement

Attachment: Amendment #1 (Eide Bailly LLP - 5-20-25) (Approve the 1-Year Extension of City's Financial Audit Services Contract)

**CITY OF CAMPBELL
CONSULTANT SERVICES AGREEMENT FOR
PROFESSIONAL AUDIT SERVICES**

This Agreement is entered into at Campbell, California on the 30th day of September, 2020, by and between the **CITY OF CAMPBELL** (hereinafter referred to as "City") and Eide Bailly LLP (hereinafter referred to as "Consultant").

WHEREAS, City has reviewed proposals for Financial Audit Services for the fiscal years ending June 30, 2020 through June 30, 2024, and;

WHEREAS, City staff has reviewed the qualifications and experience of the firms submitting proposals and has determined that the audit firm of Eide Bailly LLP best meets the requirements of the City's RFP dated November 6, 2019, and;

WHEREAS, Eide Bailly LLP submitted its last, best, and final offer in the following amounts: not to exceed \$55,000 for FY 19/20, \$56,610 for FY 20/21, \$57,742 for FY 21/22, \$58,898 for FY 22/23 and \$60,075 for FY 23/24, for a total five year contract not to exceed \$288,825, and;

WHEREAS, Consultant represents that it has the expertise, means, and ability to perform said financial audit services; and

WHEREAS, the Consultant's Technical Proposal and Cost Proposal, shown as Exhibit B and Exhibit C respectively, are incorporated by reference into this Agreement.

NOW, THEREFORE, in consideration of each other's mutual promises, Consultant and City agree as follows:

1. DUTIES OF CONSULTANT

1.1 Consultant agrees to perform services as set forth in Exhibit A - Scope of Services, attached hereto and incorporated herein by reference, and which shall be interpreted together and in harmony with this Agreement. In the event of any conflict between Exhibit A and this Agreement, this Agreement shall govern, control, and take precedence.

1.2 Consultant's project manager will meet with the City's project coordinator prior to commencement of the project to establish a clear understanding of the working relationships, authorities, and management philosophy of City as it relates to this Agreement.

1.3 Consultant, working with the City, will gather available existing information concerning the project, and shall review documents as necessary for compliance with the project's

objectives.

1.4 In performance of this Agreement by Consultant, time will be of the essence.

1.5 Notwithstanding Section 1.4, Consultant shall not be responsible for delay caused by activities or factors beyond Consultant's reasonable control, including delays or by reason of strikes, work slow-downs or stoppages, or acts of God.

1.6 Consultant agrees to perform this Agreement in accordance with the highest degree of skill and expertise exercised by members of Consultant's profession working on similar projects under similar circumstances.

1.7 Consultant shall cooperate in good faith with City in all aspects of the performance of this Agreement.

1.8 In the course of the performance of this Agreement, Consultant shall act in the City's best interest as it relates to the project.

1.9 The designated project manager for Consultant shall be Joe Escobar, Audit Manager. The Consultant's project manager shall have all the necessary authority to direct technical and professional work within the scope of the Agreement and shall serve as the principal point of contact with the City and the City's project coordinator. The authorized principal of Consultant executing this Agreement for the Consultant shall have authority to make decisions regarding changes in services, termination and other matters related to the performance of this agreement on behalf of Consultant.

1.10 The Consultant (and its employees, agents, representatives, and subconsultants), in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the City. The City shall not direct the work and means for accomplishment of the services and work to be performed hereunder. The City, however, retains the right to require that work performed by Consultant meet specific standards consistent with the requirements of this Agreement without regard to the manner and means of accomplishment thereof. Subcontractors shall assume all of the rights, obligations and liabilities, applicable to it as an independent contractor hereunder. Consultant represents and warrants that it (i) is fully experienced and properly qualified to perform the class of work and services provided for herein, (ii) has the financial capability and shall finance its own operations required for the performance of the work and services and (iii) is properly equipped and organized to perform the work and services in a competent, timely and proper manner in accordance with the requirements of this Agreement.

1.11 This Agreement contains provisions that permit mutually acceptable changes in the scope, character or complexity of the work if such changes become desirable or necessary as the work progresses. Adjustments to the basis of payment and to the time for performance of the work, if any, shall be established by a written contract amendment (approved and executed by the City) to accommodate the changes in work.

2. DUTIES OF CITY

2.1 City shall furnish to Consultant all available and pertinent data and information requested by Consultant to facilitate the preparation of the documents called for in this Agreement. Consultant shall be entitled to reasonably rely on all such information.

2.2 City shall provide contract administration services. City shall notify Consultant of required administrative procedures and shall name representatives, if any, authorized to act in its behalf.

2.3 City shall review documents submitted by Consultant and shall render decisions pertaining thereto as promptly as reasonably possible.

3. COMPENSATION

3.1 For the full performance of the services described herein by Consultant, City agrees to compensate Consultant for all services and direct costs associated with the performance of the project in an amount not to exceed \$288,825, as follows:

a. Once each month, Consultant shall submit for payment by City, an itemized invoice for services performed. The invoice shall describe the services rendered and the title of the item of work, and shall list labor hours by personnel classification. Said invoice shall be based on all labor and direct expense charges made for work performed on the project. Labor charges shall be in accordance with the fee schedule found in Exhibit A of this Agreement. City shall pay Consultant for services rendered and approved by the City within 30 days from the date the itemized invoice is received by the City, subject to the maximum not to exceed amount specified above and the City's right to object.

b. Direct costs are those outside costs incurred on or directly for the project, and substantiated with invoices for the charges. Direct expenses include printing, reproduction, and delivery charges.

3.2 If Consultant incurs other costs which are not specifically covered by the terms of this Agreement, but which are necessary for performance of Consultant's duties, City may approve payment for said costs if authorized in writing by the City in advance.

3.3 City may order changes in the scope or character of services in writing, including decreasing the amount of Consultant's services. In the event that the work is decreased, Consultant is entitled to full compensation for all services performed and expenses incurred prior to receipt of notice of change. Under no conditions shall Consultant make any changes to the work, either as additions or deductions, without the prior written order of the City. In the event, that the City determines that a change to the work or services from that specified in this Agreement is required, the contract time and/or actual costs reimbursable by the City for the project may be adjusted by contract amendment or change order to accommodate the changed work. The maximum not to exceed total amount specified in this Article 3 (Compensation) shall not be exceeded, unless authorized by written contract amendment or change order, approved and

executed by the City. Consultant shall obtain prior written approval for a revised fee schedule from the City before exceeding such fee schedule.

3.4 In no event, will the Consultant be reimbursed for any costs or expenses at any rates that exceed the rates for set forth in the fee schedule found in Exhibit A.

4. SUBCONSULTANTS

4.1 Consultant may not subcontract any services required under this Agreement without the prior written consent of the City.

4.2 Consultant shall be responsible to City for the performance of any and all subconsultants who perform work under this contract, and any acts of negligence or misconduct on their part. Consultant is solely responsible for all payments due to subconsultants.

5. OWNERSHIP OF DOCUMENTS AND MATERIALS

All original documents, papers, data, materials, and other work products prepared by the Consultant and/or its subconsultants in the performance of the services encompassed in this Agreement (whether in printed or electronic format) shall be the property of the City and may be used on this project without the consent of the Consultant or its subcontractors. City acknowledges that such documents and other items are instruments of professional services intended for use only on the subject project. Consultant agrees that all copyrights which arise from creation of the Project-related documents and materials pursuant to this Agreement shall be vested in the City and waives and relinquishes all claims to copyright or other intellectual property rights in favor of the City. Upon the completion or termination of this Agreement for any reason, the City shall be entitled to receive, and Consultant shall promptly provide to the City upon request, all finished and unfinished project-related documents and materials, produced or gathered by or on behalf of Consultant that are in Consultant's possession, custody or control. Consultant may retain copies of said documents and materials for its files. In the event of termination, any dispute regarding compensation or damages shall not hinder, prevent, or otherwise impact the City's right to promptly receive and use such documents and materials which are the sole and exclusive property of the City.

6. TERMINATION

Notwithstanding any other provision of this Agreement, City may terminate this Agreement at any time, with or without cause, in its sole discretion, by giving notice in writing to Consultant of such termination. In the event of such termination, Consultant shall have the right and obligation to immediately assemble the work then in progress for the purpose of completing the work and turning over all materials and documents to City. In the event of such termination, Consultant shall be compensated for all work and services performed to the point of termination in accordance with the payment provisions set forth in Section 3.1, unless the termination is for cause, in which event Consultant need be compensated only to the extent required by law.

7. **AUDIT AND INSPECTION**

Consultant shall maintain such financial records and other records as may be prescribed by the City or by applicable federal and state laws, rules, and regulations. The selected Consultant shall retain these records for a period of seven (7) years after final payment, or until they are audited by the City, whichever event occurs first. These records shall be made available during the term of the contract or service agreement and the subsequent seven-year period for examination, transcription, and audit by the City or its designees.

8. **EQUAL EMPLOYMENT OPPORTUNITY**

Consultant agrees to refrain from discriminatory employment practices on the basis of race, religious creed, color, sex, national origin, handicap, sexual orientation, or ancestry of any employee of, or applicant for employment with, such Consultant or subcontractor.

9. **INSURANCE AND INDEMNIFICATION**

9.1 With respect to any design professional services provided by Consultant, the Consultant agrees to indemnify, and hold harmless the CITY, its officers, and employees to the fullest extent allowed by law from any and all claims, actions, causes of action, damages, liabilities and losses, that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant, except for any claims, actions, causes of action, losses, damages or liabilities proximately caused by the sole negligence or willful misconduct of CITY. CITY shall not be liable for acts of Consultant in performing services described herein. Notwithstanding anything in this paragraph to the contrary, any defense costs charged to the design professional under this paragraph shall not exceed the design professional's proportionate percentage of fault, except that in the event one or more defendants is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, the design professional shall meet and confer with the other parties regarding unpaid defense costs in good faith effort to agree on the allocation of those costs amongst the parties.

With respect to all matters other than those covered by the foregoing paragraph, Consultant agrees to indemnify, defend (with counsel reasonably satisfactory to the CITY) and hold harmless the CITY, its officers, officials, directors, agents representatives, volunteers, and employees to the fullest extent allowed by law from any and all claims, actions, causes of action, losses, damages, liabilities and costs of every nature, including but not limited to all claims, actions, causes of action, losses, damages, liabilities for property damage, bodily injury, or death, and all costs of defending any claim, caused by or arising out of, or alleged to have been caused by or arise out of, in whole or in part, Consultant's performance under this Agreement, except for any claims, actions, causes of action, losses, damages, costs or liabilities proximately caused by the sole negligence or willful misconduct of CITY. CITY shall not be liable for acts of Consultant in performing services described herein.

In no event shall this section be construed to require indemnification by the Consultant to a

greater extent than permitted under the public policy of the State of California; and in the event that this contract is subject to California Civil Code section 2782(b), the foregoing indemnity provisions shall not apply to any liability for the active negligence of the City.

The defense and indemnity provisions obligations of this Agreement are undertaken in addition to, and shall not in any way be limited by the insurance obligations contained in this Agreement. The foregoing indemnity provisions are intended to fully allocate the parties' risk of liability to third-parties; and there shall be no rights to indemnity or contribution, in law or equity or otherwise between the parties that are not set forth in this section. Consultant waives all rights to subrogation for any matters covered by the provisions of this section. Consultant's responsibility for such defense and indemnity obligations as set forth in this section shall survive the termination or completion of this Agreement for the full period of time allowed by law.

9.2 Consultant shall maintain insurance conforming to the following specifications to the fullest amount allowed by law for a minimum of two years following the termination or completion of this Agreement:

A. Types of Coverage

The policies shall afford the following types of coverage:

1. Commercial General Liability;
2. Automotive;
3. Workers' Compensation and Employer Liability; and
4. Professional Liability and/or Errors and Omissions

B. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. For Commercial General Liability: Insurance Services Office (ISO) CGL Form 00 01 11 85; and
2. For Automotive Liability: ISO CA 00 01 06 92 including symbol 1(any auto); and
3. For Workers' Compensation: insurance as required by the Labor Code of the State of California and Employer's Liability insurance; and
4. For Professional Liability and/or Errors and Omissions: insurance covering negligence committed by or on behalf of Consultant in rendering services to City.

C. **Minimum Limits of Insurance**

Consultant shall maintain limits no less than:

1. General Liability: \$1,000,000 combined single limit per occurrence for bodily, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.
3. Workers' Compensation and Employer's Liability: Workers' Compensation limits as required by the Labor Code of the State of California and Employer's Liability limits of \$1,000,000 per accident.
4. Professional Liability and/or Errors and Omissions: \$1,000,000 per claim and \$2,000,000 in the annual aggregate.

The limits of insurance required in this Agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City (as agreed to in this Agreement) before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

D. **Deductible and Self-Insured Retention**

Any deductibles or self-insured retention must be declared to and approved by the City, and shall not reduce the limits of liability. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City, its agents, officers, attorneys, employees, officials and volunteers; or the Consultant shall procure a bond guaranteeing payment of losses related to investigations, claim administration, and defense expenses. Policies containing any self-insured retention provision shall provide or be endorsed to provide that the self-insured retention may be satisfied by either the named insured or the City.

E. **Other Insurance Provisions**

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverage:
 - a. The City, its agents, officers, attorneys, employees, officials and volunteers are to be covered as additional insureds as respects: liability arising out of this Agreement performed by or on behalf of the Consultant, products and

completed operations of the Consultant, premises owned, occupied or used by the Consultant, or automobiles owned, leased, hired or borrowed by the Consultant. It is a requirement of this Agreement that any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements and/or limits set forth in this Agreement shall be available to the City as an additional insured.

Furthermore, the requirements for coverage and limits shall be

(1) the minimum coverage limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever affords greater coverage.

b. The Consultant's insurance coverage shall be primary insurance as respects the City, its agents, officers, attorneys, employees, officials and volunteers. Any insurance or self-insurance maintained by the City, its agents, officers, attorneys, employees, officials and volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its agents, officers, attorneys, employees, officials, and volunteers.

d. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the insurer's liability.

2. Workers' Compensation and Employer's Liability Coverage: The insurer shall agree to waive all rights of subrogation against the City, its agents, officers, attorneys, employees, officials, and volunteers for losses arising from work performed by the Consultant for the City.
3. All Coverages: Any unintentional failure to comply with reporting provisions of the policies shall not affect coverage provided to the City; and unless otherwise approved by the City, each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by regular mail has been given to the City, or ten (10) days for cancellation for non-payment of premium.

F. **Suspension or Cancellation**

If any of the coverages required by this Agreement should be suspended, voided, cancelled or reduced in coverage during the term of this Agreement, Consultant shall immediately notify City and replace such coverage with another policy meeting the requirements of this Agreement.

G. **Subcontractors**

Consultant agrees that any and all contracts with subcontractors for performance of any matter under this Agreement shall require the subcontractors to comply with the same indemnity and insurance requirements set forth in this Agreement to the extent that they apply to the scope of the subcontractors' work. Subcontractors are to be bound to contractor and to City in the same manner and to the same extent as the Consultant is bound to City under this Agreement. Subcontractors shall further agree to include these same provisions with any sub-subcontractor. A copy of this Agreement will be furnished to the subcontractor on request. The Consultant shall require all subcontractors to provide a valid certificate of insurance and the required endorsements included in the Agreement prior to commencing any work, and will provide proof of compliance to the City.

H. **Acceptability of Insurers**

Without limiting Consultant's indemnification provided hereunder, the policies of insurance listed in Article 9.2 of this Agreement are to be issued by an issuer with a current A.M. Best Rating of A:V and who is authorized to transact business in the State of California, unless otherwise approved by the City.

I. **Verification of Coverage**

Consultant shall furnish the City with endorsements and certificates of insurance evidencing coverage required by this clause. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be on forms acceptable to the City. Where required by statute, forms approved by the Insurance Commissioner are to be submitted. All certificates are to be received and approved by the City before work commences.

10. **MISCELLANEOUS**

10.1 This Agreement shall be binding on the heirs, executors, assigns and successors of Consultant.

10.2 Neither party may assign this Agreement, or any portion hereof, without the prior written consent of the other.

10.3 This Agreement shall not be construed to alter, affect, or waive any lien or stop notice rights, which Consultant may have for the performance of services pursuant to this Agreement.

10.4 Neither party's waiver of any term, condition or covenant, or breach of any term, condition or covenant shall be construed as the waiver of any other term, condition or covenant or waiver of the breach of any other term, condition or covenant.

10.5 This Agreement contains the entire Agreement between City and Consultant relating to the project and the provision of services to the project. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force or effect. Subsequent modifications to this Agreement shall be in writing and signed by both City and Consultant.

