

CITY OF SAN PABLO AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT ("**Agreement**"), effective the 1st day of July, 2025 ("**Effective Date**"), is by and between the City of San Pablo, a municipal corporation organized and existing under the laws of the State of California, ("**City**"), and Eide Bailly LLP, a California Limited Liability Partnership, ("**Consultant**") (individually, a "**Party**," and collectively, the "**Parties**").

RECITALS

WHEREAS, the City desires to engage a consultant to provide financial services assessment and development, software assessment, and financial management services to the City ("**Services**") as further set forth in this Agreement;

WHEREAS, the City desires to engage a consultant who will respect the trust and confidence placed in that consultant by the City; and

WHEREAS, Consultant has represented to City that Consultant has the special training, skill, competence and expertise necessary to provide the Services needed by the City; desires to enter into this Agreement with the City as an independent contractor; and is willing to provide the Services on the following terms and conditions.

NOW, THEREFORE, Consultant and the City agree as follows:

TERMS AND CONDITIONS

(1) Scope of Services.

A. **Scope of Services.** Consultant agrees to provide the Services to the City as specified in, collectively, the scope of services set forth in Consultant's proposal dated May 8, 2025 ("**Proposal**"), attached as **Exhibit A** and incorporated herein, and Consultant's engagement letter template, attached as **Exhibit B** and incorporated herein. Any services not encompassed in this Section (1) are additional services ("**Additional Services**") subject to prior written authorization by the City, as further specified below in Section (3), "Additional Services."

B. **Quality of Performance.** Consultant will provide the Services and any authorized Additional Services in accordance with the standards of its profession; in accordance with the terms, conditions, and objectives of this Agreement. Consultant represents that it possesses the necessary skills, background, and licenses to perform the Services or Additional Services. Consultant is solely responsible for the quality and suitability of the Services it provides pursuant to this Agreement. If, during the course of this Agreement, the City Manager or his or her authorized delegee ("**City Manager**") notifies Consultant that the Services are not in accordance with the standards of its profession or with the terms and conditions of this Agreement, in whole or in part, Consultant will promptly take the corrective action. Failure to promptly take such corrective action constitutes a material breach of this Agreement and cause for termination in the City's discretion. This standard of care will not be construed to impose a mandatory duty on the City within the meaning of Government Code section 815.6. The City's acceptance of Services performed under this Agreement will not operate to waive or release Consultant's obligation under this paragraph.

C. **Time is of the Essence.** In the performance of this Agreement, time is of the essence. Consultant must be available to begin providing the Services upon the Effective Date of this Agreement, and must complete the Services within the time specified in Section (4), "Effective Date and Term."

D. **Primary Service Provider.** The City has approved of Brad Rockabrand as Consultant's primary provider of the Services under this Agreement, and no other person will be accepted as the primary provider of the Services without the City's prior written consent, which shall not be unreasonably withheld or delayed.

E. **Labor Code Compliance.** If the Services are "public works" services as defined in Labor Code section 1720 et seq. and the Agreement is for an amount greater than \$1,000, the Agreement is subject to all applicable requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code, beginning at section 1720, and the related regulations, including but not limited to requirements pertaining to wages, working hours and workers' compensation insurance. Consultant must also post all job site notices required by laws or regulations pursuant to Labor Code section 1771.4.

1. **Prevailing Wages:** Each worker performing Services under this Agreement that is covered under Labor Code section 1720 or 1720.9, must be paid at a rate not less than the prevailing wage as defined in sections 1771 and 1774 of the Labor Code. The prevailing wage rates are on file with the City and are available online at <http://www.dir.ca.gov/DLSR>. Pursuant to Labor Code section 1775, Consultant and any subconsultant will forfeit to City as a penalty up to \$200 for each calendar day, or portion of a day, for each worker paid less than the applicable prevailing wage rate, in addition to paying each worker the difference between the applicable wage rate and the amount actually paid.
2. **Working Day:** Pursuant to Labor Code section 1810, eight hours of labor consists of a legal day's work. Pursuant to Labor Code section 1813, Consultant will forfeit to City as a penalty the sum of \$25 for each day during which a worker employed by Consultant or any subconsultant is required or permitted to work more than eight hours during any one calendar day, or more than 40 hours per calendar week, unless such workers are paid overtime wages under Labor Code section 1815. All Services must be carried out during regular City working days and hours unless otherwise specified in the scope of services or authorized in writing by City.
3. **Payroll Records:** Consultant and its subconsultants must maintain certified payroll records in compliance with Labor Code sections 1776 and 1812, and all implementing regulations promulgated by the Department of Industrial Relations ("DIR"). For each payroll record, Consultant and its subconsultants must certify under penalty of perjury that the information in the record is true and correct, and that it has complied with the requirements of Labor Code sections 1771, 1811, and 1815. Unless the Agreement is for an amount under \$25,000, Consultant must electronically submit certified payroll records to the Labor Commissioner as required under California law and regulations.
4. **Apprentices:** If the amount of the Agreement is \$30,000 or more, Consultant must comply with the apprenticeship requirements in Labor Code section 1777.5.

5. **DIR Monitoring, Enforcement, and Registration:** The Services are subject to compliance monitoring and enforcement by the DIR pursuant to Labor Code section 1725.5, and, subject to the exception set forth below, Consultant and any subconsultants must be registered with the DIR to perform public works projects. The registration requirements of Labor Code section 1725.5 do not apply if the Agreement is for an amount under \$25,000.

