

RESOLUTION NO. 2018-110

A RESOLUTION OF THE CITY OF MARINA APPROVING AN ACCOUNTING SERVICES CONTRACT BETWEEN THE CITY OF MARINA AND RICHARD B. STANDRIDGE, CPA, CONSULTANT, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE CONTRACT ON BEHALF OF THE CITY.

WHEREAS, due to staffing shortages and the complexity of certain accounting and finance matters, professional finance and account consulting and assistance is necessary to assure successful completion of critical Finance Department functions; and,

WHEREAS, Richard B. Standridge, CPA, has served as both Interim Finance Director and/or Accounting Services Consultant since September 2003 pursuant to a Consulting Services Agreement and processes extensive knowledge of City Finance operations and significant governmental account expertise, and;

WHEREAS, the City has recently had its former finance director and accounting services manager leave the City for other employment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Marina that it hereby:

1. Approves a Consulting Services Contract between Richard B. Standridge, CPA Consultant and the City of Marina; and,
2. Authorizing the City Manager to execute the agreement on behalf of the City subject to final review and approval by the City Attorney, and;
3. Authorizing the Finance Director to make the necessary budgetary and accounting entries

PASSED AND ADOPTED by the City of Marina City Council at a regular meeting duly held on 18th day of September 2018, by the following vote:

AYES: COUNCIL MEMBERS: Amadeo, Morton, O'Connell, Brown, Delgado

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT is made and entered into on Sept. 1, 2018 by and between the City of Marina, a California charter city, hereinafter referred to as "City," and Richard B. Standridge, hereinafter referred to as "Consultant," as follows:

Recitals

- A. Consultant possesses requisite specialized education, qualifications, training, experience and institutional knowledge to provide consultation services herein set forth.
- B. City desires to retain Consultant to provide such consulting services.

Terms and Conditions

In consideration of the mutual promises contained herein, City and Consultant agree to the following terms and conditions:

1. Scope of Services. Consultant is retained by City to provide specialized accounting, fiscal, consulting and staff support services as requested and agreed between City and Consultant including but not necessarily limited to projects described in Exhibit A attached hereto and by this reference made a part hereof. City shall furnish information, data, records, reports, supplies and other resources to enable Consultant to undertake projects and other agreed upon services. Consultant shall generally perform services separate and distinct from work typically done by employees, and shall have no authority or responsibility for day-to-day City operations. City acknowledges that Employee is a Certified Public Accountant (CPA); however, Employee's California CPA license is in 'retired' status, therefore Employee's service to City shall not be characterized as, interpreted as, or expected to be in the capacity of an independent CPA.
2. Commencement & Completion of Services. This agreement shall commence on September 1, 2018 and shall be for an indefinite term subject to termination pursuant to Paragraph 4. Consultant shall work as needed on a schedule mutually determined with the Finance Director.
3. Compensation. The nature, timing and duration of projects and services provided by Consultant make it impossible to predict the amount of time required; therefore City shall compensate Consultant at a rate of ninety-five dollars (\$95) per hour for all hours worked under this agreement. Consultant shall submit invoices to the City bi-weekly each Friday and City shall pay invoices in the next regularly scheduled Accounts Payable check run.
4. Termination or Suspension. Irrespective of the status of any service or project, either City or Consultant may terminate or suspend this Agreement at any time upon not less than fourteen (14) days' prior written notice to the other. In such event, the City shall be obligated to Consultant only for services rendered and properly substantiated by Consultant up to the date of termination or

suspension. Not later than the effective date of such termination or suspension, Consultant shall deliver all work product and other documents prepared to the City.

5. Delegation of Work. Due to the specialized knowledge necessary to undertake the services and projects Consultant shall not utilize additional consultants, persons, employees or firms in performing the services under this Agreement without the prior written consent of City.

6. Confidential and Proprietary Information. In the course of performing services under this Agreement Consultant may obtain, receive, and review confidential or proprietary documents, information or materials that are and shall remain the exclusive property of the City. Should Consultant undertake the representation of any other agencies, entities, firms or persons relating to the matters described in the Scope of Services, it is expressly agreed by Consultant that any such confidential or proprietary information or materials shall not be provided or disclosed in any manner to any of Consultant's other clients, or to any other third party, without the City's prior express written consent.