10.6 If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement shall be valid and binding on City and Consultant.

10.7 This Agreement shall be governed and construed in accordance with the laws of the State of California.

10.8 This Agreement may be executed in counterparts and will be binding as executed.

10.9 All changes or amendments to this Agreement must be in writing and approved by all parties.

10.10 The term of this Agreement shall commence upon execution of the Agreement and terminate following the completion of the audit period for fiscal year ending June 30, 2022. Unless either party gives written notice to the other party prior to March 1, 2023, the term of the Agreement shall be automatically extended for an additional two years to include the audits of fiscal year ending June 30, 2023 and 2024 at the not to exceed amounts specified in section 3 of this agreement. Either party may elect earlier termination by giving written notice at least one hundred eighty (180) days prior to the end of any fiscal year (on or before January 1st annually). If either party does not exercise such right to early termination, then this Agreement shall automatically continue pursuant to the stated term and the other provisions contained herein.

10.11 Consultant owes the City a duty of undivided loyalty in performing the work and services under this Agreement, including, but not limited to, the obligation to refrain from having economic interests and/or participating in activities that conflict with the City's interests in respect to the work and/or services and project. The Consultant shall list current clients who may have a financial interest in the outcome of this Agreement. The Consultant hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this agreement. Consultant shall not make or participate in making or in any way attempt to use Consultant's position to influence a governmental decision in which Consultant knows or has reason to know Consultant has a direct or indirect financial interest other than the compensation promised by this Agreement. Consultant will immediately advise the City if Consultant learns of a financial interest of Consultant's during the term of this Agreement.

10.12 This Agreement is entered into, and to be performed in Santa Clara County, California, and any action arising out of or related to this Agreement shall be maintained in a court of appropriate jurisdiction in Santa Clara County, California.

11. NOTICES

Notices required under this Agreement may be delivered by first class mail addressed to the appropriate party at one of the following addresses:

CITY: Will Fuentes
Finance Director
City of Campbell
70 North First Street
Campbell, CA 95008

CONSULTANT: Ahmad Gharaibeh, CPA
Partner
Eide Bailly LLP
1900 S. Norfolk St., Suite 225
San Mateo, CA 94403

Having read and understood the foregoing Agreement, the undersigned parties agree to be bound hereby:

CONSULTANT

By Ahmad Gharaibeh Ahmad Gharaibeh
Title Partner

CITY OF CAMPBELL

By [Signature]
Title City Manager

Exhibit A - Scope of Services and Fees

EXHIBIT A

SCOPE OF SERVICES AND FEES

The City of Campbell desires a Comprehensive Annual Financial Report (CAFR) to be prepared by the Consultant and be fully compliant with Generally Accepted Accounting Principles for the fiscal year ended June 30, 2020 and each of the subsequent years of the Consultant's contract with the City. The City plans to submit the CAFR to the Government Finance Officers Association (GFOA) for review in their Certificate of Achievement for Excellence in Financial Reporting program. The Consultant will perform the following tasks.

1. The Consultant will perform an audit of all funds of the City of Campbell. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller of the United States. The City's Comprehensive Annual Financial Report (CAFR) will be prepared and word processed by the Consultant and assembled digitally in Adobe Acrobat format (PDF). The CAFR will comply with the latest required GASB Statements applicable for the year under audit. The Consultant will render their auditors' report on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. The Consultant will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of the City.

2. The Consultant may perform a single audit on the expenditures of federal grants in accordance with Uniform Guidance as well as any other applicable federal, state, local or programmatic audit requirements and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the City's financial statements in accordance with Government Auditing Standards and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with Uniform Guidance as well as any other applicable federal, state, local or programmatic audit requirements. The single audit report will include the appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required. If the City does not meet the minimum requirements to necessitate a single audit, the fees shall be adjusted accordingly. The City did not exceed the \$750,000 expenditure threshold in fiscal year 2018-19.

3. The Consultant shall perform agreed-upon auditing procedures pertaining to the City's Gann Limit (Appropriations Limit) and render a letter annually to the City regarding compliance.

4. The Consultant shall issue letters required by the Statement on Auditing Standards 114 and 115 and any future required standards that includes identification of the most sensitive disclosures affecting the financial statements and recommendations for improvements in internal

control, accounting procedures and other significant observations that are considered to be non-reportable conditions. Management letters shall be addressed to the City Council.

5. The Consultant will issue an examination report on management's assertion regarding compliance with Measure O each fiscal year. The Consultant will be provided with a "Schedule of Measure O Revenues and Expenditures for the Fiscal Year" ("Schedule"). The Consultant shall: 1) obtain supporting documentation for all amounts listed on the Schedule; 2) verify that the amounts and descriptions agree to the underlying accounting records and supporting documentation; 3) provide a written report on or before December 5th; and 4) provide an oral report to the Measure O Advisory Oversight Committee in January.

6. The Consultant shall perform an audit of and prepare basic financial statements and a management letter for the West Valley Solid Waste Management Authority, a California Joint Powers Authority. The Authority includes the Cities of Campbell, Monte Sereno, Saratoga, and the Town of Los Gatos. The City maintains the financial records and provides accounting services for the Authority. The Authority's financial activities are reported in a single enterprise fund.

7. Periodically, the City receives Transportation Development Act (TDA) funds (Article 3 Bikeway Program) from the Metropolitan Transportation Commission for bicycle and pedestrian improvements. Whenever such funds are received (or expended by the City) an audit is required. The City did not incur any expenditures during the past fiscal year. However, if funding is received during the contract period, an audit of the TDA activity will be required including an opinion of fair presentation in conformity with GAAP and compliance with applicable program guidelines.

8. The Consultant shall provide, compile, and file the Annual Financial Transactions Report (FTR) to the State Controller of California, from data provided by City staff. At any time, based on capacity, City staff may wish to perform this function internally and will remove this function from the engagement at that time upon sufficient notice to the Consultant.

9. The Consultant shall provide, compile, and file the Annual Street Report to the State Controller of California, from data provided by City staff. At any time, based on capacity, City staff may wish to perform this function internally and will remove this function from the engagement at that time upon sufficient notice to the Consultant.

10. Assistance with GASB 68 accounting entries as needed to record the City's net pension liability and related deferred inflows and outflows. At any time, based on capacity, City staff may wish to perform this function entirely and internally and will remove this function from the engagement at that time upon sufficient notice to the Consultant.

Fees to the Consultant for fiscal years ending June 30, 2020 through June 30, 2024 for the required services shall not exceed \$288,825. Fees for services performed shall be paid as follows:

Service	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
City Audit and Related Reports	\$ 40,000	\$ 40,800	\$ 41,616	\$ 42,448	\$ 43,297
Single Audit and Related Reports	3,000	3,060	3,121	3,184	3,247
Gann Limit Review Report	500	510	520	531	541
West Valley Solid Waste Management Authority	3,000	3,060	3,121	3,184	3,247
TDA Article 3 Audit	2,000	2,040	2,081	2,122	2,165
Measure O Examination Report	-	-	-	-	-
Total for Fiscal Year (not-to-exceed) Without Optional Items	\$ 48,500	\$ 49,470	\$ 50,459	\$ 51,469	\$ 52,497
Optional Items					
Financial Transaction Report (FTR)	4,000	4,080	4,162	4,245	4,330
Annual Street Report	3,000	3,060	3,121	3,184	3,247
Assistance with GASB 68 Entries	-	-	-	-	-
Total for Fiscal Year (not-to-exceed) With Optional Items	\$ 55,500	\$ 56,610	\$ 57,742	\$ 58,898	\$ 60,074

Fees to the Consultant for any additional work agreed to by mutual consent between the Consultant the City shall be billed at following hourly rates for FY 19/20 through FY 23/24:

Positions	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24
Partner	\$220	\$224	\$229	\$233	\$238
Manager	160	163	166	170	173
Supervisor	120	122	125	127	130
Senior Auditor	90	92	94	96	97
Staff Auditor	80	82	83	85	87
Administrator	60	61	62	64	65

INSPIRED TO KEEP AN EYE ON THE HORIZON



January 6, 2020
Technical Proposal for Professional Auditing Services
CITY OF CAMPBELL

Submitted By:

Eide Bailly LLP
Ahmad Gharaibeh, CPA
Partner
260 Sheridan Ave, Suite 440
Palo Alto, CA 94306

EideBailly®

VTD IS NOW
EIDE BAILLY

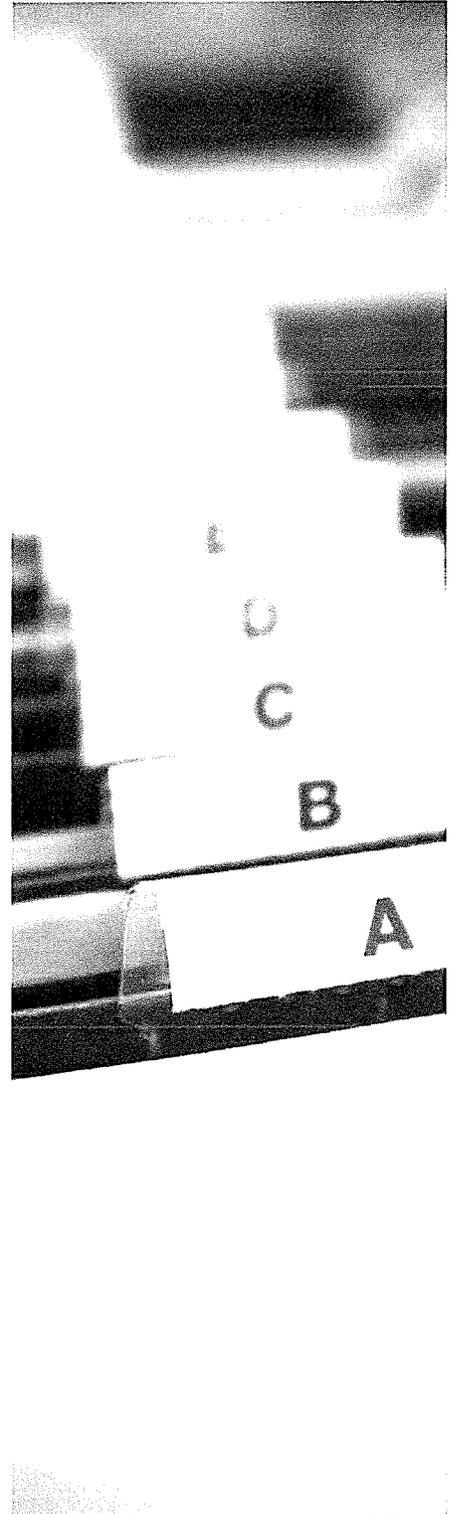


Attachment: Original Executed Agreement (Eide Bailly LLP Consulting Services) (Approve the 1-Year Extension of City's Financial Audit

CITY OF CAMPBELL

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CITY OF CAMPBELL

WE WANT TO WORK WITH YOU.

Thank you for giving Eide Bailly LLP the opportunity to propose on audit services for the City of Campbell (the "City"). We've served the government industry for more than 50 years and work with more than 900 government clients throughout the nation.

Through serving these clients, our professionals have gained focused expertise regarding government organizations and will provide you with insightful advice that aids in managing the finances of the City. We understand your specific challenges, needs and goals and have fine-tuned our process to create a more effective and efficient engagement.

We stay abreast of current issues impacting government organizations and grow our knowledge by attending workshops and trainings. During your engagement, we will work closely with your management team to identify issues and provide responsive solutions that are tailored to your organization. In addition, you will experience partner involvement during all phases of the engagement, as well as throughout the year. At Eide Bailly, we make it a priority to be accessible to our clients, which includes returning phone calls and e-mails in a timely manner.

Government Experience

The service team assigned has experience providing audit services to several other similar clients in the government industry. This experience will bring the City a different and unique perspective to your audit not seen by other firms. Not only will we provide the expected compliance and financial statement support but, with our experience with other governments, we can bring best practices to the City. We strongly believe in providing our clients value added services and support, not only during the audit, but throughout the year.

The following pages highlight our firm's strengths and demonstrate why Eide Bailly merits serious consideration. Know that you will be a highly valued client. Our people would be proud to work with the City of Campbell and build a trusting relationship with your team. Please contact me at 650.462.0400 or agharaibeh@eidebailly.com, if you would like to discuss any aspect of this proposal.

Other Services

Eide Bailly is seeing an explosion of interest in the areas of Cybersecurity, Internal Audit and Forensic Accounting in state and local governments nationally. We have professionals with deep IT backgrounds specializing in a broad range of security services allowing us to tailor solutions to your needs. Our internal audit professionals bring strong process, procedure, internal control and risk management experience to your organization. We have seasoned professionals with years of relevant investigative experience.

1 EXPERIENCE

Our experienced professionals are committed to the industries we serve. We focus on training, and we like to think of ourselves as thought leaders.

2 PEOPLE

We're a team of collaborators and innovators. Our culture is the heart of our firm, and we're always working together to do things differently and better.

3 COMMUNICATIONS

Open, honest, frequent communication ensures that you're not in for any surprises. We'll stay in touch throughout the year so you feel understood, connected and confident.

4 CORPORATE RESPONSIBILITY

We consider ourselves good corporate citizens—caring for our people, giving back to our communities, and taking care of our environment.

CITY OF CAMPBELL

Affirmations

This proposal to provide auditing services is firm and irrevocable for 180 days. We affirm our understanding of the services requested by the City, the work to be done, the time period of performance, and that the City desires an audit firm that provides consistency with staff. Eide Bailly's philosophy is to staff each of our audits with consistent staff in order to provide the most effective and efficient audit for our clients. As required by the Request for Proposal our audit plan covers the engagements for:

- City of Campbell Comprehensive Annual Financial Report
- Single Audit Report on Federal Awards
- GANN Limit Audit
- The Transportation Development Act per the Metropolitan Transportation Commission requirements
- West Valley Solid Waste Management Authority Basic Financial Statements
- State Controller City Financial Transactions Report (optional)
- Annual Street Report to the State Controller of California (optional)
- Preparation of the city's GASB 68 accounting entries (optional)

Sincerely,

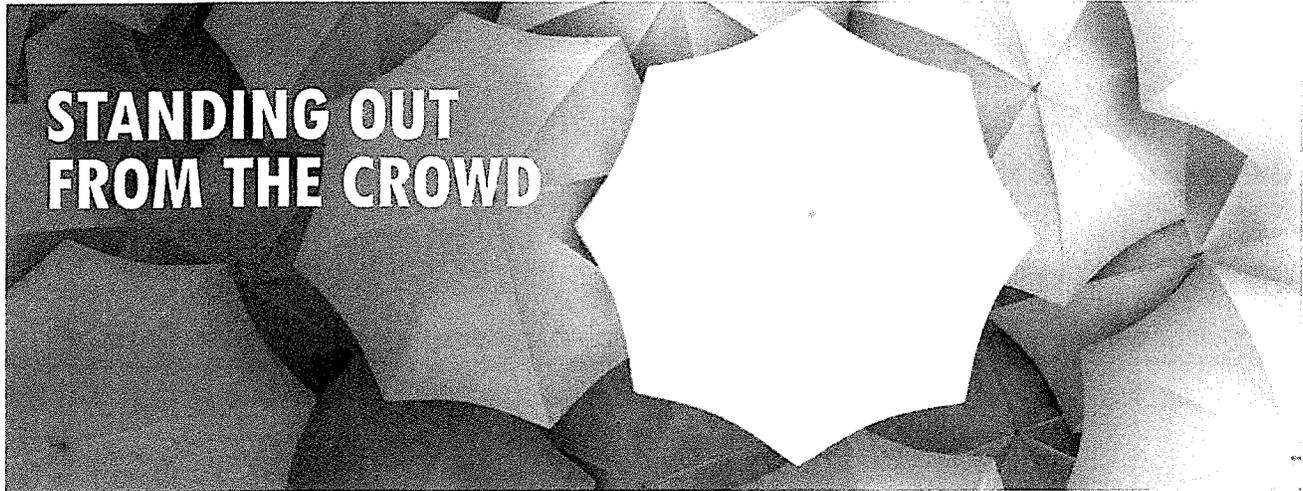


Ahmad Gharaibeh, CPA
Partner
260 Sheridan Ave, Suite 440
Palo Alto, CA 94306
650.462.0400
agharaibeh@eidebailly.com

CITY OF CAMPBELL

TECHNICAL SERVICES

CITY OF CAMPBELL



STANDING OUT FROM THE CROWD

WHAT INSPIRES YOU, INSPIRES US.

With more than 100 years of service, your experience will be different than working with other CPA firms. Our professionals deliver industry and subject matter expertise resourcefully, ensuring that we're providing guidance that directly reflects your needs.

Eide Bailly is a Top 25 CPA firm in the nation with offices in 15 states. Our clients benefit from local, personal service and, at the same time, enjoy access to 2,500 professionals with diverse skill sets and experiences.