(2) **Compensation.** As full compensation for the performance of the Services as specified in Section (1), "Scope of Services," and the attached exhibits, City hereby agrees to pay Consultant a sum not to exceed **One Hundred Thousand Dollars (\$100,000)** as follows:

Consultant will be paid all undisputed amounts within thirty (30) days of City's receipt of detailed invoices for Services provided to the City Manager's satisfaction during the preceding calendar month. Invoices must include all of the information contained in Section (7), "Billings," below. Each invoice must be signed by an authorized representative of Consultant, verifying that the invoiced Services have been performed. Consultant will not be entitled to compensation for Additional Services, as defined below in Section (3), unless authorized by City in writing in advance, and memorialized in an amendment to this Agreement executed by the authorized representatives of each Party. This Section (2) supersedes any conflicting or inconsistent provisions in the Proposal.

(3) **Additional Services.** In addition to the Services included in Section (1), "Scope of Services," the Parties may from time to time agree that Consultant will provide Additional Services for additional compensation, as authorized by the City Manager. The nature and scope of the Additional Services, including the time for performance and terms for mutually agreeable additional compensation must be memorialized in a writing, executed by both Parties, as further specified in Section (22), "Amendments," before Consultant may begin providing the Additional Services. Consultant will not be entitled to compensation for any Additional Services performed without a written amendment to include the Additional Services in this Agreement. If Consultant believes that services that it is directed to perform by City are not included in Section (1), "Scope of Services," Consultant will promptly notify the City in writing of the basis for this belief. If the City agrees that the subject services are not included in Section (1), "Scope of Services," the Parties will promptly execute a writing to authorize the services as Additional Services for mutually agreed-upon additional compensation. Except as otherwise specified in the written authorization, all Additional Services are subject to the same terms and conditions as all Services under this Agreement, including, billing, record-keeping, reporting, insurance, indemnity, and compliance with all applicable laws and standards.

(4) **Effective Date and Term.** The term of this Agreement ("**Term**") begins on the Effective Date set forth above, and expires on **June 30, 2026**. If the Term expires later than the end of the City's fiscal year, the continuation of the Term into the next fiscal year will be contingent upon the City's lawful encumbrance or appropriation of new funds for the Agreement.

(5) **Assignment and Subcontracting.** A substantial inducement to City for entering into this Agreement was, and is, the reputation and competence of Consultant. The assignment or subcontracting of this Agreement by Consultant, or any interest therein, is prohibited without the prior written approval of the City Manager. The City has authorized Consultant to use the following Subconsultants/Subcontractors as specified:

Subconsultant/Subcontractor Name

Subconsultant/Subcontractor Services

None

None

(6) **Independent Contractor Status**. It is expressly understood and agreed by the Parties that Consultant, while providing Services pursuant to this Agreement, is an independent contractor and not an employee of the City. Consultant is solely responsible for the means and methods by which it provides the Services. Consultant is solely responsible for all matters relating to the payment of its employees, including compliance with social security, withholding tax and all other laws and regulations governing such matters. Consultant is solely responsible for its own acts and those of its agents and employees during the Term of this Agreement. Consultant will not represent, at any time or in any manner, that Consultant is an employee of the City. Consultant will exercise its judgment in recommending to City the methods by which to accomplish City's objectives and needs. Consultant acknowledges that the City will provide no training. Consultant will provide whatever tools and materials that are necessary to complete a client engagement. Consultant is free to accept, and has accepted in the past, other client engagements. Consultant is responsible for purchasing, bringing, providing, and controlling any and all equipment, tools, instruments, etc. needed for completion of the Services set forth herein, as well as for maintenance and use of such equipment. It is understood that Consultant is hired on a temporary basis only, and that if the City and/or Consultant desires to continue Consultant's services after expiration of the Term or termination of this Agreement, Consultant must enter into a new agreement.

(7) **Billings**. Consultant's invoices must include the following information: (a) a brief description of Services performed, including any Additional Services; (b) the date the Services were performed; (c) the number of hours spent and by whom; (d) the current Agreement not-to-exceed amount; (e) the amount previously billed; (f) the total paid to date; (g) the outstanding balance due, if any; (h) the current invoice amount; (i) total amount billed against the Agreement to date; (j) the remaining balance of the not-to-exceed amount; and (k) the Consultant's signature. Except as specifically authorized by City, Consultant will not bill City for duplicate Services performed by more than one person. Consultant may not submit any billing for an amount in excess of the maximum amount of compensation authorized in Sections (2) and (3), above. Consultant is solely responsible for its office and overhead costs, including furniture and equipment rental, supplies, salaries of employees, telephone calls, postage, advertising, and all other expenses incurred by Consultant in the performance of this Agreement.

(8) **Advice and Status Reporting**. Consultant will provide the City with timely reports, orally or in writing, of all significant developments arising during performance of its Services, and provide the City with information as is necessary to enable City to monitor the performance of this Agreement, including statements and data demonstrating the effectiveness of the Services provided in achieving the City's express goals and objectives. The City may withhold payments otherwise due to Consultant pending timely delivery of all such reports and information. Consultant will promptly notify the City Manager of any matters that could adversely affect Consultant's ability or eligibility to continue to provide Services under this Agreement.

(9) **Retention of Records**. Consultant's files pertaining to the Services will be available for review by the City upon request, and copies of pertinent reports and correspondence will be furnished for the City's files upon request by the City. Consultant will maintain adequate documentation to substantiate all charges for hours and materials charged to City under this Agreement. Consultant will maintain the records and any other records related to the Services or

this Agreement and will allow City access to such records for a period of four years after the expiration of the Term or termination of the Agreement. At City's request, or upon expiration or termination of this Agreement, Consultant will return to City all plans, maps, cost estimates, project financial records, reports, and related documents. All research information, plans, diagrams, financial records, reports, cost estimates or other documents specifically prepared by Consultant for or obtained for City and required to be delivered under the terms of this Agreement will be delivered to and become the property of the City and all data specifically prepared by Consultant for or obtained for City and required to be delivered under this Agreement will be made available, upon request, to the City. This Section (9) will survive expiration of the Term or termination of the Agreement.