7. Ownership of Documents. All reports, data, notes, computer files and other documents prepared, developed or discovered by Consultant in the course of providing any services pursuant to this Agreement shall become the sole property of the City and may be used, reused or otherwise disposed of by the City without the permission of the Consultant. Upon completion, expiration or termination of this Agreement, Consultant shall turn over to the City all such original reports, data, notes, computer files, files and other documents.

8. Conflicts of Interest.

(a) Consultant covenants that he shall not acquire any interest, directly or indirectly, which would conflict in any manner with the interests of the City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor without the express written consent of the City Manager. Consultant agrees to at all times avoid conflicts of interest or the appearance of any conflicts of interest with the interests of the City in the performance of this Agreement.

(b) City understands and acknowledges that Consultant may be, as of the date of commencement of services under this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is unaware of any stated position of the City relative to such projects. Any future position of the City on such projects may be considered a conflict of interest for purposes of this section.

9. Transportation. Consultant shall provide all transportation required for the performance of the services under this Agreement.

10. Independent Contractor. The parties agree that Consultant shall be an independent contractor with regard to providing services under this Agreement, and that Consultant shall not be considered to be an employee or agent of the City for any purpose and will not be entitled to any of the benefits City provides for its employees. City shall make no deductions for payroll taxes or Social Security from amounts due Consultant for services provided under this Agreement. Except for general requirements as to project outcome, no guidance or supervision of Consultant shall be provided by City.

Consultant shall: be the sole judge of the means or methods by which he achieves desired project and/or service results; determine when, where and how work and/or service is performed; not be supervised by any City employee; set his own work hours and schedule consistent with City operations.

11. Dispute Resolution. If any dispute arises between the parties as to proper interpretation or application of this Agreement, the parties shall first meet and confer in a good faith attempt to resolve the matter between themselves. If the dispute is not resolved by meeting and conferring, the matter shall be submitted for formal mediation to the Mediation Center of Monterey County. The expenses of such mediation shall be shared equally between the parties. If the dispute is not or cannot be resolved by mediation, the parties may mutually agree (but only as to those issues of the matter not resolved by mediation) to submit their dispute to arbitration. Before commencement of the arbitration, the parties may elect to have the arbitration proceed on an informal basis; however, if the parties are unable so to agree, then the arbitration shall be conducted in accordance with the rules of the American Arbitration Association. The decision of the arbitrator shall be binding, unless within thirty (30) days after issuance of the arbitrator's written decision, any party files an action in court. Venue and jurisdiction for any dispute between the parties shall lie in the Superior Court for the County of Monterey.

12. Compliance With Laws. Consultant shall comply with all applicable state, federal and local safety regulations while performing services pursuant to this Agreement.

13. Assignment. This Agreement is for specialized personal services and may not be assigned in its entirety or otherwise transferred by Consultant without written consent of the City.

14. Notices. All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by fax or certified mail, postage prepaid with return receipt requested, address as follows:

To City: City Manager
 City of Marina City Hall
 211 Hillcrest Avenue
 Marina, California 93933

Fax: (831) 884-9654

To Consultant: Richard B. Standridge
 243 Shoreview Dr
 Aptos, CA 95003
 (831) 685-3687

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile or, if mailed, three (3) days after deposit of same in the custody of the U.S. postal Service.

15. Modification. This Agreement is not subject to amendment or modification except by a writing signed by City and Consultant.

16. Attorney's Fees. In the event of any controversy, claim or dispute relating to this Agreement, or the breach thereof, the prevailing party shall be entitled to recover from the losing party reasonable expenses, attorney's fees and costs.

17. Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the matters as set forth in this Agreement, and no other agreement, statement or promise made by or to any party or by or to any employee, officer or agent of any party, which is not contained in this Agreement shall be binding or valid.

IN WITNESS WHEREOF, Consultant and the City by their duly authorized representatives, have executed this Agreement on the date first set forth above at Marina, California.

CITY OF MARINA

CONSULTANT

By: _____
Layne Long
City Manager

By: _____
Richard B Standridge

Approved as to form:

By: _____
City Attorney

EXHIBIT A

POTENTIAL PROJECTS TO BE PERFORMED OR CONSULTED UPON BY CONSULTANT

- * Consult with and advise City staff in the gathering and preparation of materials, schedules reconciliations and information for auditors to facilitate and expedite the 2017/2018 and subsequent independent audits
- * Consult with and advise City staff in the gathering and preparation of materials, schedules reconciliations and information for auditors to facilitate and expedite preparation of the 2017/2018 and subsequent audited financial statements, notes to financial statements, required supplementary information and supplementary information
- * Assist and/or consult with staff and/or auditors in preparation of new schedules and statements including budget schedules and Management Discussion & Analysis (MD&A) tables and, where Consultant has adequate organizational knowledge, MD&A narrative
- * Analyze City-wide fund cash balances and consult regarding corrective accounting entries to record interfund receivables/payables in place of negative cash balances, and/or to transfer cash balances to appropriate funds, and advise as to reclassification and/or writing off of unlikely-to-be-repaid interfund obligations and other receivables
- * Assist and/or consult with and advise staff with respect to maintaining long-term debt schedules and reconciliations, including reconciling accounts and recording transactions for accounts held by trustees for various bonded debt obligations
- * Assist and/or consult with and advise staff with respect to maintaining capital asset and depreciation schedules including reconciling and recording capital assets acquisition and disposition
- * Assist and/or consult with and advise staff with respect to maintaining debt and loan transaction schedules pertaining to Abrams-B and Preston Park corporations, including recording monthly loan payment transactions, and merging Alliance balances and transactions at fiscal year end into city general ledger
- * Assist and/or consult with and advise staff with respect to calculating and allocating quarterly interest earnings among eligible funds and as to correct recording to the general ledger
- * Provide limited occasional staff augmentation
- * Recommend and review journal entries to maintain the City's books in good order in accordance with accounting best practices and Generally Accepted Accounting Principles
- * Prepare appropriate schedules and reconciliations to support and supplement the City's accounting records
- * If requested, advise on the development of an ordinance to establish the position and duties of Finance Director as required by Government Code §§ 40801-40805.5
- * Provide advice and support to achieve successful transition of a new Finance Director upon recruitment and appointment
- * Advise and support staff on matters within Consultant's area of expertise which arise from time-to-time that are not contemplated or known at the time of execution of this agreement

September 10, 2014

Item No: **8g(1)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of September 18, 2018

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2018-,
APPROVING A CONSULTING SERVICES CONTRACT BETWEEN
RICHARD B. STANDRIDGE, CPA CONSULTANT AND THE CITY OF
MARINA; AND, AUTHORIZING THE CITY MANAGER TO EXECUTE
THE AGREEMENT ON BEHALF OF THE CITY SUBJECT TO FINAL
REVIEW AND APPROVAL BY THE CITY ATTORNEY, AND;
AUTHORIZING THE FINANCE DIRECTOR TO MAKE THE
NECESSARY BUDGETARY AND ACCOUNTING ENTRIES.**

REQUEST:

It is requested that the City Council:

1. Consider adopting Resolution No. 2018-, approving a Consulting Services Contract between Richard B. Standridge, CPA Consultant and the City of Marina; and,
2. Authorizing the City Manager to execute the agreement on behalf of the City subject to final review and approval by the City Attorney, and;
3. Authorizing the Finance Director to make the necessary budgetary and accounting entries.

BACKGROUND:

Mr. Standridge provides accounting services to the City of Marina since 2004. He is willing to renew his contract with the City at a rate of \$95 an hour. His rate since 2009 has been \$95 an hour.

ANALYSIS:

On August 18, 2004, the City council approved a contract between the City and Richard Standridge, who had previously served as Interim Finance Director. The agreement was for accounting consultant services to the Finance Department on an as-needed basis. These services included coordination of and preparation for the annual financial audit, financial statement preparation, budget assistance, consultation on accounting matters, research and analysis and staff augmentation when projects required time or expertise not available with existing staff.

With the departure of the former Finance Director and Accounting Services Manager, the Finance Department has appointed an interim Finance Director. However, Mr. Standridge's background and assistance will be invaluable to the City as the City transitions to a new Finance Director. Mr. Standridge has agreed to provide consulting services to the City but has asked that his hourly rate be reinstated to what it was back in 2009, \$95 an hour ("**EXHIBIT A**"). His rate recently has been \$75 an hour which has not changed since 2009.

The hourly rate is reasonable for professional services of Mr. Standridge's abilities and vital given the recent loss of other finance personnel.

FISCAL IMPACT:

With the departure of both the Finance Director and Accounting Services Manager, significant budget savings are accruing to the City. Further, the Finance Department has budgeted \$90,000 in this year's budget for accounting services.

CONCLUSION:

This request is submitted for City Council consideration and possible action.

Respectfully submitted,

Eric Frost
Interim Finance Director
City of Marina

REVIEWED/CONCUR:

Layne Long
City Manager
City of Marina