We pride ourselves on being leaders in the industries we serve, offering valuable perspectives beyond our core strength of accounting and tax compliance. We're here to help guide the strategy and operations of your organization, and we aim to make sure our clients feel connected and understand the process.

Our people are optimistic and good-natured—we know you'll enjoy working with us as much as we enjoy working with each other. Our service style is hands-on, and we're always looking for new ways to solve your problems or help you embrace opportunities.

Our Promise to Clients

Our work with clients is more than an engagement. It's a relationship, built on value and trust—and results. When working with Eide Bailly, you will:

- Work with professionals who truly care about your business and will take the time to get to know you and your organization.
- Gain insight from our industry and service specialists to accomplish your objectives, address challenges and leverage new opportunities.
- Make better business decisions knowing you are guided by trusted advisors who care about your success.

AT A GLANCE



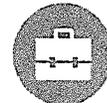
top 25 CPA firm in the nation



offices in 15 states



330 partners



2,500+ staff



one Eide Bailly

CITY OF CAMPBELL

Licensed to Practice in California

Eide Bailly and each of the professional staff assigned to the City are properly registered and licensed to practice in California.

Firm Registrations

California Secretary of State Registration Number – 201 997 098 003

California State Board of Accountancy Permit Number – 5973

Independence

Eide Bailly is independent of the City as defined by the generally accepted auditing standards and The U.S. General Accounting Office's Government Auditing Standards. Within the past five years, the firm has not had any relationships involving the city.

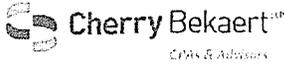
Should Eide Bailly enter into any professional relationships deemed relevant during the course of this engagement, we will notify you in writing of such relationship.

Peer Review

Eide Bailly is a member of the American Institute of Certified Public Accountants Private Companies Practice Section (PCPS), Center for Public Company Audit Firms (CPCAF) and Governmental Audit Quality Center. Our membership with the AICPA requires a third-party peer review of our audit and accounting practice every three years and is included on page seven. This review included several similar clients and received a rating of 'Pass'.

We are also currently registered with the Public Company Accounting Oversight Board (PCAOB), for which the portion of our practice related to PCAOB/SEC engagements is subject to an inspection of the PCAOB at least once every three years. A copy of our most recent PCAOB inspection report can be found on the PCAOB website at www.pcaobus.org.

CITY OF CAMPBELL



Report on the Firm's System of Quality Control

December 28, 2017

To the Partners of Eide Bailly LLP and the
National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Eide Bailly LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans, audits performed under FDICIA, and examinations of service organizations [SOC 1 and SOC 2 engagements].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

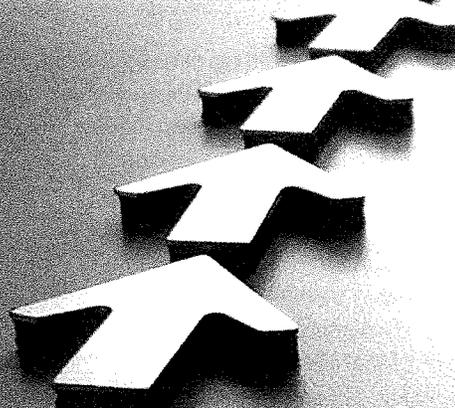
In our opinion, the system of quality control for the accounting and auditing practice of Eide Bailly LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended July 31, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Eide Bailly LLP has received a peer review rating of *pass*.

A handwritten signature in cursive script that reads 'Cherry Bekaert LLP'.

Cherry Bekaert LLP

CITY OF CAMPBELL

BUILDING ON SUCCESS

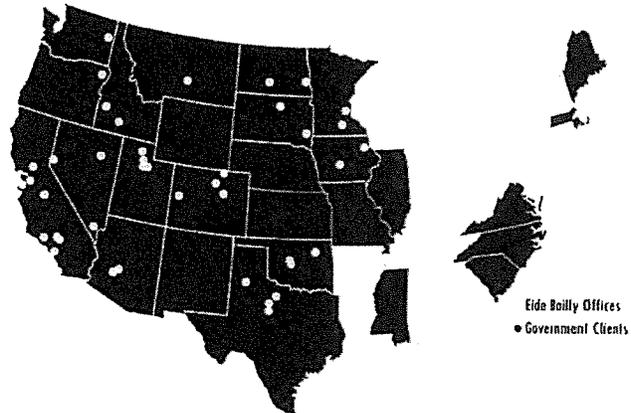


Qualifications and Experience

Government Experience

The firm has 275 full-time professionals who participate in our Governmental Services Group. These professionals share information, learn from others and stay up-to-date on industry developments. To gain the greatest benefit, the knowledge is shared with professionals across the firm.

The governmental industry represents one of Eide Bailly's largest niche areas—with more than 900 governmental clients firmwide. We provide audit services for a variety of cities, counties, colleges and universities, fire relief agencies, housing authorities, school districts, state agencies, and tribal entities. Through serving these clients, our professionals have gained focused expertise in the governmental industry and will provide you with insightful advice that aids in managing the finances of the City.



These services include, but are not limited to, evaluating internal control structure, assessing control risk and performing tests of controls, as well as testing compliance with applicable laws and regulations in accordance with *Government Auditing Standards*.

Industry Involvement

In an industry where standards continually evolve and change, Eide Bailly makes it a priority to stay current and assist our clients with necessary changes. In addition to helping clients implement new standards, we also help them adapt to changes within the existing standards. Our team members are truly engaged in the governmental industry and are well positioned in organizations associated with governmental entities. We are leaders in the Governmental Accounting Standards Advisory Council (GASAC), the AICPA's Governmental Audit Quality Center, AICPA State and Local Government Expert Panel and PCPS Technical Committee, local and national boards of the AGA, including the Financial Management Standards Board, and the review committee for the GFOA's Certificate of Excellence for Achievement in Financial Reporting. Due to our leadership positions, the City will have access to information not available from other accounting firms.

CITY OF CAMPBELL

Eide Bailly also regularly attends GASB meetings throughout the year and we communicate the results of those meetings to our clients through our newsletters, e-blasts and webinars. We are also involved with GASB's financial reporting reexamination task force shaping the future of state and local governmental accounting and reporting and participate in the reexamination of the revenue and expense model and note disclosure projects with GASB.

Vavrinek, Trine, Day, & Co., LLP

We are pleased to announce that Vavrinek, Trine, Day & Co. LLP (VTD) is now Eide Bailly. With 11 offices throughout California, as part of Eide Bailly, our geographic reach extends to 15 states west of the Mississippi and our staff count grows to approximately 2,500.

A significant percentage of VTD's current practice is devoted to the governmental sector. VTD provides governmental auditing and specialized accounting services to over 300 governmental agencies. The City will have access to these professionals, as well as the entire Eide Bailly Governmental Services Group.

EideBailly

VTD IS NOW
EIDE BAILLY 

VTD's key industries include, but are not limited to, large municipal and regional governments, financial institutions, higher education, manufacturing, retail enterprises, and nonprofit corporations.

Single Audit Experience

Eide Bailly has experience providing single audits related to federal expenditures which ensure our clients remain compliant. Our single audits include an audit of both the financial statements and the federal awards. We also assist in the preparation of the data collection form and prepare the reporting package for submission to the federal audit clearinghouse.

As mentioned before, Eide Bailly audits more than \$9.5 billion in federal expenditures, which provides us with extensive experience in single audits. Not only are we on the forefront of new regulations, but because of our vast experience with governmental entities, we have familiarity with a wide variety of federal programs. As the City looks to expand its current federal programs, we can pull from our expansive database of federal programs that we have audited and provide consultation on what has worked effectively for other entities. This will help the City establish strong controls and processes over new federal programs rather than trying to rework controls and processes after the program are established.

Our single audit experience includes the Department of Education, Department of Housing and Urban Development, Department of Agriculture, Department of Commerce, Department of Interior, Department of Transportation, Department of Justice, Department of Labor, Department of the Treasury, Department of Health and Human Services, Homeland Security, National Foundation on the Arts and the Humanities, Environmental Protection Agency, Department of Energy, Office of the National Drug Control Policy, Department of Defense, and the Bureau of Land Management.

Paired with our many years of experience, we are qualified to effectively work with your organization to ensure that federal requirements are met.

CITY OF CAMPBELL

Eide Bailly's Current Municipal Clients

Note: Eide Bailly has not been engaged with the City of Campbell within the last five years.

CITIES

City of Alameda
 City of Brawley
 City of Brentwood
 City of Chico
 City of Concord
 City of Dana Point
 City of Davis
 City of Fairfield
 City of Folsom
 City of Foster City
 City of Glendale
 City of Gonzales
 City of Grand Terrace
 City of Greenfield
 City of Huntington Park
 City of Indian Wells
 City of Laguna Beach
 City of Laguna Niguel
 City of Lemon Grove
 City of Los Altos
 City of Monte Sereno
 City of Napa
 City of Oceanside
 City of Palmdale
 City of Paramount
 City of Pleasanton
 City of Rancho Mirage
 City of Rancho Palos Verdes
 City of Rohnert Park
 City of Roseville
 City of Sacramento
 City of San Jacinto
 City of San Leandro
 City of San Ramon
 City of Santa Clara
 City of Santa Clarita
 City of Santa Cruz
 City of Saratoga
 City of South Gate
 City of South Lake Tahoe
 City of Suisun City
 City of Temecula
 City of Temple City
 City of Walnut
 City of Whittier

COUNTY GOVERNMENTS

County of Imperial
 County of Orange
 County of Placer
 County of Riverside
 County of Sacramento
 County of San Bernardino
 County of San Diego
 County of San Joaquin
 County of Shasta
 County of Solano
 County of Sonoma
 County of Ventura
 County of Yolo

FIRST 5 COMMISSIONS

Contra Costa First 5 Commission
 Sacramento First 5 Commission
 Fresno First 5 Commission
 Los Angeles First 5 Commission
 Orange County First 5 Commission
 Riverside First 5 Commission
 San Bernardino First 5 Commission
 Sonoma First 5 Commission
 Yolo First 5 Commission

TRANSIT AGENCIES

Capital Southeast Connector JPA
 High Desert Connector JPA
 Imperial County Transportation Commission
 Omnitrans
 Orange County Transportation Authority
 Sacramento Area Council of Governments
 San Joaquin Regional Rail Commission
 Santa Clara Valley Transportation Authority
 SR 91 Expresslanes
 Ventura County Transportation Commission
 Solano County Transportation Authority

POWER AGENCIES

Alameda Municipal Power
 Glendale Water and Power
 Marin Energy Authority
 Silicon Valley Power

STATE AGENCIES

Department of Water Resources - Electric Fund
 Department of Water Resources -
 State Water Development System Fund

WATER AGENCIES

Beaumont Cherry Valley Water District
 Elsinore Valley Municipal Water District
 Helix Water District
 Montara Water and Sanitary District
 Monterey Regional Water Pollution Control Agency
 Moulton Niguel Water District
 Municipal Water District of Orange County
 Reclamation District #2035
 Sacramento County Water Agency
 Sacramento Groundwater Authority
 Santa Clara Water District
 Santa Margarita Water District
 Suisun-Solano Water Authority
 Yolo-Davis Clean Water JPA
 Yucaipa Valley Water District

SEWER, SANITATION & FLOOD AGENCIES

Alameda County Waste Management Authority
 Bayshore Sanitary District
 Central Contra Costa Sanitary District
 Central Marin Sanitation Agency
 Cupertino Sanitary District
 Delta Diablo Sanitation District
 East Bay Discharge Authority
 Fairfield-Suisun Sanitary District
 Knights Landing Community Services District
 Madison Community Services District
 Orange County Waste & Recycling
 Oro Loma Sanitary District
 Riverside County Waste Management
 Ross Valley Sanitation District
 Sacramento Area Sewer District
 Sacramento Regional County Sanitation District
 Union Sanitary District
 Vallejo Sanitation and Flood Control District
 West Bay Sanitary District
 West Valley Sanitation District

OTHER AGENCIES

Sacramento County Airport System
 Sacramento Solid Waste Fund
 Yolo County Habitat JPA
 Yolo Solano Air Quality District
 East Bay Regional Park District

CITY OF CAMPBELL

GFOA Certificate of Achievement for Excellence in Financial Reporting

Because we know how important achieving the GFOA Certificate of Achievement for Excellence in Financial Reporting is to clients, we work with them to achieve this certification. Below is a summary list of some of our government audit clients who have been awarded and currently maintain the GFOA's Certificate of Achievement for Excellence in Financial Reporting:

State of Nevada, NV	City of S. Lake Tahoe, CA	City of Rancho Cordova, CA
City of Fairfield, CA	City of Santa Cruz, CA	City of Roseville, CA
City of Walnut Creek	City of Capitola, CA	County of Douglas, NV
City of Chico, CA	City of Salt Lake City, UT	County of Solano, CA
County of Ventura, CA	County of Orange, CA	County of San Bernardino, CA

Thought Leadership

A number of partners at Eide Bailly are nationally recognized state and local government thought leaders who present at dozens of national venues throughout the year. These include: GFOA; National Association of State Auditors, Comptrollers, and Treasurers; California Society of CPA's; California Society of Municipal Finance Officers; Oregon Government Finance Officers Association; the California State Association of County Retirement Systems; the California Association of Public Retirement Systems; AGA National Professional Development Conference; National Association of Housing and Redevelopment Officials (NAHRO); Iowa Society of CPA's; Idaho Society of CPA's; Utah Society of CPA's; and Colorado GFOA.

We also provide training for state and local agencies. Some of these agencies include Controllers' offices of the State of Tennessee, Texas State Auditor, State of Montana, Commonwealth of Massachusetts and the State of Nevada.

Furthermore, Eric Berman, Partner, is the author for the entire Governmental Library for Commerce Clearinghouse Wolters Kluwer (CCH). This library serves as the interpretative reference on governmental GAAP, governmental best practices and governmental audits for governments, auditors and educators nationwide. Eric will be an additional resource for the City and available to assist or consult as needed.

Online Publications – the City will also have access to resources on our Eide Bailly Government Industry website. We publish articles related to hot issues within the government accounting arena. Below is a list of some of the recent articles posted to our website, as well sent as an email to all of our clients:

- Common Single Audit Findings and Remediation Series: Matching, Level of Effort, and Earmarking
- Is Your Government Ready for This Fiscal Year-End and Beyond?
- Dispatches from GASB's Meetings
- Cybersecurity: Not Just an "IT" Issue
- Create an Internal Audit with More Value

Visit our website to sign up for our newsletters, e-blasts and webinars: www.eidebailly.com/insights

CITY OF CAMPBELL

A COLLABORATIVE APPROACH



We're passionate about our work—and your success. We have selected professionals for your service team who are the right fit for your engagement, based on their knowledge and experience in the governmental industry.

Ahmad Gharaibeh will lead the engagement team and serve as the Audit Engagement Partner and David Showalter will serve as the Quality Assurance Partner. Joe Escobar will serve as the Manager and James Ramsey will serve as the Assisting Senior Audit Manager. These professionals are licensed to practice public accounting and bring strong credentials and a desire to work with the City. If awarded these engagements, these individuals will serve as your primary contacts. Additional resources will support the project team as necessary.

Because we are committed to the government industry, we provide our professionals, as well as our clients, with specific, ongoing training related to governmental issues. This investment ensures not only our people, but the public sector in general stays current on the unique challenges and opportunities that are present so that as many people as possible are in the best position to address these issues.

Senior Associate and Staff Members

All of our seniors have more than two years of experience in public accounting, with several who specialize in the government industry. We require Yellow Book compliance for all members of our assurance staff. This means no fewer than 24 hours of specific Government Education courses each two-years. Most members of our audit staff significantly exceed that amount.

Once an agreeable timeline has been determined, we will assign a few of our talented seniors and staff to your engagement.

CITY OF CAMPBELL

Partnership with Eide Bailly LLP - Project Profile

We know the importance of a strong business relationship, so we keep staffing changes to a minimum year-to-year. Eide Bailly has a high retention rate, allowing us to provide stability. Your local Palo Alto service team has extensive experience in the Government Industry. You'll find profiles for each team member in Appendix A. The following information will provide an overview of your service team:



Ahmad Gharaibeh, CPA

PARTNER

Ahmad will serve as the engagement partner and will be responsible for directing the activities of the team, coordinating all services, and ensuring the timely delivery of quality services. He has more than 20 years in public accounting with experience in the governmental industry throughout his career. Ahmad serves on the CalCPA Association of Government Accountants Silicon Valley Committee, and also serves on

the California Society of Municipal Finance Officials East Bay Chapter (CSMFO), Peninsula Chapter and Monetary Chapter. His focus in the governmental industry are primarily on general purpose governments cities, special districts, transit, and financing authorities. Ahmad holds the Certified Public Accountant (CPA) designation and is located in our Palo Alto, California office.