(10) **Written Reports and Documents**. In accordance with Government Code section 7550, if the total compensation paid to Consultant under this Agreement exceeds \$5,000, any document or written report prepared by Consultant for or under the direction of City will contain the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of such document or written report. The contract and subcontract numbers and dollar amounts shall be contained in a separate section of such document or written report. When multiple documents or reports are the subject or product of this Agreement, the disclosure section may also contain a statement indicating that the total contract amount represents compensation for multiple documents or reports.

(11) **Record and Fiscal Control System**. Consultant will maintain its financial records and fiscal control systems in a commercially reasonable manner. Consultant will maintain personnel and payroll records to adequately identify the source and application of all received funds; withhold income taxes; pay employment taxes (including Social Security), unemployment compensation, worker's compensation and other taxes as may be due. Consultant will maintain an effective system of internal control to assure that funds provided through the City are used solely for authorized purposes.

(12) **Access to Records; Audits**. The City will have access at any time during normal business hours and as often as necessary to any books, records, documents, accounts, files, reports, and other property and papers of Consultant directly relating to the Services to be provided under this Agreement for the purpose of making an audit, review, survey, examination, excerpt or transcript.

(13) **Consultant's Testimony**. Intentionally Omitted.

(14) **Assignment of Personnel**. Consultant will only assign competent and qualified personnel to perform the Services. If City asks Consultant to remove a person assigned to the Services, Consultant agrees to do so promptly upon City's reasonable request.

(15) **Insurance**. Before it may begin performing Services under this Agreement, Consultant must procure and provide proof of the insurance coverage and endorsements required by this Section in the form of certificates and endorsements acceptable to City. The required insurance must cover the activities of Consultant and its subconsultants or subcontractors relating to or arising from the performance of the Services, and must remain in full force and effect at all times during the Term of the Agreement. All required insurance must be issued by a company licensed to do business in the State of California, and each such insurer must have an A.M. Best's financial strength rating of "A" or better and a financial size rating of "VII" or better. If Consultant fails to provide any of the required coverage in full compliance with the requirements of this Agreement, City may, at its sole discretion and in addition to any other remedies, purchase such coverage at

Consultant's expense and deduct the cost from payments due to Consultant, suspend performance of the Services under the Agreement, or terminate Consultant for default. The procurement of the required insurance will not be construed to limit Consultant's liability under this Agreement or to fulfill Consultant's indemnification obligations under this Agreement.

A. **Policies and Limits.** Consultant must procure and maintain the following insurance policies and limits at all times during the Term of this Agreement:

1. **Commercial General Liability Insurance ("CGL"):** The CGL policy must be issued on an occurrence basis, written on a comprehensive general liability form (CG 00 01), and must include coverage for liability arising from the operations of Consultant or its subconsultants or subcontractors in the performance of the Services, including products and completed operations, property damage, bodily injury and personal and advertising injury with limits of at least \$2,000,000.00 per occurrence. General aggregate limit shall be twice the required occurrence limit. The CGL coverage may be arranged under a single policy for the full limits required or by a combination of underlying policies with the balance provided by excess or umbrella policies, provided each such policy complies with the requirements set forth herein.
2. **Automobile Liability:** The automobile liability policy must provide coverage of at least \$1,000,000.00 combined single-limit per accident for bodily injury, death or property damage.
3. **Workers' Compensation Insurance and Employer's Liability:** If the Consultant has employees, the policy must comply with the requirements of the California Workers' Compensation Insurance and Safety Act, providing coverage of at least \$1,000,000.00, or as otherwise required by law.
4. **Professional Liability:** The professional liability insurance policy must insure against the Consultant's errors and omissions in the provision of Services under this Agreement, in an amount not less than \$1,000,000.00 combined single limit. The professional liability policy must include prior acts coverage sufficient to cover all Services provided by the Consultant for this Agreement, and the coverage must continue in effect for five years following final payment to Consultant. The following provisions apply if the professional liability policy is written on a claims-made form:
 - a. The retroactive date of the policy must be shown and must be on or before the Effective Date of the Agreement.
 - b. The insurance must be maintained and evidence of insurance must be provided for a continuous period of at least five years following expiration of the Term or termination of the Agreement, whichever occurs first.
 - c. If the coverage is canceled or not renewed and is not replaced with another claims-made policy form with a retroactive date that is on or before the Effective Date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five years following expiration of the Term or termination of the Agreement, whichever occurs first. The City has the right to procure, at Consultant's cost, any extended reporting provisions of the policy if the Consultant cancels or fails to renew the coverage.

B. **Required Endorsements.** The insurance provided by Consultant must include the following endorsements as specified below. The endorsements must be executed by a person authorized to bind the issuing insurer. The endorsements are to be provided on forms provided, specified, or approved by the City.

1. **Additional Insured Endorsements:** The General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions:

- a. The City, its officers, officials, employees, and volunteers ("**Additional Insureds**") will be covered as additional insureds with respect to all covered liability. This must be provided in the form of an additional insured endorsement to the Consultant's insurance policy, using form CG 20 10 11 85, forms CG 20 10 10 01 and GC 20 37 10 01, or equivalent approved by the City. For design professionals form CG 20 07 may be used. Alternatively, the additional insured endorsement may be provided as a separate owner's policy that complies with all of the requirements set forth in this Section 15.
- b. The inclusion of more than one insured will not operate to impair the rights of one insured against another, and the policies will apply as though separate policies have been issued to each of the Additional Insureds.
- c. The insurance provided by the Consultant is primary and no insurance or self-insurance held or owned by any of the Additional Insureds may be called upon to contribute to a loss or defense.
- d. Any failure by Consultant to comply with the reporting requirements for a policy will not affect nor abridge the coverage provided for any Additional Insureds.
- e. The coverage or endorsement will not contain any limitations on the scope of protection available to the Additional Insureds.