David Showalter, CPA

PARTNER

David will serve as the technical review partner and will be responsible for performing a quality review of the financial report prior to issuance and consulting on questions that arise during the course of the engagement. He has more than 18 years in public accounting with experience in the governmental industry throughout his career.

David serves on the CalCPA Governmental Accounting & Auditing Committee, and also serves on a consultative group for the Governmental Accounting Standards Board (GASB). His focus in the governmental industry are primarily on general purpose governments (cities and counties), special districts, hospitals, and financing authorities. David holds the Certified Public Accountant (CPA) designation.



Joe Escobar, CPA

MANAGER

Joe will serve as the audit project manager and will be responsible for the day to day management and delivery of services to the City. He has more than 6 years in public accounting with experience in the governmental industry throughout his career. Joe has experience and expertise in performing and managing audits of local governmental entities. Joe specializes in audits of cities, special districts, stand-alone enterprise funds and single audits. Joe holds the Certified Public Accountant (CPA) designation and is located in our Palo Alto office.

Alto office.

CITY OF CAMPBELL

**James Ramsey, CPA****SENIOR MANAGER**

James Ramsey will serve as the additional resource manager and will be responsible for assisting in the management of the project. He has more than 14 years in public accounting with experience in the governmental industry throughout his career. James' career started off as an accounting manager at a local governmental and therefore has a unique perspective relative to how processes work in an organization. His specialties include cities, counties, special districts, financing authorities, transit authorities and single audits. James holds the Certified Public Accountant (CPA) and Certified Fraud Examiner (CFE) designations.

**Tommy Bowen, CPA****SENIOR AUDITOR**

Tommy Bowen will serve as the in-charge and will be responsible for the daily audit work, supervision of staff and execution of audit plan for the City. He has more than 6 years in public accounting with experience in the government and tax industry throughout his career. His focus has been on performing audits of cities, counties, special districts and other local governmental entities. Tommy holds the Certified Public Accountant (CPA).

Other Seniors and Audit Associates

Additional seniors and audit associates will be assigned to the project.

Staff Availability

We monitor the number of employees and match their skills and capacity to the number of clients. Before responding to this RFP, we checked our team's capacity level to make sure they are available. We will continue to monitor and measure performance of our employees and their skills as they relate to the City's projects. Additionally, we will monitor the City's satisfaction with Eide Bailly to ensure the level of service being offered meets your satisfaction.

Affirmative Action

Eide Bailly adheres to the principles of Affirmative Action through our daily human resources and business operations practices. All members of Eide Bailly operate within the Affirmative Action guidelines and value its objectives.

CITY OF CAMPBELL

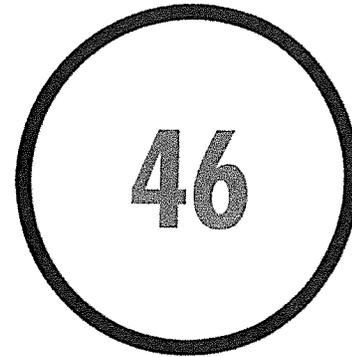
Continuing Education

Because we are committed to the industries we serve, we provide our professionals with specific, ongoing training. This investment ensures our people stay current on the unique challenges and opportunities within the industry sectors so that they are in the best position to help clients address these issues.

Firmwide, our continuing professional education program requires all professional staff obtain education that exceeds the requirements of the American Institute of Certified Public Accountants (AICPA) and where applicable, *Government Auditing Standards*. The firm places a strong emphasis on lifelong learning and recognizes the importance of developing our professionals to best serve our clients. This past year we provided our client service professionals with an average of 46 hours of professional education, compared with the 40-hour accounting industry requirement. In addition, we regularly share information among the audit teams in different offices to ensure we are providing clients with the latest thinking and best possible solutions. Our governmental professionals obtain continuing professional education through the following means:

- Government-specific seminars sponsored by the AICPA and Government Audit Quality Center (GAQC).
- Seminars sponsored by the Government Finance Officers Association (GFOA).
- Involvement with local chapters of the GFOA (we teach and attend GFOA conferences, regularly).
- Eide Bailly seminars specific to governmental issues which are taught by our experienced managers and partners.

By expanding our knowledge of issues important to government organizations, we are able to provide more in-depth, knowledgeable solutions to our clients. Additional communications, webinars and training are provided throughout the year on a variety of topics important to state and local governments.



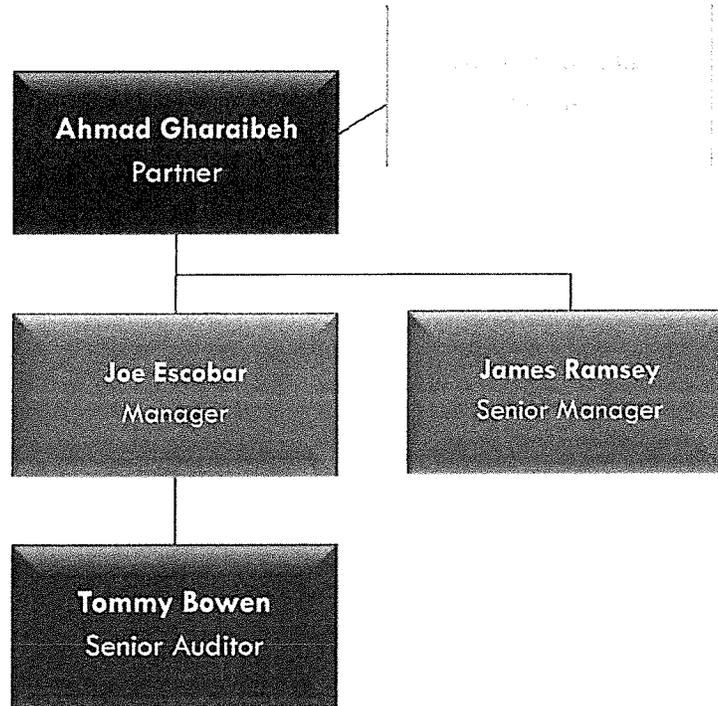
CPE HOURS

Eide Bailly FY 2019

46 hours of CPE per professional

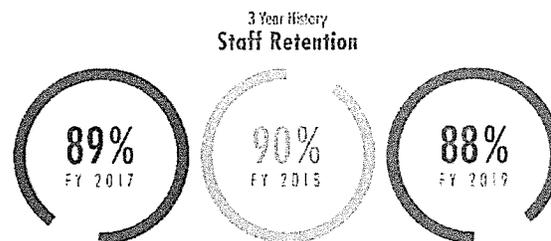
CITY OF CAMPBELL

We're passionate about our work—and your success. We have selected professionals for your service team who are the right fit for your engagement, based on their knowledge and experience in the Government Industry.



Staff Continuity

To help ensure a strong business relationship and to minimize disruptions, we keep staffing changes to a minimum. Compared to the national average, Eide Bailly experiences a high retention rate which translates to providing our clients with consistent service teams. We will strive for continuity of staff for your engagement. With this continuity comes quality, as team members' knowledge of your organization grows from year to year.



Should the need arise to change any of the key engagement personnel, we will notify you in writing and provide the qualifications of the proposed replacement. Upon your approval, new engagement personnel will join your service team.

CITY OF CAMPBELL



Audit Methodology

At Eide Bailly, we promise you a better overall experience. While we recognize that multiple firms are capable of accomplishing the objectives of an audit, Eide Bailly appreciates that every situation and every organization is different, and we tailor our approach based on the needs of each client.

Eide Bailly values its business relationships and demonstrates this through our partner and manager involvement. Our senior level professionals are involved with our clients and accessible throughout the year. They do not delegate all tasks to staff, but rather stay involved onsite during fieldwork as well as stay connected throughout the year. This approach delivers the greatest benefit to our clients in that we are able to stay abreast of changes in and updates to our client's operating environment and partner with them to achieve optimal results.

Our clients experience a communication approach that stands apart in both style and frequency. Because we recognize that effective communication is critical throughout the entire audit process, our service approach is one where communication begins with planning and continues throughout the year. Additionally, we take a collaborative communication approach with our clients and include them in the process as our peers. Our clients offer a wealth of knowledge and information about their organization and communicating with them as a business partner ultimately produces the best outcome.

Prior to beginning the engagement, we will discuss with management:

- The engagement timeline.
- The audit approach and process.
- Additional considerations that may affect scope, schedules and work papers to be prepared by your personnel.

Upon appointment as your auditor, we will discuss the audit schedules and work with you to ensure the timeline meets your needs and makes the most effective use of your staff members' time.

CITY OF CAMPBELL

Level of Staffing and Number of Hours

Below is our proposed level of staffing and estimated hours for each segment of the audit.

	Partner	Manager	Supervisory & Sr. Staff	Staff	Admin	Total
Planning	4	12	4	0	2	22
Interim Fieldwork	10	20	90	20	4	144
Final Fieldwork	22	48	156	56	14	296
Total	36	80	250	76	20	462

Audit Process

Our audit approach is designed to collaborate with the City and achieve optimal results. The approach consists of five major components: Planning, Interim, Fieldwork, Reporting, and Ongoing Communication. If awarded, we will discuss with management our proposed schedule but have the flexibility to make any changes in order to meet the reporting deadlines. The objectives of each component are described in the following pages.

Planning

- Discuss and finalize the engagement timeline, audit approach and process.
- Discussions with management and accounting staff, including the Board, if requested, to address any risks or concerns that they may have.
- Evaluate the nature of the operating environment (for example, changes in volume, degree of system and reporting centralization, sensitivity of processed data, the impact on critical business processes, potential financial impacts, planning conversions, and economic and regulatory environment).
- Review of interim financial information and reports to identify significant risks and changes early.
- Review of significant estimate areas and consideration of underlying assumptions early in process.
- Gain an understanding of the City and its reporting units and their environments.
- Documentation of internal control systems, including IT, and related changes from prior periods.
- Consideration of fraud, risk of noncompliance, illegal acts, abuse, etc.
- Assessment of audit risk and identification of potential audit issues.
- Assessment of materiality and testing scopes to the extent possible and presentation of audit plan.
- Preparation and communication of audit request lists and work papers.
- Development expectations regarding timing and audit progress.
- Gain understanding of single audit programs and perform an analysis of potential major federal programs.

CITY OF CAMPBELL

1. Program

Interim Fieldwork – Single Audit

Our approach to performing the single audit is broken into three different phases:

- Phase I – Risk assessment and planning.
- Phase II – Major program testing.
- Phase III – Assessment and reporting.

Phase I – Risk Assessment and Planning

This phase basically encompasses the planning and risk assessment of your federal programs. The planning phase, if done correctly, will set the tone of the single audit as well as set the stage for an efficient and effective single audit. We will work closely with management to properly identify federal programs and clusters to determine the major programs to be tested.

The steps associated with risk assessment and planning include:

- Determine grant awards and funding increments.
- Determine the Type A and Type B thresholds.
- For any programs above the threshold (Type A) perform a review of the past two single audits and document the program risk to determine if the program is high risk or low risk.
- Make final determination of major programs to be tested based on the above steps.
- Review the applicable Uniform Guidance *Compliance Supplement* for any unusual items for each of the major programs, as well as determine which compliance areas are direct and material for each major program.

Phase II – Major Program Testing

After making the major program determination as noted above, we will test the major programs. Our steps for each major program is as follows:

- Obtain the audit steps from the Compliance Supplement which provides the audit steps for each major program.
- Based on the direct and material compliance areas identified during the planning phase, obtain from management the process and controls relating to those direct and material compliance areas. The controls for each compliance area need to address the five components of Committee of Sponsoring Organizations of the Treadway Commission (COSO) as required by Uniform Guidance.
- Select samples for control and compliance testing.
- Perform control testing for effectiveness and compliance testing of selected transactions.
- Report any material weaknesses or material noncompliance to the City's management.
- Provide periodic meetings to discuss the status of the Single Audit testing. Any potential findings are discussed with management while our auditors are in the field and are concluded during fieldwork.

CITY OF CAMPBELL

Phase III – Assessment and Reporting

The above steps are based on the preliminary SEFA. Once the SEFA has been finalized, we will determine if any additional major programs are to be tested. We will perform the following steps:

- If additional major programs have been identified, perform the steps as noted in the major program testing for the new programs.
- Review the prior findings, if any, and perform steps to determine if the findings were cleared by management and do not need to be reported during the current year.
- Prepare the Schedule of Findings and Questioned Costs.
- Have an exit conference with management and key grant personnel and provide a draft report of the single audit as well as any Yellow Book findings required to be reported. These findings are reviewed by the manager and engagement partner prior to the exit conference. This is done so there are no surprises after we pull out of the field.

Interim Fieldwork – Financial Statement

- Discussions with management to determine internal controls, perform walk-throughs and discuss any potential audit issues.
- Determine audit procedures by area, based on results of audit planning and risk assessment.
- Determine confirmation needs.
- Prepare listing of audit information requested from the City.
- Review minutes, resolutions and ordinances.
- Perform tests of legal compliance.
- Weekly updates to the City staff.
- Exit conference with management.

Final Fieldwork

- Audit areas based on risk assessment.
- Obtain and prepare schedules and analyses supporting the financial information.
- Discuss findings with management, if any.
- Discuss proposed journal entries with management, if any.
- Finalize single audit testing.
- Weekly updates to the City staff.
- Exit conference with management.

CITY OF CAMPBELL

11.00 Agenda

Reporting

- Review of the financial statements by the partner over the engagement
- Review of financial statements by a partner not otherwise associated with the audit to obtain a “second opinion” on the completeness and adequacy of financial statement disclosures and audit procedures.
- Completion of management letters and review with management.
- Preparation of other communications to management and Board.
- Assistance with preparation of the Data Collection Form and the preparation of the reporting package for submission to the Federal Audit Clearinghouse.
- Presentation to Board at its regularly scheduled meeting, if requested.

Ongoing Communication

- Obtain interim financial statements throughout the year for review
- Analyze significant changes and identify areas to further tailor our audit plans and to keep us up-to-date with continuing changes
- Compare the interim results to year-end results for the past few years to identify potential issues in the financial reporting process
- Participate periodically at your Board meetings, and any other meetings, at the Council’s request

CITY OF CAMPBELL

Using Information Technology Auditors

As part of any financial audit, Eide Bailly is required under auditing standards to obtain a sufficient understanding of the accounting system and technology environment in order to plan the audit. It is our philosophy to not only meet but also exceed this requirement by involving Eide Bailly's dedicated technology specialists to participate in audits as deemed appropriate.

Our IT methodology is based on American Institute of Certified Public Accountants (AICPA) guidelines, the internal controls framework prescribed by Committee of Sponsoring Organizations of the Treadway Commission (COSO), and the best practices for technology controls as defined by the Control Objectives for Information and Related Technology (COBIT) developed by the Information Systems Audit and Controls Association (ISACA). When auditing the technology environment, we evaluate both the general technology controls and specific application controls that are in effect. This requires our IT auditors to consider how the accounting systems, infrastructure, processes and people work individually and together to ensure that financial records are being appropriately processed and reported. As such, we must work with IT staff to assess how the relevant systems and technology environment are administered and supported, and with accounting staff to evaluate how financial data is processed and system controls are maintained to enforce segregation of duties.

Eide Bailly has extensive experience integrating a variety of IT services into our audit engagements across organizations in the public, private and nonprofit sectors. These experiences include auditing of IT operations, security and software development as well as conducting both internal and external network vulnerability tests. In addition, we have former federal and local law enforcement computer forensic specialists that utilize the latest tools to analyze and investigate digital media for a wide range of purposes.

We have seasoned professionals with years of relevant technology experience, many of whom carry a myriad of certifications, including the following designations:

- Certified Information Systems Auditor ("CISA").
- Certified in Risk and Information Systems Control ("CRISC").
- Certified Information System Security Professional ("CISSP").
- Certified Information System Manager ("CISM").
- Certified Financial Systems Auditor ("CFSA").
- Certified Ethical Hacker ("CEH").
- Certified Public Accountant ("CPA").
- Certified Common Security Framework Practitioner ("CCSFP").
- GIAC Security Essentials Certification ("GSEC").
- Certified Internal Auditor ("CIA").
- Certified Government Audit Professional ("CGAP").
- Certified Risk Management Assurance ("CRMA").
- Certified Information Technology Professional ("CITP").
- Certified Penetration Testing Engineer ("CPTe").

Our experience with audits of various entities requires adherence to various standards surrounding internal controls including the COSO Framework, generally accepted government auditing standards (GAGAS) and Federal Information System Controls Audit Manual (FISACAM). We work with all our clients to help them understand the updated COSO framework. We have conducted training on COSO and risk assessments nationwide and believe we will add value and improve the effectiveness of the risk management, control and governance processes.

CITY OF CAMPBELL

Use of Technology

Eide Bailly staff utilizes progressive and effective software to streamline processes and make them as efficient as possible. These technologies include:

EB Connect (Client Portal)

The Eide Bailly Client Portal is the standard for delivering electronic documents in a secure manner to and from our clients. Email is not a secure means of exchanging documents and our client portal can handle much larger files than email.

Clients know their confidential information is secure and safe and appreciate the improved organization, documentation and communication by using the Client Portal. Many efficiencies are created by leveraging technology and sharing information and knowledge on the Client Portal and result in reducing the amount of time needed on site during an engagement.

Eide Bailly performs all engagements in a paperless environment. By utilizing paperless processes, we are able to bring experts from across our firm into every engagement. What this means to you – better service, timely reporting and cost-effective solutions.

Data Extraction Software

Eide Bailly designs our approach to incorporate the use of TeamMate Analytics--to maximize efficiency while conducting a very effective audit. Through TeamMate, we can extract information from related databases and create databases that check for duplicate payments, summarize payments, and extract journal entries from specific accounts, develop expectations for analytical procedures and recalculate system calculations among a host of other procedures that are developed by our audit team.

Other Tools

- **Accounting Research Manager (ARM)** – Internet access of all accounting and auditing standards. Areas include GASB, FASB, AICPA, PCAOB and other resource material. We can access this material at any given time and can provide a quick response to any technical question you may have.
- **CCH ProSystem fx Engagement by Wolters Kluwer** – Software to facilitate the audit, retains the electronic workpapers and supporting documentation, performs project tracking, and facilitates quality review.

CITY OF CAMPBELL

Supervisory Review and Quality Control Procedures

All of our documents have levels of review. The various levels are determined by our risk assessment during the planning stages of the audit. Typically, a review will include the following:

- **Seniors** will review all work performed by staff.
- **Managers** will review work performed by seniors as well as review key significant areas that was prepared by staff and reviewed by the senior. Some of these areas include accounts receivable, investments, capital assets, long term debt and pension liabilities, other liabilities, net position classification and single audits.
- **Partners** will review areas that are deemed high from a risk perspective as well as the single audit.
- **Technical review** will review the report for proper and technical aspects making sure everything is report properly. As a firm, we require all single audits and reporting to be reviewed by another partner with specific government experience.

We will hold an exit conference with management and provide periodic written or oral reports on the status of the audit to representatives of the City. The success of the audit is dependent on the amount of open communication throughout the year and not just during the audit period. We will work closely with management and the accounting personnel throughout the audit process and will hold weekly meetings to go over open items as well as discuss any potential accounting or compliance issues identified during the audit. We believe in no surprises. When we perform the exit conference, we will hold a final discussion on any potential findings and will come to a conclusion during the conference. Our goal is to have no additional findings subsequent to the exit conference.

Analytical Procedures

Eide Bailly will apply analytical procedures throughout general planning to improve our understanding of your operations and to identify audit areas for increased attention. These will be applied to assist in planning the nature, timing and extent of other procedures. They will be applied to all balance sheet, revenue/receipt and expense/expenditure areas. These procedures include, but are not limited to, the comparison of current year to prior year and budget amounts. Areas that show results different from those anticipated or planned will be further investigated to determine the validity of the variance.

During the year-end audit fieldwork, we use analytical procedures to test whether errors affecting account balances or classes of transactions have occurred by comparing the recorded amount with an independently developed expectation of that amount. We develop the expectation in such a way that a significant difference between the expectation and the recorded amount is indicative of a financial statement misstatement, unless we can obtain and corroborate explanations for the difference. Analytical procedures are a natural extension of our understanding of your business because the key factors that influence your business may be expected to affect the financial data.

CITY OF CAMPBELL

In the audit reporting phase, we perform a final analytical review at the financial statement level as the last step to ensure that we have gained a comprehensive understanding of the financial statements during the audit engagement and to determine whether the financial statements are appropriately presented and contain appropriate disclosures. Such final analytical procedures highlight and explain significant changes from the previous year and ensure that such changes are consistent with the knowledge of your business and our audit evidence. These procedures typically consider trends based on several previous years instead of comparison only with the prior period.

Internal Control Structure

A significant aspect of the planning process involves understanding each reporting units' internal control environment, including information technology (IT) controls and, where relevant, testing of internal controls.

The following is a summary of the process Eide Bailly uses regarding internal controls over financial reporting and compliance:

Internal Controls over Financial Reporting

Our approach will start with any documentation related to internal controls that have already been developed. We review that documentation to obtain an overview of the internal control system and then conduct interviews with the City's staff to complete the documentation of our understanding related to internal controls and significant changes each year.

After conducting the interviews, we will evaluate the internal control system design and expected operating effectiveness for significant areas depending on the reporting unit. We expect that by completing control testing in these areas, it will allow us to reduce substantive testing and conduct an efficient audit. Our approach toward control testing will be focused on key process controls or overall system controls, rather than detailed control process testing. We will also focus on key IT related controls in process areas such as revenue, payroll and claims, as they tend to allow more efficiency for an audit perspective relative to the control process.

Eide Bailly utilizes a risk-based approach incorporating both control testing and substantive tests of balances, where appropriate. In certain areas that we do not consider as significant, we will plan to conduct the audit using a primarily substantive approach. It has been our experience that it is often more efficient and effective to substantively audit a balance rather than complete an extensive control test.

Internal Controls over Compliance

Our approach for internal controls over compliance associated with federal programs is similar to the approach regarding internal controls over financial reporting related to accumulation, documentation, and evaluation of the control environment.

Test of controls over compliance are required for major federal programs. Our approach is to identify key controls applicable to direct and material compliance requirements for testing, as well as incorporating results from tests of internal controls over financial reporting and IT.

CITY OF CAMPBELL

The approach we will take to gain an understanding of your internal controls includes:

- Interview the City personnel.
- Review organizational charts, accounting and procedure manuals and programs.
- Complete internal control questionnaires.
- Write-up system narratives.
- Evaluate items selected for testing.
- Review controls over financial information systems.

The timely completion of this work will assist us in performing our work efficiently and communicate any potential recommendations as soon as possible.

In addition, our engagement approach is based on the following:

- Observations we believe will help the City achieve its objectives will be shared. We will also be pleased to respond to inquiries you may have about financial or other business matters.
- The assistance to be provided by your personnel, including the preparation of schedules and analyses of accounts, will be discussed with the finance department. The timely completion of this work will assist us in performing our work efficiently.

Statistical Sampling

Sampling may be performed for tests of controls, compliance testing and substantive tests of certain accounts and transactions. During our audit of basic financial statements, we will also select various transactions for testing based on materiality assessed at the appropriate level. These transactions may include such items as capital asset additions, expenditures, subsequent disbursements and subsequent receipts. We will be pleased to discuss specific sample sizes and selection methods when they are determined, either during audit planning or during fieldwork.

We will select the appropriate sample size to support our conclusions in compliance with laws and regulations. We will use confirmations in the areas of cash and investments, receivables and other areas deemed necessary.

Determining Laws and Regulations Subject to Audit Test Work

During the planning process, we will also discuss with the City management and personnel the laws and regulations to which the City is subject. The objective of our discussion will be to determine those laws and regulations that could have a material impact on the financial statements and those laws and regulations pertinent to the City's federal financial assistance programs. Pertinent to our discussion will be our knowledge of such laws and regulations, and our knowledge of *Government Auditing Standards*. We are aware of the applicable requirements and consider them when determining the necessary audit procedures for the City.

We will perform tests of the City's compliance with certain provisions of laws, regulations, contracts and grants. We will assess the risk of material misstatement resulting from violations of laws and regulations having a direct and material effect on the determination of financial statement amounts. These laws and regulations can relate to items such as budgetary compliance, purchasing compliance and cash and investment compliance, as well as single audit compliance, as applicable.

CITY OF CAMPBELL

We understand your requested timeline and are committed to meeting your deadlines.

Eide Bailly commits to you that if your team is prepared for the audit when our team is in the field, we will meet your deadlines. We will work closely with your team through the planning stages to clearly define expectations and the items required from your team in order to facilitate an efficient audit to enable us to meet your deadline. The following table identifies the structure of our audit for the City reports and the timing of each section.

Activity	Timing
Planning	March
Interim Fieldwork	June - July
Final Fieldwork	September - October
Exit Conference	September - October
Reporting	November
Ongoing Communication	Year Round

We will meet your deadlines. By engaging in thorough audit planning and communications with management, we begin each engagement with a strong understanding of the various deadlines for each of the financial and single audits and the steps involved along the way to meet these deadlines. An audit project plan will be developed between our team and the City and then followed closely, and we will work with the City's management team to customize our auditing services and specific timelines to your needs. We believe in clear, up-front and open communication with no surprises.

CITY OF CAMPBELL

Similar Organizations with Similar Experiences

As a top 25 CPA firm, we've built our business on relationships and believe our clients to be the best critics of our service. The clients below have similarities to your organization, and we encourage you to contact them to learn about their Eide Bailly experiences.

Similar Clients

City of Fairfield

Mike Less, Accounting Manager
1000 Webster St., Fairfield, CA 94533
707.428.7515
mless@fairfield.ca.gov
Most recent audit: Fiscal year ended June 30, 2019, Number of Years: 6+
Total Hours: Approximately 900

Scope of Work:

Comprehensive Annual Financial Report – GFOA, Fairfield and Suisun Transit Enterprise Fund, Solano County Animal Control Authority, Single Audit, State Controller's Reports, GANN Limit Agreed Upon Procedures, Golf Course Agreed Upon Procedures
Sports Restaurants, Inc. Agreed Upon Procedures
HUD REAC

City of Walnut Creek

John Furtado, Finance Manager
1666 N. Main St, Walnut Creek, CA 94596
(925) 943-5800
Furtado@walnut-creek.org
Most recent audit: Fiscal year ended June 30, 2019 Number of Years: 6+
Total Hours: Approximately 600

Scope of Work:

Comprehensive Annual Financial Report – GFOA, Single Audit, and GANN Limit Agreed Upon Procedure

City of Capitola

Jim Malberg, Finance Director
jmalberg@ci.capitola.ca.us
420 Capitola Ave, Capitola, CA 95010
831.475-7300
Most recent audit: Fiscal year ended June 30, 2019, Number of Years: 3+

Total Hours: Approximately 600

Scope of Work:

Comprehensive Annual Financial Report – GFOA, Measure D sales tax, Single Audit, GANN Limit Agreed Upon Procedures

City of Glendale

Shu-Jun Li, Deputy Director of Finance
613 E. Broadway, Glendale, CA 91206
818.548.2085
sli@glendaleca.gov
Engagement Partner: David Showalter
Most recent audit: Fiscal year ended June 30, 2019 Number of Years: 5+
Total Hours: Approximately 800

Scope of Work:

Comprehensive Annual Financial Report – GFOA, City of Glendale Housing Authority, City of Glendale Water and Power, HUD REAC, Single Audit (Section 8), GANN Limit Agreed Upon Procedures

Town of Hillsborough

Jan Cooke, Finance Director
1600 Floribunda Avenue
650-375-7408
jcooke@hillsborough.net
Most recent audit: Fiscal year ended June 30, 2019, Number of Years: 3+
Total Hours: Approximately 500

Scope of Work:

Comprehensive Annual Financial Report – GFOA, Measure A, AB 1600 SB 1760, GANN Limit Agreed Upon Procedures

CITY OF CAMPBELL



WE WANT TO WORK WITH YOU.

To us, work isn't just work; we see it as a chance to help you solve problems, achieve goals and pursue passions. After thoughtfully reviewing your needs and taking the time to understand your business, we feel we're the best fit for this opportunity.

We can connect you with the knowledge, resources and solutions that help bring confidence to your business decisions. We want to work with you!

If you have questions or would like additional information, don't hesitate to contact us. We want to make sure you have everything you need to make your decision.

Ahmad Gharaibeh, CPA

Partner

650.462.0400

agharaibeh@eidebailly.com

What inspires you, inspires us.

We're driven to help clients take on the now and the next with inspired ideas, solutions and results. We look forward to working with you.

CITY OF CAMPBELL

Approved by the Finance Committee

TEAM PROFILES**DAVID SHOWALTER, CPA**

Partner

INSPIRATION: I truly enjoy serving my clients and assisting them with complex accounting and financial reporting issues. What really excites me is developing long-term business relationships with my clients and building on that trust and relational experience to continuously provide the highest level of service.

916.999.8502 | dshowalter@eidebailly.com

David has focused his practice on conducting audits and advisory services for state, regional and local governments, including state departments, counties, cities, special purpose governments, utilities, transportation, First 5 commissions, and health care providers. He is responsible for the oversight of audit and advisory engagements and also, as appropriate, for the recommendation of internal control structures and best practices.

Previously, he worked for one of the international Big 4 accounting firms working within the SEC and governmental arena and providing assurance services to manufacturing, retail and service entities, including SEC reporting and filing. His combined experiences have provided a base for his clients to trust the reliability and accuracy of the accounting and compliance information that he provides.

The healthcare industry is one that continues to grow rapidly within California, and the regulatory environment continues to provide our clients with challenges in meeting the needs of the public while adhering to the reporting and compliance requirements that come with receiving federal and state dollars. The hospitals and healthcare facilities that David works with include both nonprofit organizations as well as governmental healthcare facilities.

David provides annual training to firm staff through in-house continuing professional education to ensure consistency and knowledge are not just at the partner level but also with the entire team providing services to our clients. He also provides annual audit and accounting updates for many of his governmental clients and industry groups.

**Memberships**

American Institute of Certified Public Accountants

California Society of Certified Public Accountants

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Science, Business Administration, Accounting – California State University, San Bernardino

CITY OF CAMPBELL

David's clients trust his level and depth of knowledge of the reporting and compliance requirements under generally accepted accounting principles, including changes promulgated through the Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB), Generally Accepted Government Auditing Standards and the Federal Uniform Guidance. With David's experience working with a variety of governmental, healthcare and not-for-profit entities, he provides a unique perspective to his clients and in the evaluation of their financial reporting, internal controls and governance.

Outside of work, David enjoys spending time with family, traveling and serving in his church.

Client Work

More than 19 years conducting audits of governmental and not-for-profit entities.

Serves on the CalCPA Governmental Accounting & Auditing Committee.

Served on a consultative group for the Governmental Accounting Standards Board (GASB).

CITY OF CAMPBELL

AHMAD GHARAIBEH, CPA

Partner

INSPIRATION: I truly enjoy helping my clients. The government accounting industry continues to change, and I enjoy assisting my clients understand the changes and how to implement them.

650.462.0400 | agharaibeh@eidebailly.com

Ahmad provides audit and accounting services to a variety of organizations focusing primarily on municipalities, including cities, transit water, sewer and sanitation districts, joint powers authorities, transportation agencies, community colleges and other special districts. He has performed the financial and compliance audits of federal awards in accordance with OMB Circular requirements to entities receiving over \$100 million in federal funds. His Single Audit experience includes audits of programs from the Department of Transportation, Department of Education, Department of Defense, Department of Health and Human Services and a variety of other agencies. In addition to audits of governmental agencies, he provides audit and accounting services to commercial industry entities, including health care and manufacturing.

Ahmad is a speaker at many of the municipal CalCPA local chapters including Monterey Bay/Santa Cruz, Alameda and the Peninsula local chapter of the CSMFO.

Ahmad is lead of the governmental audit practice in the bay area and services clients with revenues exceeding one billion dollars. He has over 20 years of experience in auditing public agencies.

Ahmad provides other services to his governmental clients which includes forensic auditing, internal audit services and consultation on various aspects of accounting for municipal agencies.

Ahmad has advised and assisted many clients with disclosure and financial reporting requirements pursuant to the GFOA certificate program.

**Memberships**

American Institute of Certified Public Accountants

California Society of Certified Public Accountants

Designation/Licensures

Certified Public Accountant

Education

Masters of Accountancy – East Tennessee State University

CITY OF CAMPBELL

Joe Escobar, CPA
 Manager

650.462.0400 | agharaibeh@eidebailly.com



Memberships

American Institute of
 Certified Public
 Accountants

California Society of
 Certified Public
 Accountants

Designation/Licensures Certified
 Public Accountant

Education

Masters of Accounting and
 Financial Management –
 Keller Graduate School of
 Management

Bachelor of Science,
 Business Administration -
 University of California,
 Riverside

Joe has over 6 years of experience assisting clients with their assurance needs. Throughout his career, he has specialized in performing audits of governmental entities including cities, special districts, state agencies and stand-alone enterprise funds. Joe also has extensive experience in performing single audits and assisting clients to ensure they comply the requirements of the Uniform Guidance.

As a lead project manager, Joe manages all parts of the engagement from start to finish and serves as a resource for any client needs. Joe has experience in leading assurance engagements for a variety of clients, from larger entities that hold financial statement line items worth billions of dollars to small special districts. He believes that proper planning, organization and on-going communication throughout the year are the keys to a successful engagement for entities of any size. He always delivers timely work to meet her clients' internal and external deadlines and he is available to serve as a resource and assist clients throughout the year. He also provides insight to clients on issues that may arise including complex accounting transactions, new accounting standards and understanding best practices in internal controls.