2. **Notice:** Each insurance policy required by this clause must provide or be endorsed to state that coverage will not be reduced, canceled, or allowed to expire without at least thirty (30) days advance written notice to the City, unless due to non-payment of premiums, in which case ten (10) days advance written notice is required.

3. **Waiver of Subrogation:** Each required policy must include an endorsement providing that the insurer will waive any right of subrogation it may have against the City. Consultant hereby agrees to waive subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss.

C. **Deductibles and Self-Insured Retentions.** Intentionally Omitted.

D. **Subconsultants or Subcontractors.** Consultant must ensure that each subconsultant or subcontractor is required to maintain the same insurance coverage required for

Consultant under this Section (15), with respect to its performance of Services, including the required endorsements. Consultant must confirm that each subconsultant or subcontractor has complied with these insurance requirements before the subconsultant or subcontractor is permitted to begin Services under this Agreement. Upon request by the City, Consultant must provide certificates and endorsements submitted by each subconsultant or subcontractor to prove compliance with this requirement. The insurance requirements for subconsultants or subcontractors do not replace or limit the Consultant insurance obligations.

(16) Indemnification. The terms and conditions set forth in subsection 16(A), below, are applicable to this Agreement if the Services to be provided by Consultant are not “design professional” services as used and defined in Civil Code section 2782.8 (architect, landscape architect, engineering, or land surveyor services). The terms and conditions set forth in subsection 16(B), below, are applicable to this Agreement if the Services to be provided by Consultant are “design professional” services as used and defined in Civil Code section 2782.8 (architect, landscape architect, engineering, or land surveyor services).

A. **Indemnification by Non-Design Professionals.** Consultant shall, to the fullest extent permitted by law, indemnify and hold harmless City, and its employees, officials, volunteers and agents (“**Indemnified Parties**”) from and against any and all losses, claims, damages, costs and liability of every nature arising out of or resulting from the performance of this Agreement by Consultant, its officers, employees, agents, volunteers, subcontractors or sub-consultants, excepting only liability arising from the negligence, active negligence or willful misconduct of City. Liabilities subject to the duty to indemnify include, without limitation, all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys’ fees; court costs; and costs of alternative dispute resolution.

1. In the event that Consultant or any employee, agent, subconsultant or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (“**PERS**”) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, subconsultants or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

2. The review, acceptance or approval of the Consultant’s Services or work product by any Indemnified Party shall not affect, relieve or reduce the Consultant’s indemnification obligations. The provisions of this Section are not limited by and do not affect the provisions of this Agreement relating to insurance.

3. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply.

4. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration, and that these provisions survive the termination of this Agreement.

B. **Indemnification by Design Professionals.** Consistent with California Civil Code section 2782.8 (“**section 2782.8**”), when the Services to be provided under this Agreement are to be performed by a “design professional,” as that term is defined under section 2782.8, Consultant shall, to the fullest extent permitted by law, indemnify, defend and hold harmless City, and its employees, officials, volunteers and agents (“**Indemnified Parties**”) from and against any and all losses, claims, damages, costs and liability of every nature, including reasonable attorneys’ fees and costs, to the extent caused in whole or in part by any negligence, recklessness, or willful misconduct of Consultant, its officers, employees, agents, subconsultants or subcontractors in performance of the Services under this Agreement, but excluding the sole or active negligence or willful misconduct of one or more of the Indemnified Parties. Defense costs shall not exceed Consultant’s proportionate percentage of fault, except as set forth in section 2782.8.

1. In the event that Consultant or any employee, agent, subconsultant or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (“**PERS**”) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, subconsultants or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

2. The review, acceptance or approval of the Consultant’s Services or work product by any Indemnified Party shall not affect, relieve or reduce the Consultant’s indemnification or defense obligations. The provisions of this Section are not limited by and do not affect the provisions of this Agreement relating to insurance.

3. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply.

4. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration, and that these provisions survive the termination of this Agreement.

(17) **Licenses.** If a license of any kind, which term is intended to include evidence of registration, is required of Consultant, its employees, agents, or subcontractors by federal or state law, Consultant warrants that such license has been obtained, is valid and in good standing, and Consultant shall keep it in effect at all times during the Term of this Agreement, and that any applicable bond has been posted in accordance with all applicable laws and regulations. Consultant, its subconsultants, and subcontractors, will obtain and maintain a City of San Pablo Business License at all times during the Term of this Agreement.

(18) **Employment Practices.**

A. **Employment of Local Residents.** Pursuant to the San Pablo Economic Opportunity Policy, the Consultant and any subcontractors shall contact the San Pablo Economic Development Corporation (“**EDC**”) at info@sanpabloedc.org or 510-215-3200, at least ten business days prior to hiring or staffing for fulfillment of the Agreement, describing number, duties and qualifications needed for available positions, and shall fairly

consider for employment any workers referred by the EDC within three business days. **“Local Resident”** means an individual having an adjusted household income of less than the Area Median Income for Contra Costa County, and domiciled in the City of San Pablo as of the relevant hiring date, with “domiciled” as defined by Section 349(b) of the California Election Code. Discrimination against Local Residents on the basis of their local status is prohibited.