Joe has provided training to our audit associates through in-house conferences to ensure consistency and knowledge throughout the entire team providing services to our clients. He also provides training on audit and accounting updates for many of his governmental clients and presents at Continuing Professional Education (CPE) events hosted by the firm for our governmental clients and industry groups.

Client Work

Worked with various governmental entities leading assurance engagement teams through planning, performing and supervising engagements.

Experience providing financial statement auditing and compliance testing, including single audits required by Uniform Guidance.

Serves as a resource to provide expertise on accounting issues throughout the audit process as well as the rest of the year.

CITY OF CAMPBELL

JAMES W RAMSEY, CPA, CFE
Senior Manager

INSPIRATION: My favorite part of the job is getting to know my clients and providing them with excellent service. I particularly enjoy when they bring a complex problem that requires a lot of collaboration and research.

916.999.8511 | jramsey@eidebailly.com

James provides accounting, assurance, and advisory services to governmental agencies throughout California. His expertise includes audits of governmental agencies, nonprofits and large Single Audits. James is also a presenter for his clients presenting on topics including the Single Audit and updates to U.S. GAAP.

Before going into public accounting, James began his career in the Finance department of a small city and performed most, if not all, of the functions of a finance department during his seven years there. This unique background and expertise allows James to provide more focused advisory services and solutions to his clients.

When not working, James unplugs by going on a long run on the American River Parkway in Sacramento or in the trails around Lake Tahoe.

Client Work

Provides audit and other assurance services to governmental and nonprofit clients of varying sizes.

Communicates and presents on upcoming changes and implementation of U.S. GAAP and Single Audits.



Memberships

American Institute of Certified Public Accountants

California Society of CPAs

Association of Certified Fraud Examiners

Designation/Licensures

Certified Public Accountant

Certified Fraud Examiner

Education

Bachelor in Business Administration with an emphasis in Accounting - California State University, San Bernardino

Masters in Accountancy - California State University, San Bernardino

CITY OF CAMPBELL

TOMMY BOWEN CPA

Senior Associate

916.999.8514 | tbowen@eidebailly.com

Tommy has worked in Public Accounting for over 6 years, working both in both in Tax and Audit. He specializes in city and county governments, including those with successor agencies, and special districts.

His experience in audits includes servicing a variety of governmental agencies from cities and counties to special purpose governments including water and sanitation districts and a variety of component units.

Client Work

Executed and supervised successful audit engagements to various governmental clients.

**Memberships**

American Institute of Certified Public Accountants (AICPA)

California Society of Certified Public Accountants

Designation/Licensures

Certified Public Accountant

Education

Bachelor of Liberal Studies,
California Polytechnic State University, San Luis Obispo

Master of Science,

Accountancy Master of

Science, Taxation California State University, Sacramento

CITY OF CAMPBELL

Approved by the Board of Directors of the City of Campbell

INTERNAL AUDIT AND THOUGHT LEADERSHIP

We are proud to include David Sundstrom as an Internal Audit and Governmental Implementation specialist; David was most recently a board member for the Governmental Accounting Standards Board (GASB). Prior to his service with the GASB, his reputation as auditor/controller for Sonoma and Orange Counties, the former Auditor for the 22 campus California State University system, among other governments throughout California is beyond reproach.



David Sundstrom, CPA, CIA
 SENIOR MANAGER OF GOVERNMENT PRACTICE – INTERNAL AUDIT
 T: 916.246.4740 EMAIL: DSUNDSTROM@EIDEBAILLY.COM

David delivers projects that concentrate on economy, efficiency, and the effectiveness of operations. He has a well-established record of being a champion of transparency. David is an exceptional listener and uses a systems approach to identify impairments to achieving peak performance and to exploit opportunities.

Client Work

Established internal audit functions at the University of California, Davis, the California State University System, the County of Orange and the County of Sonoma.

Led successful (on time, under budget and within scope) financial and personnel system implementations.

Restructured county retiree medical program eliminating a liability of \$943 million.

Co-developed 38 standards of the Governmental Accounting Standards Board.

Helped move a county bond rating from unrated status (bankruptcy) to AA+.

Statement of Education and Training Programs Directly Applicable to this Engagement for David Sundstrom:

Curriculum Name	Hours
Governmental GAAP Update (Instructor)	3
California Society of CPAs Government Accounting and Auditing Conference	6
Government Finance Officers Association Annual Conference	16
Developing an Internal Audit Function (Instructor)	3
Internal Audit Summit	9
California Association of County Auditors State Controller Annual Conference	16
GASB At 35	4
GASB Board Member Meetings (Author)	20

CITY OF CAMPBELL



Eric Berman, CPA, CGMA
 PARTNER OF GOVERNMENT PRACTICE
 T: 208.424.3524 EMAIL: EBERMAN@EIDEBAILLY.COM

Eric is a nationally recognized speaker, author, thought leader and auditor with a wealth of government client experience. He brings a unique perspective to the firm's clients as a former Deputy Comptroller of the Commonwealth of Massachusetts, a chief financial officer of a state agency and an audit partner with clients ranging from a well-known stadium to statewide pension systems.

Client Work

Helped government entities across the U.S. understand and implement GASB Standards.

Consulted with state and local governmental clients with governmental accounting, auditing and controllership services.

Assisted clients in earning the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting.

Authored the entire governmental library of reference information and audit programs for CCH Wolters Kluwer.

Served as Deputy Comptroller of the Commonwealth of Massachusetts for 11 years and held the position of Chief Financial Officer of the Massachusetts Water Pollution Abatement Trust for five years.

Statement of Education and Training Programs Directly Applicable to this Engagement for Eric Berman:

Curriculum Name	Hours
GASB Statement No. 87, Leases "Getting Going and a Deeper Dive PART 2	3
In Focus: GASB Implementation Guides for Fiduciary Activities and Leases	2
2019 NASACT Annual Conference	12.5
Governmental and Auditing Update Conference 2019	16.5
2019 Professional Development Training (AGA)	7
2019 GAQC Annual Update Webcast	2
GASB Leases: What Preparers & Auditors Need to Know to be Ready for Implementation	2
Association of Government Accountants- Principal	2
Governmental A&A Update 2019 (Instructor Credit)	16
Iowa Governmental Roundtable	2
Governmental Accounting and Auditing Conference	10.5
Governmental A&A Update 2018 (Instructor Credit)	16
2017 NASACT Annual Conference	15
Governmental Accounting Basics	3.5
2017 Professional Development Training	18

In addition, there are 40 hours each for CCH's *Governmental GAAP Guide*, *Governmental Practice Manual* and *Governmental GAAP Update Service* for 2017, 2018 and 2019 (360 hours).

CITY OF CAMPBELL



LET US HELP YOU WITH MORE.

We pride ourselves on being leaders in the government industry, offering valuable perspectives beyond our core strength of accounting and tax compliance. We're business advisors who want to help guide the strategy and operations of your organization, and we'll make sure you feel connected and understand the process. Our professionals work closely together so you receive valuable service from people who understand your needs and know your business.

When you work with us, you'll have access to the knowledge and talents of 2,500 professionals across our firm. This includes specialized tax knowledge, a full spectrum of audit/assurance services and our many specialized services, such as:

Cybersecurity

Our professionals have deep IT backgrounds, specializing in a broad range of security services allowing us to tailor solutions to your needs. We work with every level of your organization—your boards and executives, technical IT admins and general users—to provide insight and guidance so you can feel confident your data is protected.

Internal Audit

Our internal audit professionals bring strong process, procedure, internal control and risk management experience to your organization. We bridge these skills with specialized insight related to risk and compliance and specific industry knowledge to help your organization reduce risk and improve operational efficiency.

Forensic Accounting

We have seasoned professional with years of relevant investigative experience. We have served several hundred clients, including numerous governmental entities, with investigative needs.

Our forensic accountants are experienced in assisting with internal, civil, criminal and insurance recovery investigations related to allegations of theft, fraud and accounting irregularities. The forensic methodologies and technology used by our team of specialists help get to the facts of these situations and are court proven. We understand the urgency of resolving these types of matters and take pride in delivering a quality work product in an efficient and timely matter.

CITY OF CAMPBELL

OTHER SERVICES

The City has the following available to it at any time:

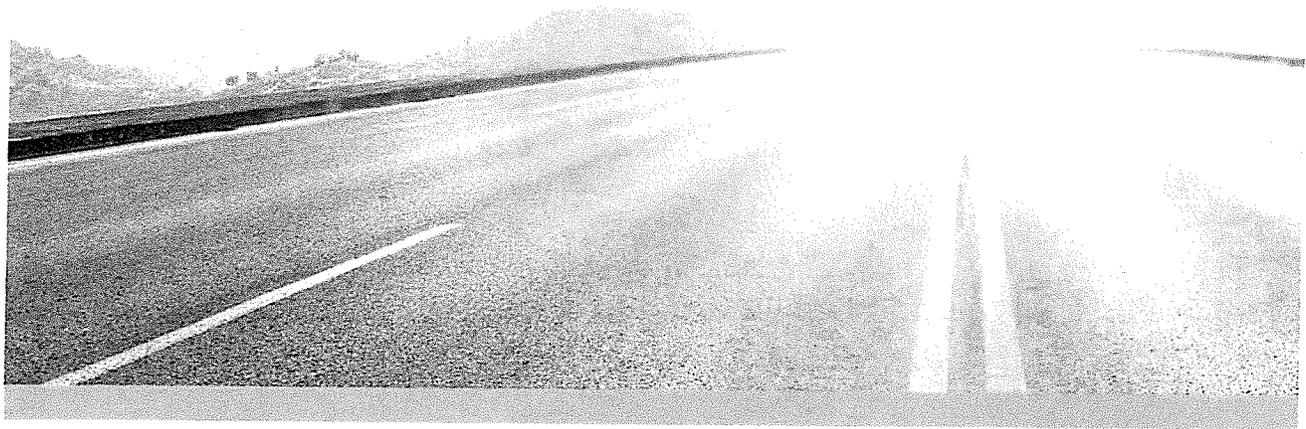
Consulting	Audit & Assurance	Tax
<ul style="list-style-type: none"> • Internal Audits • Performance Audits • Technology Consulting • Enterprise Risk Management • Financial Services • Forensic & Valuation • Transaction Services • Wealth Management • Cyber Security • Data Analytics 	<ul style="list-style-type: none"> • Audits • Compilations • 401(k) and Employee Benefit Plan Audits • International Financial Reporting Standards • Reviews • Agreed Upon Procedures • SEC Services • Service Organization Control (SOC) • Single Audits 	<ul style="list-style-type: none"> • Cost Segregation Studies • Estate, Trust & Gift Services • International Tax • Low Income Housing Credits • R&D Tax Credits • State & Local Tax • Tax Authority Audit & Correspondence • Tax Planning & Preparation • Tax Research

We invite you to view our website and learn more about the many services we offer: www.eidebailly.com.

Eide Bailly is seeing an explosion of interest in the areas of Cybersecurity, Internal Audit and Forensic Accounting in state and local governments nationally. We address these areas as follows.

EideBailly

INSPIRED TO KEEP AN EYE ON THE HORIZON



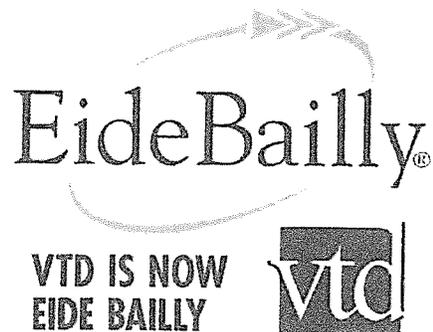
January 6, 2020

Sealed Cost Proposal

CITY OF CAMPBELL

Submitted By:

Eide Bailly LLP
Ahmad Gharaibeh, CPA
Partner
260 Sheridan Ave, Suite 440
Palo Alto, CA 94306



Attachment: Original Executed Agreement (Eide Bailly LLP Consulting Services) (Approve the 1-Year Extension of City's Financial Audit

CITY OF CAMPBELL

Total All-Inclusive Maximum Price

The total all-Inclusive Maximum Price of Eide Bailly's proposal for professional auditing services of the City of Campbell is \$288,824 including optional items as listed per the Request for Proposals (RFP) numbers 8-10.

The Price of Eide Bailly's proposal excluding the optional items 8-10 is \$252,396.

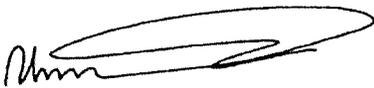
Affirmations

This proposal to provide auditing services is firm and irrevocable for 180 days. We affirm our understanding of the services requested by the City, the work to be done, the time period of performance, and that the City desires an audit firm that provides consistency with staff. Eide Bailly's philosophy is to staff each of our audits with consistent staff in order to provide the most effective and efficient audit for our clients. As required by the Request for Proposal our audit plan covers the engagements for:

- City of Campbell Comprehensive Annual Financial Report
- Single Audit Report on Federal Awards
- GANN Limit Audit
- The Transportation Development Act per the Metropolitan Transportation Commission requirements
- West Valley Solid Waste Management Authority Basic Financial Statements
- State Controller City Financial Transactions Report (optional)
- Annual Street Report to the State Controller of California (optional)
- Preparation of the city's GASB 68 accounting entries (optional)

Ahmad Gharaibeh, CPA is entitled to represent Eide Bailly LLP and empowered to submit this Cost Proposal for Professional Auditing Services for the City of Campbell RFP released on November 6, 2019.

Sincerely,



Eide Bailly LLP
Ahmad Gharaibeh, CPA
 Partner
 260 Sheridan Ave, Suite 440
 Palo Alto, CA 94306
 650.462.0400
 agharaibeh@eidebailly.com

CITY OF CAMPBELL

Audit Cost Proposal

We are firmly committed to providing the City of Campbell (City) with a superior level of professional services. We strive to provide exceptional staff, quality, and value at the lowest possible fees. Our rates are competitive, even with our depth of experience and commitment to quality. However, we do not want fees alone to be an obstacle in the City's selection of Eide Bailly LLP. We would be happy to discuss and negotiate such fee issues and responsibilities with you.

Service	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
City Audit and Related Reports	\$ 40,000	\$ 40,800	\$ 41,616	\$ 42,448	\$ 43,297
Gann Limit Review Report	500	510	520	531	541
Single Audit and Related Reports *	3,000	3,060	3,121	3,184	3,247
West Valley Solid Waste Management Authority	3,000	3,060	3,121	3,184	3,247
TDA Article 3 Audit	2,000	2,040	2,081	2,122	2,163
Out of Pocket Expenses **	-	-	-	-	-
Total for Fiscal Year (not-to-exceed) <i>Without Optional Items</i>	48,500	49,470	50,459	51,469	52,498
Optional Items					
Financial Transaction Report (FTR)	4,000	4,080	4,162	4,245	4,330
Annual Street Report	3,000	3,060	3,121	3,184	3,247
Assistance with GASB 68 accounting entries ***	-	-	-	-	-
Total for Fiscal Year (not-to-exceed) <i>With Optional Items</i>	\$ 55,500	\$ 56,610	\$ 57,742	\$ 58,897	\$ 60,075

* per single audit program or cluster

** quoted prices are fixed rate, no variable or out of pocket expenses

*** Eide Bailly will provide accounting entry assistance for GASB 68 & GASB 75 (if needed) free of charge if awarded con

CITY OF CAMPBELL

Manner of Payment

Provided below are the details from Attachment B – in the Request for Proposal:

Name of Firm: Eide Bailly LLP
Address: 260 Sheridan Ave, Suite 440
Palo Alto, CA 94306
Contact Name: Ahmad Gharaibeh, CPA
Contact Phone: 650.462.0400
Contact Fax: 650.462.0500
Contact E-mail: agharaibeh@eidebailly.com

Auditor's Standard Billing Rates

Table with 6 columns: Positions, FY 2019-20, FY 2020-21, FY 2021-22, FY 2022-23, FY 2023-24. Rows include Partner, Manager, Supervisor, Senior Auditor, Staff Auditor, Administrator, and Total.

Attachment: Original Executed Agreement (Eide Bailly LLP Consulting Services) (Approve the 1-Year Extension of City's Financial Audit



*City
Council
Report*

Item: 9
Category: PUBLIC HEARINGS AND
 INTRODUCTION OF
 ORDINANCES
Meeting Date: May 20, 2025

TITLE: Public Hearing Pursuant to Government Code Section 3502.3 to Receive a Report on City Of Campbell Vacancies, and Recruitment, and Retention Efforts

RECOMMENDED ACTION

Receive the informational report on City of Campbell Vacancies, and Recruitment and Retention Efforts Pursuant to Government Code Section 3502.3.