- B. **Compliance With Law.** Consultant represents that it is an Equal Opportunity Employer and shall comply with applicable regulations governing equal opportunity employment. Consultant shall not discriminate in the employment of any person because of race, color, national origin, ancestry, physical or mental disability, medical condition, marital status, sex, age, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment and Housing Act. Consultant shall comply with all applicable provisions of the Americans with Disabilities Act of 1990 (“**ADA**”) in performing its obligations under this Agreement. Failure to comply with the provisions of the ADA shall be a material breach of, and grounds for the immediate termination of, this Agreement. In performing Services and providing services under this Agreement, Consultant shall, at its sole cost and expense, comply with all applicable laws of the United States and the State of California; the Ordinances of the City of San Pablo; and the rules, regulations, orders, and directions of their respective administrative agencies and the officers thereof.

(19) **Local Subcontracting – Outreach.** Consultant shall contact the EDC at info@sanpabloedc.org or 510-215-3200) at least two weeks prior to any subcontract award, providing notice and details regarding subcontracting opportunity. The EDC shall notify qualified local businesses of subcontracting opportunities, and provide technical assistance to qualified local businesses during the subcontracting bidding process.

(20) **Termination.**

A. **Termination for Convenience.** City may terminate this Agreement at its sole discretion at any time prior to expiration of the Term or completion by the Consultant of the Services required hereunder. Notice of termination of this Agreement shall be given in writing to the Consultant, and shall be sufficient and complete when same is received. The Agreement shall be terminated upon the date set forth in the City’s Notice of Termination. If the City terminates this Agreement, the Consultant shall be compensated for all Services performed prior to the time of receipt of cancellation notice, and shall be compensated for materials ordered by the Consultant or its employees, or services of others ordered by the Consultant or its employees, prior to receipt of notice of termination whether or not such materials or final instruments of service of others have actually been delivered, provided that the Consultant or its employees are not able to cancel such orders for materials or services of others. In the event of termination, all notes, sketches, computations, drawings, and specifications or other data specifically created by Consultant for and which would have been required to be delivered to the City under this Agreement had it not been terminated, whether complete or not, remain the property of the City. The City may make copies or extract information from any such notes, sketches, computations, drawings, and specifications, or other data whether complete or not. Consultant may terminate this Agreement upon sixty (60) days written notice to City.

B. **Termination for Cause.** City may terminate this Agreement for cause by providing Consultant with one day’s written notice of such termination if Consultant violates any of the material terms and conditions of this Agreement. In City’s discretion and at City’s option, such

termination for cause may alternatively be accomplished, where Consultant fails to perform any of the obligations required of Consultant within the time and in the manner provided for under the terms of this Agreement, within seven days after receipt of the notice of such default. Upon City's termination of this Agreement for cause, City reserves the right to complete the Services by whatever means City deems expedient and the expense of completing such Services, as well as any and all damages to the extent caused by the negligent acts, intentional acts or errors or omissions of the Consultant, may be sought by the City.

C. Immediate Termination. City may terminate this Agreement immediately in any case where the Consultant engages in fraudulent or criminal activities while performing the Services, or is otherwise determined to lack the necessary skills to accomplish the desired objectives.

(21) Ownership of Materials. Any and all documents, including draft documents where completed documents are unavailable, or materials specifically prepared by or caused to be prepared by Consultant for and required to be delivered to the City pursuant to this Agreement shall be the property of the City upon payment.

(22) Amendments. This Agreement may be modified or amended only by a written document executed by both Consultant and City's City Manager and approved as to form by the City Attorney. Such document shall expressly state that it is intended by the Parties to amend the terms and conditions of this Agreement.

(23) Abandonment by Consultant. In the event the Consultant abandons the Agreement prior to completing all of the Services, Consultant shall, without delay, deliver to City all materials and records prepared or obtained in the performance of this Agreement, and shall be paid for the reasonable value of the Services performed up to the time of abandonment, less a deduction for any damages or additional expenses which City incurs as a result of such cessation or abandonment.

(24) Waiver. The waiver by either Party of a breach by the other of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this Agreement.

(25) No Third-Party Rights. The Parties do not intend to create rights in, or to grant remedies to, any third party as a beneficiary of this Agreement or of any duty, covenant, obligation, or undertaking established herein.

(26) Severability. Should any part of this Agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either Party to enter into or carry out, such decision shall not affect the validity of the remainder of this Agreement, which shall continue in full force and effect, provided that the remainder of this Agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the Parties.

(27) Compliance with Laws. In the performance of this Agreement, Consultant shall abide by and conform to any and all applicable laws of the United States, the State of California, and City ordinances. Consultant warrants that all Services done under this Agreement will be in compliance with all applicable safety rules, laws, statutes and practices, including but not limited to Cal/OSHA regulations.

(28) **Controlling Law and Venue.** This Agreement and all matters relating to it shall be governed by the laws of the State of California, and venue for any legal action arising from or relating to this Agreement will be in the Superior Court of Contra Costa County, and no other place. Consultant hereby waives the removal provisions of Code of Civil Procedure section 394.

(29) **Breach.** In the event that Consultant fails to perform any of the Services described in this Agreement or otherwise breaches the Agreement, City shall have the right to pursue all remedies provided by law and equity. Neither payment by the City nor performance by Consultant shall be construed as a waiver of either Party's rights or remedies against the other. Failure to require full and timely performance of any provision, at any time, shall not waive or reduce the right to insist upon complete and timely performance of such provision thereafter. In the event of any suit, action or proceeding brought by either Party for breach of any term hereof or to enforce any provision hereof, the prevailing party shall be entitled to recover its reasonable attorney's fees.

(30) **Inspection by Other Agencies.** Authorized representatives of the Federal Government, the California Department of Transportation, or other government agencies which provide grant funding (if any) for this Agreement and the City have the right to inspect Consultant's performance of the Services, directly pertinent files, and work product.