BACKGROUND

Assembly Bill 2561 (“AB 2561”) was signed into law on September 22, 2024 to amend the Meyers-Milias-Brown Act (“MMBA”), and was codified in Government Code section 3502.3. AB 2561 requires public agencies to hold a public hearing to report on staffing vacancies and recruitment and retention efforts prior to the adoption of the final budget for the upcoming fiscal year. This new requirement stems from the California Legislature determining that public sector vacancies are a widespread and significant problem that cause heavier workloads and result in burnout and increased turnover for employees, which in turn affect the delivery of public services.

During this public hearing, the City must present information on the status of vacancies and the City’s recruitment and retention efforts. If necessary, the City will identify changes that could be made to policies, procedures, or recruitment activities to address obstacles that may exist in the hiring process. This public hearing will ensure compliance with the new law.

DISCUSSION

AB 2561 requires public agencies to hold a public hearing to address the status of job vacancies prior to the adoption of the upcoming final budget.

Staff is required to present the following information at the public hearing:

1. The status of vacancies at the City of Campbell.
2. Information on the City of Campbell’s recruitment and retention efforts.
3. Obstacles in the City of Campbell’s policies and procedures, and recruitment activities that may create challenges in the hiring process.

If the number of job vacancies within a single bargaining unit meets or exceeds 20% of the total number of authorized full-time positions, the staff presentation will also include the following information upon request of the bargaining unit:

1. The total number of job vacancies within the bargaining unit.
2. The total number of applicants for vacant positions within the bargaining unit.
3. The average number of days to complete the hiring process from when a position is posted.
4. Opportunities to improve compensation and other working conditions.

Vacancies

As of May 1, 2025, the current vacancy rates for the City’s employee groups are as follows:

Bargaining Unit	Budgeted Positions	Vacant Positions	Vacancy Rate
Campbell Police Civilian Employees Association (CPCEA)	21.8	3	14%
Campbell Municipal Employees Association (CMEA)	58	6	10%
Carpenters Local 405/Northern California Carpenters Regional Council (CARP)	22	6	27%
Campbell Peace Officers' Association (CPOA)	43	0	0%
Confidential Employees (CONF)	4	2	50%
Management	22	4	18%
Unclassified Management	7	1	11%
TOTAL	177.8	19	11%

There are currently two bargaining units that exceed a 20% vacancy rate: Carpenters Local 405/Northern California Carpenters Regional Council (CARP) and Confidential Employees (CONF).

In compliance with AB 2561, staff will present on the seven requirements listed above.

FISCAL IMPACT

This public hearing is for informational purposes and all vacancies are included in the current Fiscal Year 2024-25 budget.

ALTERNATIVES

1. Direct staff to take other action.

Ada Chang

Prepared by:

Ada Chang, Human Resources Manager

Approved by:



Brian Loventhal, City Manager



*City
Council
Report*

Item: 10
Category: NEW BUSINESS
Meeting Date: May 20, 2025

TITLE: Resolution Authorizing the Use of Fiscal Year 2025/26 Road Maintenance and Rehabilitation Account (RMRA) Funds for Annual Street Maintenance (FY2023 through FY2026) for Resurfacing of Hamilton Avenue, Project 23-BB (Resolution/Roll Call Vote)

RECOMMENDED ACTION

That the City Council adopt a resolution authorizing the use of Fiscal Year 2025/26 Road Maintenance and Rehabilitation Account (RMRA) Funds for the Annual Street Maintenance (FY2023 through FY2026) for the resurfacing of Hamilton Avenue, Project 23-BB.

BACKGROUND

In 2017, Senate Bill 1 (SB1) created the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road systems. The bill also provides for the deposit of various funds for the program in the Road Maintenance and Rehabilitation Account (RMRA). These funds include gasoline tax, diesel excise tax, a portion of the transportation improvement fee imposed under the Vehicle License Fee Law, and a \$100 annual vehicle registration fee applicable only to zero-emission vehicles model year 2020 and later.

SB1 requires the California Transportation Commission (CTC) to adopt criteria to ensure the efficient use of these funds as detailed below. In 2018, the passage of Proposition 69 guaranteed that revenue from the RMRA funds will only be used for transportation improvement purposes. Pursuant to Streets and Highways Code (SHC) Section 2032(h), 50 percent of the RMRA funding will be apportioned by formula to eligible cities and counties to be used for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system. Since its creation, funds from RMRA have become a significant funding source for the City of Campbell (City)'s Annual Street Maintenance Program.

In accordance with the Streets and Highways Code (SHC) Section 2032.5(a), recipients of RMRA funds are accountable for the efficient investment of public funds to maintain local streets and roads through performance goals which are tracked and reported. Therefore, cities and counties receiving RMRA funds must comply with all relevant federal and state laws, regulations, policies, and procedures. Specific requirements of note for the City are as follows:

- Prior to receiving an apportionment of RMRA funds from the State Controller in a fiscal year, the City must submit to the California Transportation Commission (CTC) a list of projects proposed to be funded with these funds. The list of projects must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement. The next deadline for submitting this list to CTC is July 1, 2025.
- All projects proposed to receive funding must be included in the City budget that is adopted by City Council at a regular public meeting.
- The City is required to sustain a maintenance of effort (MOE) by spending at least the annual average of its general fund expenditures during baseline years (FY2009 through FY2012) for street, road, and highway purposes from the city's general fund.

Well-maintained and safe streets is one of the goals established by the City's General Plan 2040. RMRA funds have advanced the City's effort to meet this goal by providing additional support for preventative maintenance measures of essential road services and development of rehabilitation projects to prevent pavement issues from becoming larger (and more costly) repairs.

On May 21, 2024, the City Council adopted Resolution No. 13155 authorizing the use of FY 2024/25 RMRA funds for Annual Street Maintenance FY23 through FY26 to resurface the pavement on Hamilton Avenue in its entirety from the western city limits west of Phoenix Drive to the eastern city limits at Hurst Avenue (approximately 2.8 centerline miles).

DISCUSSION

The Hamilton Avenue Resurfacing project will resurface approximately 2.8 miles of pavement from western to eastern city limits and will include curb and gutter repair as necessary to conform to the new road surface. Additionally, in compliance with American with Disabilities Act (ADA), the project will construct ADA compliant curb ramps, some of which will require modifications to adjacent traffic signal equipment. The project will also incorporate bicycle facilities such as green bicycle lanes with buffer areas as roadway width allows. The total project cost is estimated to be \$16M.

Proposed FY2025/26 Project for RMRA (SB1) Funds

According to the State Department of Finance statewide revenue projections released in January 2025, the City is expected to receive \$1.1M in FY 2025/26 from RMRA. Staff recommends allocating the FY2025/26 RMRA funds towards the multi-year project, Annual Street Maintenance (FY23 through FY26), to help reach the estimated full funding level of \$16M required to implement Hamilton Avenue Resurfacing, (Project No. 23-BB).

Other funding sources that will be used to fully fund the project include Santa Clara County Valley Transportation Authority (VTA) vehicle registration fees, 2016 VTA Measure B, vehicle impact fees, and Capital Improvement Program Reserve (CIPR). A comprehensive funding strategy will be outlined in the June 3, 2025 council report for Project 23-BB.

FISCAL IMPACT

There is no fiscal impact associated with this action.

ALTERNATIVES

Do not authorize the use of FY2025/26 RMRA (SB1) Funds to resurface Hamilton Avenue and provide directions to staff on alternate use of the funds.

Prepared by:



Fred Ho, Senior Civil Engineer

Reviewed by:



Amy Olay, Interim Public Works Director

Approved by:



Angelique Gaeta, Assistant City
Manager

Attachment:

- a. Resolution

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL
AUTHORIZING THE USE OF FISCAL YEAR 2025/2026 ROAD MAINTENANCE AND
REHABILITATION ACCOUNT (RMRA) FUNDS FOR ANNUAL STREET MAINTENANCE
- HAMILTON AVENUE RESURFACING PROJECT NO. 23-BB (PROJECT)**

WHEREAS, Senate Bill 1 (SB 1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor on April 28, 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB 1 includes accountability and transparency provisions that will ensure the residents of our City of Campbell (City) are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must adopt by resolution a list of project(s) proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB 1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City will receive an estimated \$1.1M RMRA funding in Fiscal Year 2025/26 from SB 1; and

WHEREAS, well-maintained and safe streets is one of the goals established by the City's General Plan 2040; and

WHEREAS, RMRA funds have advanced the City's effort to meet this goal by providing additional support for preventative maintenance measures of essential road services and development of rehabilitation projects to prevent pavement issues from becoming larger (and more costly) repairs; and

WHEREAS, the City has undergone a robust public process to ensure public input into our community's transportation priorities; and

WHEREAS, the City used StreetSaver, a pavement management software to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-

effective projects that also meet the communities' priorities for transportation investment; and

WHEREAS, the RMRA funding and overall investment in our local streets and roads infrastructure with a focus on basic preventive maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive impacts to the community; and

WHEREAS, the 2023 California Statewide Local Streets and Roads Needs Assessment found that the City of Campbell streets and roads are in "At Lower Risk" condition, and this revenue will help Campbell increase the overall quality of its road system and over the next decade will keep our streets and roads in "good" condition;

WHEREAS, the City Council adopted Resolution No. 13155 authorizing the use of Fiscal Year 2024/25 RMRA funds for Annual Street Maintenance (FY23 through FY26) Hamilton Avenue Resurfacing, Project No. 23-BB; and

WHEREAS, the Project will resurface Hamilton Avenue from western to eastern city limits and will include curb and gutter repair as necessary to conform to the new road surface; and

WHEREAS, to be compliant with American with Disabilities Act (ADA), the project will construct ADA compliant curb ramps, some of which will require modifications to adjacent traffic signal equipment; and

WHEREAS, the project will also incorporate bicycle facilities such as bicycle lanes with buffer areas and green pavement markings as roadway width allows;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Campbell hereby authorizes the use of FY2025/26 Road Maintenance and Rehabilitation Account funds for the Hamilton Avenue Resurfacing Project 23-BB based on the following findings and as follows:

1. The foregoing recitals are true and correct.
2. The following previously proposed and adopted project may also utilize FY2025/26 Road Maintenance and Rehabilitation Account revenues in their delivery. With the relisting of this project in the adopted fiscal year resolution, the City of Campbell is

reaffirming to the public and the State the City’s intent to fund these projects with RMRA revenues and as follows:

- Project Title: Annual Street Maintenance – Hamilton Avenue Resurfacing Project No. 23-BB.
- Project Description: The project will resurface approximately 2.8 miles of Hamilton Avenue, install ADA compliant curb ramps and modify some adjacent traffic signal equipment, and incorporate bicycle lanes with buffer areas and green pavement markings as roadway width allows.
- Project Location: The project is located on Hamilton Avenue from 640’ W/O Phoenix Dr (western city limit) to Hurst Ave (eastern at city limit).
- Estimated Project Schedule: Start (July 2025) – Completion (March 2026).
- Estimated Project Useful Life: 10-15 years.

PASSED AND ADOPTED this ____ day of _____, 2025 by the following roll call vote:

AYES: Councilmembers:
 NOES: Councilmembers:
 ABSENT: Councilmembers:

APPROVED:

 Sergio Lopez, Mayor

ATTEST:

 Andrea Sanders, City Clerk

Attachment: Resolution (Authorize the Use of Fiscal Year 2025/26 RMRA Funds for Hamilton Ave. Resurfacing)



*City
Council
Report*

Item: 11
Category: UNFINISHED BUSINESS
Meeting Date: May 20, 2025

TITLE: Approval and Authorization to Execute a Fourth Amendment to the Consultant Services Agreement with LPA, Inc., in the Amount of \$304,416, for Additional Design and Administrative Support Services During Construction of the Measure O – Police Operations Building Project (CIP No. 23-RR), and a 20% Contingency Amount of \$60,883 for Potential Service Modifications and Their Associated Costs (Resolution/Roll Call Vote)

RECOMMENDED ACTION

That the City Council adopt a resolution: 1) approving a fourth amendment to the consultant services agreement with LPA, Inc., in an amount not to exceed \$304,416, for additional design and administrative support services during construction of the Measure O - Police Operations Building Project (CIP No. 23-RR); 2) authorizing a 20% contingency amount of \$60,883 for potential service modifications and their associated costs; 3) authorizing the Public Works Director to negotiate and execute service orders up to and within the allocated contingency amount; 4) authorizing the City Manager to execute the fourth amendment as specified in Campbell Municipal Code Section 3.20.100; and 5) authorizing the Finance Director to perform a budget adjustment for the appropriation of funds to cover the additional services and associated costs.

BACKGROUND

On May 19, 2020, the City Council adopted Resolution No. 12588, authorizing the City Manager to execute a consultant services agreement with LPA, Inc. (LPA), in an amount not to exceed \$980,835. Under this agreement, LPA would provide design services for the construction of the Measure O – Police Operations Building project (CIP No. 23-RR), the renovation of the Police Department’s existing space on the lower level of City Hall, and any associated site improvements. Other services outlined in their agreement included developing the project’s scope of work, reviewing and revising site plans, preparing construction specifications, and supporting administrative efforts throughout various phases of the building’s construction.

Since then, additional amendments to LPA’s consultant services agreement have been executed as follows:

Amendment No.	Date	Reason for Amendment	Amendment Amount	Revised Agreement
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				Amount
1	October 2021	Preparation of design documents and associated services for project's selected delivery method (Design-Bid-Build); updated (extended) construction schedule as provided by the contractor.	\$1,470,000	\$2,450,835
2	March 2023	Additional services to address additional comments after the plans were submitted for final approval; included revisions beyond the standard plan check corrections outlined in the original scope of work.	\$47,730	\$2,498,565
3	April 2023	Additional meetings for constructability review and integration; included revisions to address the conversion of storage rooms to office spaces and requirements for a solar grant for the MEOC independent photovoltaic system and battery storage.	\$45,010	\$2,543,575

Between their original agreement amount of \$980,835, and three subsequent amendments totaling \$1,562,740, LPA has been authorized up to a maximum of \$2,543,575 in contracted services.

As of April 2025, LPA has invoiced the City a total of \$2,433,848, leaving an available balance of approximately \$109,727 to support an estimated three months of services related to furniture design, project management, and construction administration. Upon reviewing LPA's original consultant services agreement, staff identified a discrepancy between their original construction timeline and the project's updated (current) schedule, as reported by the contractor. To maintain continuity of services through the project's anticipated completion in April 2026 and to accommodate potential service modifications resulting from recent tariffs and supply chain disruptions, a fourth amendment is necessary to ensure uninterrupted service delivery and continued progress on the Police Operations Building project.

DISCUSSION

In response to the City's request, LPA has submitted a cost proposal in the total amount of \$304,416 for additional design services, including plan revisions and extended

contract administration support (Attachment B). According to their proposal, these additional services are largely driven by changes to the project scope during construction, which include the following modifications:

- Roof Framing Redesign at Roof above Elevator Shaft.
- Revisions to Convert Conference Room 223 into a Real Time Information Center (now referred to as the INFORM Center).
- Revisions to reconfigure Offices 204 and 207 into Storage Rooms.
- Revisions to access-controlled doors and CCTV camera locations and coverage.

NEXT STEPS

Staff requests that the City Council adopt a resolution approving a fourth amendment to the consultant services agreement with LPA, Inc., in an amount not to exceed \$304,416, for additional design and contract administration support services during construction of the Measure O – Police Operations Building Project (CIP No. 23-RR) (Attachment C). Staff further requests that the Council authorize a 20% contingency amount of \$60,883, for potential service modifications and associated costs resulting from adjustments to the original construction schedule and tariffs and supply chain disruptions; and authorization for the Public Works Director to negotiate and execute service orders up to and within the allocated contingency amount. Upon approval, staff also requests that the Council authorize the City Manager to execute the fourth amendment as specified in Campbell Municipal Code Section 3.20.100.

Additionally, staff requests that the City Council authorize the Finance Director to perform a budget adjustment for the appropriation of funds to cover these additional services and associated costs, as well as any service orders executed up to and within the allocated contingency amount.

FISCAL IMPACT

This action will result in a total fiscal impact of \$365,299, which includes the \$304,416 in total proposed services and a 20% contingency of \$60,883 for potential service modifications and their related costs. Sufficient funding is available to cover these costs as reflected in the balance of approximately \$2.2 million in unallocated Measure O funds currently programmed in the City's CIP. As such, a budget adjustment will be required to appropriate the necessary funds into the Measure O – Shared Costs account (CIP No. 21-MM) to support these additional services and their associated expenses.

ALTERNATIVES

1. Do not approve and authorize the execution of a fourth amendment with LPA, Inc., for additional administrative support services during construction of the Measure O – Police Operations Building Project.

2. Provide alternative directions to staff.

Francisco Castellanos

Prepared by:

Francisco Castellanos,

Reviewed by:



Amy Olay, Interim Public Works Director

Approved by:



Brian Loventhal, City Manager

Attachment:

- a. Resolution
- b. LPA Cost Proposal
- c. LPA Consultant Services Agreement – Fourth Amendment (Sample)
- d. Budget Adjustment

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAMPBELL: 1) APPROVING A FOURTH AMENDMENT TO THE CONSULTANT SERVICES AGREEMENT WITH LPA, INC., IN AN AMOUNT NOT TO EXCEED \$304,416, FOR ADDITIONAL DESIGN AND ADMINISTRATIVE SUPPORT SERVICES DURING CONSTRUCTION OF THE MEASURE O – POLICE OPERATIONS BUILDING PROJECT (NO. 23-RR); 2) AUTHORIZING A 20% CONTINGENCY AMOUNT OF \$60,883 FOR POTENTIAL SERVICE MODIFICATIONS AND THEIR ASSOCIATED COSTS; 3) AUTHORIZING THE PUBLIC WORKS DIRECTOR TO NEGOTIATE AND EXECUTE SERVICE ORDERS UP TO AND WITHIN THE ALLOCATED CONTINGENCY AMOUNT; 4) AUTHORIZING THE CITY MANAGER TO EXECUTE THE FOURTH AMENDMENT AS SPECIFIED IN CAMPBELL MUNICIPAL CODE SECTION 3.20.100; AND 5) AUTHORIZING THE FINANCE DIRECTOR TO PERFORM A BUDGET ADJUSTMENT FOR THE APPROPRIATION OF FUNDS TO COVER THE ADDITIONAL SERVICES AND ASSOCIATED COSTS

WHEREAS, On May 19, 2020, the City Council adopted Resolution No. 12588, authorizing the City Manager to execute a consultant services agreement with LPA, Inc to provide design services for the construction of the Measure O - Police Operations Building Project (CIP No. 23-RR); and

WHEREAS, since then, additional amendments to LPA’s consultant services agreement have been executed in October 2021 (\$1,470,000), March 2023 (\$47,730), and April 2023 (\$45,010), to provide additional design services related to the preparation of documents, addressing plan check comments, and implementation of corrections/revisions; and

WHEREAS, between their original agreement amount of \$980,835, and three subsequent amendments totaling \$1,562,740, LPA has been authorized up to a maximum of \$2,543,575 in contracted services; and

WHEREAS, as of April 2025, LPA has invoiced the City a total of \$2,433,848, leaving an available balance of approximately \$109,727 to support an estimated three months of services for furniture design, project management, and construction administration; and

WHEREAS, staff has also identified an eight-month discrepancy between LPA’s original construction timeline and the project’s updated (current) schedule; and

WHEREAS, to maintain continuity of services through the project’s anticipated completion in April 2026—and to accommodate potential service modifications resulting from recent tariffs and supply chain disruptions—a fourth amendment is necessary to ensure uninterrupted service delivery and continued progress on the PD project; and

WHEREAS, in response to the City’s request, LPA has submitted a cost proposal in the total amount of \$304,416 for additional design services, including plan revisions and extended contract administration support; and

WHEREAS, staff requests that the City Council adopt a resolution approving a fourth amendment to the consultant services agreement with LPA, Inc., in an amount not to exceed \$304,416, for additional design and construction administrative support services, and authorize a 20% contingency amount of \$60,883, for potential service modifications

and associated costs resulting from adjustments to the original construction schedule, and tariffs and supply chain disruptions, and authorization for the Public Works Director to negotiate and execute service orders up to and within the allocated contingency amount; and

WHEREAS, upon approval, staff also requests that the City Council authorize the City Manager to execute the fourth amendment as specified in Campbell Municipal Code Section 3.20.100; and

WHEREAS, this action will result in a total fiscal impact of \$365,299, sufficient funding is available to cover these costs as reflected in the balance of approximately \$2.2 million in unallocated Measure O funds currently programmed in the City’s CIP; and

WHEREAS, staff requests that the City Council authorize the Finance Director to perform a budget adjustment for the appropriation of funds into the Measure O – Shared Costs account (CIP No. 21-MM) to cover these additional services and associated costs, as well as any service orders executed up to and within the allocated contingency amount.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Campbell hereby 1) approves a fourth amendment to the consultant services agreement with LPA, Inc., in an amount not to exceed \$304,416, for additional design and administrative support services during construction of the Measure O – Police Operations Building Project (CIP No. 23-RR); 2) authorizes a 20% contingency amount of \$60,883 for potential service modifications and their associated costs; 3) authorizes the Public Works Director to negotiate and execute service orders up to and within the allocated contingency amount; 4) authorizes the City Manager to execute the fourth amendment as specified in Campbell Municipal Code Section 3.20.100; and 5) authorizes the Finance Director to perform a budget adjustment for the appropriation of funds to cover the additional services and associated costs.

PASSED AND ADOPTED this _____ day of _____, 2025, by the following roll call vote:

AYES: Councilmembers:
NOES: Councilmembers:
ABSENT: Councilmembers:

APPROVED:

Sergio Lopez, Mayor

ATTEST:

Andrea Sanders, City Clerk

Attachment: Resolution (Authorization to Execute a Fourth Amendment to the Services Agreement with LPA)



SCOPE OF WORK

CAMPBELL POLICE DEPARTMENT
 AMENDMENT 4 PROPOSAL REQUEST – APRIL 11, 2025
 LPA PROJECT NO. 30132.20

ADDITIONAL SERVICES FOR REVISIONS AND EXTENDED CONTRACT ADMINISTRATION

For the following Scope of Work, please refer to the First Amendment to Consultant Services Agreement.

This request represents revisions occurring during construction requiring revisions to be issued for permit revision and then to the field for construction.

Also included in this request is a time extension of Contract Administration (CA) activities for the duration of the project schedule beyond the originally planned eighteen months duration (78 weeks). The extension will add an additional almost 9 months (38 weeks) to the completion of the entire project.

DESCRIPTION OF SERVICES

1. Roof Framing Redesign at Roof above Elevator Shaft.
2. Revisions to Conference Room 223, converting to a Real Time Information Center. Includes the revisions to the video wall changing to two (2) OFCI displays in lieu of the four originally documented and revise backing to support the displays. Add two locations for new OFCI displays with infrastructure, power and data drops. One will be located on the east wall and one on the south wall. Conduit pathways from in wall AV boxes to accessible ceilings and to AV junction box on east wall. AV cabling for any RTIC equipment will be OFCI. Locations for display mounts and backing will be coordinated by the Owner and Contractor.
3. Revising Offices 204 & 207 into Storage Rooms.
4. Revisions to access controlled doors and CCTV camera locations and coverage.
5. Extended Contract Administration duration from a planned July 31, 2025 end date, extending to April 30, 2026. This duration will be invoiced monthly on a time and material basis with a total not to exceed maximum cost. Also included is a fixed fee amount for excessive submittal reviews beyond two times, per Section 0133000, 3.04, B. as outlined in the Project Manual.

COMPENSATION

LPA shall be compensated for these services on A fixed fee basis in addition to the main contract:

1. Roof Framing Redesign	\$2,850
2. RTIC Revisions	\$18,520
3. Revise Offices to Storage	\$3,550
4. Access Control & CCTV Cameras	\$7,800
5. Extended CA Scope *	\$251,696
Excessive Submittal Reviews	\$20,000

Total Additional Service Fee: \$304,416

* Reimbursable Expenses are estimated and included in the total request and are billed on an as incurred basis.

BASIC HOURLY RATE SCHEDULE

Principal	\$315.00
Project Director	\$260.00
Project Leader	\$225.00
Project Designer	\$200.00
Design Coordinator II	\$175.00
Design Coordinator I	\$150.00
Senior Specialist	\$155.00
Designer III	\$135.00
Designer II	\$125.00
Designer I	\$115.00
Specialist III	\$115.00

NOTE: These rates are subject to change annually.

Attachment: LPA Cost Proposal (Authorization to Execute a Fourth Amendment to the Services Agreement with LPA)

FOURTH AMENDMENT TO CONSULTANT SERVICES AGREEMENT

This FOURTH AMENDMENT, effective as of _____, 2025 (the "Fourth Amendment") to the CONSULTANT SERVICES AGREEMENT, dated May 19, 2020, is made by and between the City of Campbell (herein called "City"), and LPA, Inc. (herein called "Consultant"). City and Consultant may be referred to individually as a "Party" and collectively, as the "Parties".

RECITALS

WHEREAS, City and Consultant entered into a Consultant Services Agreement ("Agreement"), dated May 19, 2020, to provide **Professional Feasibility Study and Design Development services** for the Measure O Funded New Police Operations Building (the "Project") Project Number 23-RR, including but not limited to Exhibit A -Scope of Services and Fees all incorporated by this reference; and

WHEREAS, the City and Consultant executed the **FIRST Contract Amendment**, effective December 7, 2021, in the amount of **\$1, 470,000.00**, including but not limited to Exhibit A – Scope of Services and Fees and Exhibit B -Amended Scope of Services and Fees all incorporated by this reference; and

WHEREAS, the City and Consultant executed the **SECOND Contract Amendment**, effective March 21, 2023, in the amount of **\$47,730.00**, including but not limited to Exhibit A -Scope of Services and Fees all incorporated by this reference; and

WHEREAS, the City and Consultant executed the **THIRD Contract Amendment**, effective April 24, 2023, in the amount of **\$45,010.00**, including but not limited to Exhibit A – Scope of Services and Fees, all incorporated in this reference; and,

WHEREAS, it is now necessary to increase the compensation for all services and direct costs associated with the performance of the scope of services in the **FOURTH Contract Amendment** to an amount not to exceed **\$365,299.00 (\$304,414 and a 20% contingency)**, including but not limited to Exhibit A – Scope of Services and Fees, all incorporated by this reference; and

WHEREAS, services under this contract will be performed under individual purchase orders based on project needs.

AGREEMENT

NOW, THEREFORE, it is agreed between the Parties to incorporate the above Recitals hereto, and that the Agreement is hereby amended as follows:

1. Section **3.1** of the Agreement is hereby amended to read as follows:

For the full performance of the services described herein by Consultant, City agrees to compensate Consultant for all services and direct costs associated with the performance of the services identified in Exhibits A and B in an amount not to exceed **\$2,551,005.00**, which includes the **Original Agreement** amount of **\$980,835.00**, **First Contract Amendment** amount of **\$1, 470,000.00**, **Second Contract Amendment** amount of **\$47,730.00**, **Third Contract Amendment** amount of **\$45,010.00**, and **Fourth Contract Amendment** amount of **\$365,299.00**, for services and deliverables including but not limited to Exhibit A – Scope of Services and Fees , all incorporated by this reference.

Notwithstanding these amended terms of the original Agreement by this **FOURTH** Amendment, all other applicable terms and conditions of the original Agreement and attachments, and other prior amendment(s), shall remain in full force and effect. The terms of this **FOURTH** Amendment shall control if any conflict exists.

Each Party acknowledges that it has reviewed this **FOURTH** Amendment and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this **FOURTH** Amendment.

The unenforceability, invalidity or illegality of any provision(s) of this **FOURTH** Amendment shall not render the other provisions unenforceable, invalid or illegal.

The Parties may execute this **FOURTH** Amendment in two or more counterparts, which shall, in the aggregate, be deemed an original but all of which, together, shall constitute one and the same instrument. A scanned, electronic, facsimile or other copy of a Party's signature shall be accepted and valid as an original.

The signatories to this **FOURTH** Amendment warrant and represent that each is authorized to execute this **FOURTH** Amendment and that their respective signatures serve to legally obligate their respective representatives, agents, successors and assigns to comply with the provisions of this **FOURTH** Amendment.

IN WITNESS WHEREOF, Consultant and the City have executed this **FOURTH** Amendment to the Agreement effective as the date shown above.

Consultant

LPA

Date: _____

City of Campbell

Brian Loventhal
City Manager

Approved as to Form:

William Seligman
City Attorney

Date: _____

SAMPLE

Attachment: LPA Consultant Services Agreement – Fourth Amendment (Sample) (Authorization to Execute a Fourth Amendment to the

**City of Campbell
Request for Budget Adjustments**

Department/Program	Division	Date	Request No.
Public Works	21-MM - Measure O Shared Costs	May 20, 2025	BA-24

Budget to be Reduced

Fund/Program	Account Number	Description	Amount

Budget to be Increased

Fund/Program	Account Number	Description	Amount
REVENUE			
EXPENDITURES			
448.21MM	7430	Professional Services (LPA, Inc.)	\$ 365,299

REASON FOR REQUEST - BE SPECIFIC:

To appropriate an additional \$365,299 into the Measure O Shared Cost Project (21-MM) for the fourth amendment to the consulting services agreement with LPA, Inc for additional design and contract administration support services during construction of the Police Operations Building.

Will Fuentes Finance Director	Amy Olay Interim Public Works Director	Brian Loventhal City Manager
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Attachment: Budget Adjustment (Authorization to Execute a Fourth Amendment to the Services Agreement with LPA)



*City
Council
Report*

Item: 12
 Category: COUNCIL COMMITTEE
 REPORTS
 Meeting Date: May 20, 2025

TITLE: Council Committee Reports

RECOMMENDED ACTION

That the City Council report on activities from their committee assignments.

DISCUSSION

This is the section of the City Council Agenda that allows the City Councilmembers to report on items of interest and the work of City Council Subcommittees.

MAYOR LOPEZ

Campbell Ministerial Interfaith Group
 City Attorney Performance/Compensation Subcommittee
 City Clerk Performance/Compensation Subcommittee
 City Manager Performance/Compensation Subcommittee
 Finance Subcommittee
 West Valley Mayors and Managers

Bay Area Quality Management District Board of Directors**
 Cities Association of Santa Clara County - City Selection Committee
 League of Cities Peninsula Division Executive Committee**
 Silicon Valley Clean Energy Audit Committee**
 Valley Transportation Authority Board of Directors**

Silicon Valley Clean Energy JPA Board of Directors (Alt.)

VICE MAYOR FURTADO

Advisory Commissioner Appointment Interview Subcommittee
 City Attorney Performance/Compensation Subcommittee
 City Clerk Performance/Compensation Subcommittee
 City Manager Performance/Compensation Subcommittee

Association of Bay Area Governments (ABAG)
 Silicon Valley Regional Interoperability Authority (SVRIA)
 Treatment Plant Advisory Committee (TPAC)
 West Valley Sanitation District
 West Valley Solid Waste Authority JPA
 West Valley Stormwater Authority

Friends of the Heritage Theater Liaison (Alt.)
 Santa Clara County Emergency Operational Council (EOAC)** (Alt.)
 Silicon Valley Animal Control Authority Board (SVACA) (Alt.)
 Valley Transportation Authority Policy Advisory Committee (Alt.)
 West Valley Mayors and Managers (Alt.)

COUNCILMEMBER BYBEE

Education Subcommittee
 Legislative Subcommittee

Cities Association of Santa Clara County:
 Board Representative
 Legislative Action Committee
 Santa Clara County Library District JPA Board of Directors
 Silicon Valley Animal Control Authority Board (SVACA)

Campbell Historical Museum & Ainsley House Foundation Liaison (Alt.)
 West Valley Sanitation District (Alt.)

COUNCILMEMBER HINES

DCBA Liaison
 Economic Development Subcommittee
 Finance Subcommittee

Santa Clara Valley Water District County Water Commission

Cities Association of Santa Clara County:
 Board Representative (Alt.)
 Legislative Action Committee and City Selection Committee (Alt.)
 Santa Clara County Housing and Community Development Advisory Committee (Alt.)
 West Valley Stormwater Authority (Alt.)
 West Valley Solid Waste Authority JPA (Alt.)

COUNCILMEMBER SCOZZOLA

Advisory Commissioner Appointment Interview Committee
 Campbell Historical Museum & Ainsley House Foundation Liaison
 Economic Development Subcommittee
 Education Subcommittee
 Friends of the Heritage Theater Liaison
 Legislative Subcommittee

Cities Association of Santa Clara County Executive Board**
 Santa Clara County Housing and Community Development Advisory Committee
 Silicon Valley Clean Energy JPA Board of Directors
 Silicon Valley Clean Energy JPA Board of Directors: Executive Committee**

Silicon Valley Clean Energy Finance and Administration Committee**
Silicon Valley Clean Energy Legislative Committee**
Valley Transportation Authority Policy Advisory Committee

DCBA Liaison (Alt.)
Santa Clara County Library District JPA Board of Directors (Alt.)
Santa Clara Valley Water District: County Water Commission (Alt.)
Association of Bay Area Governments (Alt.)

****appointed by other agencies**

Prepared by:



Kristen Epolite, Deputy City Clerk