(31) **Conflict of Interest.** Consultant warrants and covenants that Consultant presently has no interest in, nor shall any interest be acquired in, any matter which will render the services required under the provisions of this Agreement a violation of any applicable state, local, or federal law. In the event that any conflict of interest should nevertheless arise, Consultant shall promptly notify City of the existence of such conflict of interest so that the City may determine whether to terminate this Agreement. Consultant further warrants its compliance with the Political Reform Act (Gov. Code section 81000 et seq.) respecting this Agreement. Where City Manager determines, based on facts provided by City staff, that Consultant meets the criteria of section 18701 of the FPPC regulations, the individual providing services under this Agreement shall be considered a "designated employee" under the City's conflict of interest code, and shall be required to complete FPPC Form 700 regarding his or her economic interests in a timely manner.

(32) **Copyright.** Upon City's request, Consultant shall execute appropriate documents to assign to the City the copyright to work specifically created by Consultant for and required to be delivered to the City pursuant to this Agreement. The issuance of a patent or copyright to Consultant or any other person shall not affect City's rights to the materials and records prepared or obtained in the performance of this Agreement. City reserves a license to use such materials and records consistent with the intent of the original design, and City shall not be required to pay any additional fee or royalty for such materials or records. The license reserved by City shall continue for a period of fifty years from the Effective Date unless extended by operation of law or otherwise.


(33) **Whole Agreement.** This Agreement constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof.

(34) **Authority of Parties.** Each of the signatories to this Agreement warrants that he or she has the authority to enter into and execute this Agreement and to bind the entity or entities on whose behalf they sign.

(35) **Counterparts.** This Agreement may be executed in duplicate counterparts.

(36) **Multiple Copies of Agreement.** Multiple copies of this Agreement may be executed but the parties agree that the Agreement on file in the office of the City Clerk is the version of the Agreement that shall take precedence should any differences exist among counterparts of the document.

(37) **Notices.** Notices required by this Agreement shall be personally delivered or mailed, postage prepaid, as follows:

To Consultant: Eide Bailly LLP
Mike Astrup
P.O. Box 2545
Fargo, ND 58108-2545 

To the City: City Manager, City of San Pablo
San Pablo City Hall
1000 Gateway Avenue
San Pablo, CA 94806

Each Party shall provide the other Party with telephone and written notice of any change in address as soon as practicable. Notices given by personal delivery shall be effective immediately. Notices given by mail shall be deemed to have been delivered forty-eight hours after having been deposited in the United States mail.

(38) **Federal Funding Requirements (if applicable).** If this Agreement is subject to federal funding, in whole or in part, it must comply with the uniform federal award procurement requirements set forth in 2 CFR §§ 200.318 – 200.327, as may be amended from time to time, and contain the applicable provisions described in Appendix II to Part 200 – *Contract Provisions for non-Federal Entity Contracts Under Federal Awards*, which are attached to this Agreement as Exhibit C. In the event of a conflict or inconsistency between Exhibit C, Exhibit D, if applicable, and this Agreement, Exhibit C will control.

 This Agreement is subject to federal funding. See Exhibit C.

 X This Agreement is not subject to federal funding.

(39) **Caltrans Funding Requirements (if applicable).** If this Agreement is for architectural and/or engineering services subject to reimbursement or funding, in whole or in part, by Caltrans and administered under the Local Assistance Procedures Manual (“LAPM”), it must include the provisions set forth in Exhibit D, *Mandatory Fiscal and Federal Provisions for Architectural and Engineering Consultant Contracts Subject to Caltrans Funding*. In the event of any conflict or inconsistency between Exhibit D and this Agreement, Exhibit D will control.

 This Agreement is subject to funding by Caltrans. See Exhibit D.

 X This Agreement is not subject to funding by Caltrans.

IN WITNESS WHEREOF, Consultant has executed this Agreement, and the City, by its City Manager, who is authorized to do so, has executed this Agreement.

APPROVED AS TO FORM:

CITY OF SAN PABLO
A Municipal Corporation

By _____
Brian P. Hickey, City Attorney

By _____
Matt Rodriguez, City Manager

Date signed: _____

Date signed: _____

EIDE BAILLY LLP

By _____
Brad Rockabran, Partner
Government Advisory Services

Date signed: _____

ATTEST:

By _____
Dorothy Gantt, City Clerk

Date signed: _____

Attachments:

Exhibit A – Consultant's Proposal, dated May 8, 2025

Exhibit B – Consultant's Engagement Letter Template

Exhibit A

Consultant's Proposal dated May 8, 2025

Based on our recent discussions, we understand the City's three priority services areas are:

1. Finance Operations,
2. Policy and Procedures Assessment, and
3. Software Assessment and Efficiencies

We have summarized a purposeful approach to complete the services through a multi-phased approach that we estimate will take approximately 12 months.

Finance Operations: review and assess accounting roles and responsibilities, fiscal year-end processes, and related general ledger maintenance which include Accounts Payable, Accounts Receivable, and Budget. Other areas may include Capital Improvement Project Management, Purchasing and Procurement, and Payroll Management.

Finance Policy and Desk Procedures: policy gap analysis and best practice recommendations by updating Finance policies and procedures. The desk procedures include developing and/or revising Finance procedures for specific roles in: Accounts Payable, Accounts Receivable, and Budget.

Software Assessment and Efficiencies: an operational assessment that focuses on how Springbrook supports operations, a prioritized task list of operational items that can increase efficiency, knowledge, workflow, and security/access, and project management to implement the prioritized task list.

We propose the finance operations tasks and the policy and procedures tasks be the focus early in the engagement. This order is ideal and allows us to leverage the lessons learned from each set of tasks to inform the following set of tasks more fully.

Our fees are based on the amount of time required at various levels of responsibility, plus actual out-of-pocket expenses. Eide Bailly is conscious of our clients' desire to achieve results at a reasonable cost, and we are mindful of that when choosing which level of staff to assign to an engagement. We estimate that our fees for the engagement will be \$100,000. Should the actual hours required to complete the work be less than this amount, the City will only be billed for the actual hours required to complete the work. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate.

Our work will be billed at the rates shown in the table below.

Staff Level	Hourly Rates
Partner	\$383
Director	\$361
Senior Manager / Tech Advisor	\$328
Manager	\$274
Supervisor	\$243
Senior Associate	\$208
Associate	\$164

Phase I: Finance Services Assessment and Development, 1 - 6 Months			
Service Area	Tasks	Deliverable(s)	Approximate Cost
Finance Assessment	Review and assess accounting roles and responsibilities, fiscal year-end processes, and related general ledger maintenance	Document(s) outlining recommendations for improving accounting roles, fiscal year-end processes, and general ledger maintenance that align with best practices	\$25,000
Finance Policy and Desk Procedures	Policy gap analysis, best practices recommendations and procedures Additional policy assistance can be provided, and a fee estimated, once the gap analysis is completed	Policies Gap Analysis Report Procedures Recommendations and Documents (AP, AR, and Budget, and to the extent that the budget allows beyond completion of the Gap Analysis Report)	\$25,000
Phase II: Software Assessment, 3 - 12 Months			
Service Area	Tasks	Deliverable(s)	Approximate Cost
Software Assessment	Review operational use of Springbrook	Document(s) providing a prioritized list of functional items that could be enhanced; list of existing user access and recommendations to align with best practices and functional enhancements, and documents as needed to support project management of system enhancements.	\$25,000
Access Level Review	Review Springbrook access and roles		
Recommendations	Identify and prioritize inefficiencies and system access and roles issues to be modified		
Recommendations	Identify system knowledge gaps and make recommendations to increase knowledge		
Project Management	Coordinate with staff and Springbrook to implement recommendations		
Phase III: Financial Management, 6 - 12 Months			
Service Area	Tasks	Deliverable(s)	Approximate Cost
Finance Operations and Quality Assurance	Assist and Review Accounts Payable, Accounts Receivable, and Budget operations	Document(s) outlining recommendations for improving Accounts Receivable, Accounts Payable, and Budget operations that align with best practices	\$25,000

Exhibit B

Consultant's Engagement LetterTemplate

GENERAL CONSULTING ENGAGEMENT LETTER

Updated August 2023

GASD Modifications Updated 4/30/2025

[Date]

[Name and Address of Client (and Other Specified Parties)]

This letter outlines the understanding of the terms and objectives of the consulting engagement between Eide Bailly LLP (Eide Bailly) and "[Entity Name]" (you).

Scope of Engagement

We will work with you to provide consulting services in connection with "insert specific services here".

Our engagement will be performed under the *Statements on Standards for Consulting Services* issued by the American Institute of Certified Public Accountants (AICPA). We will not provide audit, review, compilation, or financial statement preparation services to any historical or prospective financial information or provide attestation services under the AICPA *Statements on Standards for Attestation Engagements* and assume no responsibility for any such information.

You will provide us, as promptly as possible, all requested information and documentation reasonably deemed necessary or desirable by us in connection with the engagement. You represent and warrant that all information and documentation provided or to be provided to us is true, correct, and complete, to the best of your knowledge and belief. We are authorized to rely upon such information and documentation without independent investigation or verification.

During the course of the engagement, we will only provide confidential engagement documentation to you via Eide Bailly's secure portal or other secure methods, and request that you use the same or similar tools in providing information to us. Should you choose not to utilize secure communication applications, you acknowledge that such communication contains a risk of the information being made available to unintended third parties. Similarly, we may communicate with you or your personnel via e-mail or other electronic methods, and you acknowledge that communication in those mediums contains a risk of misdirected or intercepted communications.

Should you provide us with remote access to your information technology environment, including but not limited to your financial reporting system, you agree to (1) assign unique usernames and passwords for use by our personnel in accessing the system and to provide this information in a secure manner; (2) limit access to “read only” to prevent any unintentional deletion or alteration of your data unless our scope of services requires expanded access to your system and/or files; (3) limit access to the areas of your technology environment necessary to perform the procedures agreed upon; and (4) disable all usernames and passwords provided to us upon the completion of procedures for which access was provided. We agree to only access your technology environment to the extent necessary to perform the identified procedures.

We may use third party service providers and/or affiliated entities (including Eide Bailly Shared Services Private Limited) (collectively, “service providers”) in order to facilitate delivering our services to you. Our use of service providers may require access to client information by the service provider. We will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the confidentiality of client information accessed by such service provider and any work performed by such service provider. You acknowledge that your information may be disclosed to such service providers, including those outside the United States.

We agree to retain our work papers for a period of at least eight years from the date of our report.

Timeline

We will begin our work upon acceptance of this engagement agreement. We would expect to have our work completed within "insert specific timeline" of receipt of all required data. This timetable assumes the timely receipt of requested information and the cooperation of the parties involved. If delays are experienced in receiving information, the delivery of our work will be delayed accordingly.

Fees

Our fees are based on the amount of time required at various levels of responsibility, [plus or inclusive of] actual out-of-pocket expenses, including administrative charges. Eide Bailly is conscious of our clients’ desire to achieve results at a reasonable cost, and we are mindful of that when choosing which level of staff to assign to an engagement. We estimate that our fees for the engagement will be \$[amount]. Actual costs will be dependent on the actual hours required to complete the assigned tasks. If the scope of work is determined to be significantly different than anticipated, we will communicate with you prior to undertaking additional tasks so that there are no surprises. We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Invoices are payable upon presentation.

Our work will be billed at the rates shown in the table below.

Staff Level	Hourly Rates
Partner	\$ 383
Director	\$ 361
Senior Manager	\$ 328
Manager	\$ 274

Supervisor	\$ 243
Senior Associate	\$ 208
Associate	\$ 164

We recognize that clients want to control the cost of multi-year contracts by providing transparency on the front end regarding future rate increases. We adjust our rates on July 1st of each year. On July 1 of each year that you continue your relationship with the firm, the fixed amount and standard rate schedule shown above will be adjusted by the annual change in related labor costs for your area as of the preceding April 1st.

The ability to perform and complete our engagement consistent with the estimated fees included above depends upon the quality of your underlying accounting records and any other information required for the completion of our work, as well as the timeliness of your personnel in providing information and responding to our requests. To assist with this process, we will provide you with a Prepared-by-Client (PBC) request that identifies the information we will require to perform our engagement, as well as a planned timeline for the engagement. A failure to provide this information in an accurate and timely manner may result in an increase in our fees and/or a delay in the completion of our engagement.

We may be requested to make certain engagement documentation available to outside parties, including regulators, pursuant to authority provided by law or regulation or applicable professional standards. If requested, access to such engagement documentation will be provided under the supervision of Eide Bailly LLP's personnel. Furthermore, upon request, we may provide copies of selected engagement documentation to the outside party, who may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We will be compensated for any time and expenses, including time and expenses of legal counsel, we may incur in making such engagement documentation available or in conducting or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings as a result of our Firm's performance of these services. You and your attorney will receive, if lawful, a copy of every subpoena we are asked to respond to on your behalf and will have the ability to control the extent of the discovery process to control the costs you may incur.

Should our relationship terminate before our work is completed, you will be billed for services to the date of termination. All bills are payable upon receipt. A service charge of 1% per month, which is an annual rate of 12%, will be added to all accounts unpaid 30 days after billing date. If collection action is necessary, expenses and reasonable attorney's fees will be added to the amount due.

"[Entity Name]" **Error! Reference source not found.** accepts responsibility for the results of the services being provided and agrees to perform the following functions in connection with this engagement:

- Make all management decisions and perform all management functions.
- Designate a competent individual to oversee the services.
- Evaluate the adequacy and results of the services performed.
- Accept responsibility for the results of the services.
- Establish and maintain internal controls, including monitoring ongoing activities.

(Required paragraph for California engagements – No EB Principal Involvement) Eide Bailly, LLP has owners that are not licensed as certified public accountants as permitted under Section 5079 of the

California Business Code. It is not anticipated that any of the non-licensee owners will be performing services for "[Client Name]".

OR

(Required paragraph for California engagements – Known or Possible EB Principal Involvement) Eide Bailly, LLP has owners that are not licensed as certified public accountants as permitted under Section 5079 of the California Business Code. The nature of the services to be provided in conjunction with this engagement are such that non-licensee owners may be involved in performing our services for "[Client Name]".

MEDIATION

Any disagreement, controversy, or claim arising out of or related to any aspect of our services or relationship with you (hereafter a “Dispute”) shall, as a precondition to litigation in court, first be submitted to mediation. In mediation, the parties attempt to reach an amicable resolution of the Dispute with the aid of an impartial mediator. Mediation shall begin by service of a written demand. The mediator will be selected by mutual agreement. If we cannot agree on a mediator, one shall be designated by the American Arbitration Association (“AAA”). Mediation shall be conducted with the parties in person in "Local Office". Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties. Neither party may commence a lawsuit until the mediator declares an impasse.

LIMITED INDEMNITY

Eide Bailly LLP and its partners, affiliates, officers, and employees (collectively “Eide Bailly”) shall not be responsible for any misstatements in the information provided to us to complete our engagement that we may fail to detect as a result of misrepresentations or concealment of information by any of your owners, directors, officers, or employees. You shall indemnify and hold Eide Bailly harmless from any claims, losses, settlements, judgments, awards, damages, and attorneys’ fees arising from any such misstatement or concealment of information.

If through no fault of Eide Bailly we are named as a party to a dispute between you and a third party, you shall indemnify and hold Eide Bailly harmless against any losses, damages, settlements, judgments, awards, and the costs of litigation (including attorneys’ fees) we incur in connection with the dispute.

Eide Bailly shall not be entitled to indemnification under this agreement unless the services were performed in accordance with professional standards in all material respects.

LIMITATION OF LIABILITY

The exclusive remedy available to you for any alleged loss or damages arising from or related to Eide Bailly’s services or relationship with you shall be the right to pursue claims for actual damages that are directly caused by Eide Bailly’s breach of this agreement or Eide Bailly’s violation of applicable professional standards. In no event shall Eide Bailly’s aggregate liability to you exceed two times fees paid under this agreement, nor shall Eide Bailly ever be liable to you for incidental, consequential, punitive, or exemplary damages, or attorneys’ fees.

TIME LIMITATION

You may not bring any legal proceeding against Eide Bailly unless it is commenced within twenty-four (24) months (“Limitation Period”) after the date when we delivered our report, return, or other deliverable under this agreement to you, regardless of whether we do other services for you or that may relate to the engagement. The Limitation Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of a possible Dispute.

GOVERNING LAW AND VENUE

Any Dispute between us, including any Dispute related to the engagement contemplated by this agreement, shall be governed by Minnesota law. Any unresolved Dispute shall be submitted to a federal or state court located in Minneapolis, Minnesota.

ASSIGNMENTS PROHIBITED

You shall not assign, sell, barter, or transfer any legal rights, causes of actions, claims, or disputes you may have against Eide Bailly to any person.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our engagement including our respective responsibilities.

We appreciate the opportunity to be of service to you and look forward to working with you and your staff.

Respectfully,

Dr. Bradford Rockabrand, CPA
Partner

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of [Client's Legal Name] by:

Name: _____

Title: _____

Date: _____

