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FILED
OFFICE OF THE CITY CLERK
OAKLAND

APPROVED AS TO FORM AND LEGALITY


CITY ATTORNEY'S OFFICE

OAKLAND CITY COUNCIL

RESOLUTION NO. 90700* C.M.S.

RESOLUTION AWARDING A CONTRACT TO MACIAS GINI & O'CONNELL, LLP TO PROVIDE PROFESSIONAL AUDITING SERVICES FOR FISCAL YEARS ENDING JUNE, 30 2025, JUNE 30, 2026, AND JUNE 30, 2027 IN AN AMOUNT NOT TO EXCEED \$2,476,651 (OF WHICH \$2,395,051 WILL BE FUNDED BY THE CITY OF OAKLAND AND \$81,600 WILL BE FUNDED BY THE OAKLAND REDEVELOPMENT SUCCESSOR AGENCY), WITH A TWO-YEAR OPTION TO EXTEND THE CONTRACT FOR FISCAL YEARS ENDING JUNE 30, 2028 AND JUNE 30, 2029 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$4,290,391, CONTINGENT ON AVAILABLE FUNDING; AND WAIVING THE COMPETITIVE REQUEST FOR PROPOSALS/QUALIFICATIONS REQUIREMENTS AND THE LOCAL/SMALL LOCAL BUSINESS ENTERPRISE REQUIREMENTS

WHEREAS, Section 809 of the Charter of the City of Oakland requires an annual audit by an independent certified public accountant who shall examine and report to the City Council on the annual financial statements of the City; and

WHEREAS, in December 2024, the City and the Port advertised and issued a Request For Proposal (RFP) for Professional Auditing Services for Fiscal Years ending June 30, 2025 through June 30, 2027, with a two (2) year option to extend the contract through June 30, 2028 and June 30, 2029; and

WHEREAS, in January 2025, the City and the Port received and opened three proposals in response to the RFP for Professional Auditing Services; and

WHEREAS, the City and the Port reviewed the proposal and determined that Macias, Gini & O'Connell, LLP (MGO) met all requirements of the RFP for Professional Auditing Services, and met the needs of both the City and the Port; and

WHEREAS, the Department of Workforce & Employment Standards (DWES) established a 20 percent Local and Small Local Business Enterprises (L/SLBE) participation requirement for this solicitation, as determined by an Availability Analysis; and

WHEREAS, DWES has determined that the Oakland small business proposed as MGO's subcontractor, Williams-Adley and Company-CA, LLP was not registered as a L/SLBE at the time proposals were submitted; and

WHEREAS, Williams-Adley and Company-CA, LLP is currently seeking to re-establish its certification as an L/SLBE, has operated as a small business in Oakland for 43 years, is registered as a small business with the County of Alameda's Small, Local and Emerging Business (SLEB) Program at its Oakland address, and has served the City capably on prior engagements; and

WHEREAS, MGO has extensive experience and knowledge of the City's financial systems, financial statements, the Annual Comprehensive Financial Report (ACFR), the Oakland Redevelopment Successor Agency (ORSA), the Police and Fire Retirement System, the City's Measure Z Public Safety and Services Violence Prevention Act of 2014, the Measure C – Transient Occupancy Tax Surcharge Compliance Audit, the Gann Appropriation Limit, and the Single Audit Report for Federal Awards; and

WHEREAS, funds are available in the City's existing fiscal year 2024-25 Midcycle Amended Budget in the amount of \$562,540 from General Purpose Fund (1010), \$49,415 from Police & Fire Retirement System Fund (7100), \$29,655 from Measure Z Fund (2252), \$6,215 from Measure C Transient Occupancy Tax Fund (2419), \$6,215 from State Gas Tax Fund for Measure BB (2218), \$6,215 from Measure F Vehicle Registration Fee Fund (2215), \$6,215 from State Gas Tax Fund for Transportation Development Act (2218), \$20,370 from Measure AA Children's Initiative Fund (2261), \$20,370 from Measure KK Capital Improvement Bond Financing Fund (5330), \$20,370 from Measure U Affordable Housing and Infrastructure Bond Fund (5340), \$26,270 from Oakland Redevelopment Successor Agency Funds, and \$29,655 as needed for other projects to be identified; and

WHEREAS, funds will be requested in the City's bi-annual budget for fiscal years 2025-26 and 2026-27 in the amount of \$1,184,836 from General Purpose Fund (1010), \$104,080 from Police & Fire Retirement System Fund (7100), \$62,460 from Measure NN Violence Reduction & Emergency Response (fund to be determined), \$13,091 from Measure C Transient Occupancy Tax Fund (2419), \$13,091 from State Gas Tax Fund for Measure BB (2218), \$13,091 from Measure F Vehicle Registration Fee Fund (2215), \$13,091 from State Gas Tax Fund for Transportation Development Act (2218), \$42,904 from Measure AA Children's Initiative Fund (2261), \$42,904 from Measure KK Capital Improvement Bond Financing Fund (5330), \$42,904 from Measure U Affordable Housing and Infrastructure Bond Fund (5340), \$42,904 from Measure MM Wildfire Protection Fund (fund to be determined), \$55,330 from ORSA Funds, and \$62,460 as needed for other projects to be identified; and

WHEREAS, the City Administrator has determined that this contract is professional and temporary in nature and shall not result in the loss of salary or employment by any person having permanent status in the competitive service; and

WHEREAS, Oakland Municipal Code (OMC) section 2.04.051.A requires a competitive RFP or request for qualifications (RFQ) process for the award of professional services contracts and OMC section 2.04.051.B provides that the City Council may waive the RFP/RFQ process upon a finding that it is in the best interest of the City to do so; and

WHEREAS, the City Council may waive the City's Local/Small Local Business Enterprise ("L/SLBE") requirements pursuant to Part 1 of Oakland's Local and Small Local Business Enterprise Program guidelines adopted by Ordinance No. 13647 C.M.S.; and

WHEREAS, the City Administrator has determined that it is in the best interest of the City to waive the RFP/Q process in the interest of timeliness and efficiency, and such waiver will prevent the delay in the start of Fiscal Year 2024-25 audits for the City and the Port; and

WHEREAS, it is the desire of the City Council to engage the services of the firm Macias, Gini & O'Connell, LLP; now therefore be it

RESOLVED: That the City Administrator is hereby authorized to award a three (3) year contract with the firm of Macias Gini & O'Connell, LLP in an amount not to exceed \$ 2,476,651, of which \$2,395,051 will be funded by the City and \$81,600 will be funded by the ORSA, for the fiscal years ending June 30, 2025, June 30, 2026, and June 30, 2027 for professional auditing services; and be it

FURTHER RESOLVED: That, contingent on available funding in the budget, the City Administrator is authorized to award a two-year extension at the City's discretion for the fiscal years ending June 30, 2028 and June 30, 2029 in amounts not to exceed \$891,274 for the fiscal year ending June 30, 2028 (of which \$862,148 will be funded by the City and \$29,126 will be funded by ORSA) and \$922,466 for the fiscal year ending June 30, 2029 (of which \$892,321 will be funded by the City and \$30,145 will be funded by ORSA) for a total contract amount not to exceed \$4,290,391, contingent on available funding; and be it

FURTHER RESOLVED: That based on information provided by the City Administrator, the Council finds that this contract is of a professional and temporary nature and shall not result in the loss of employment or salary by any person having permanent status in the competitive civil service; and be it

FURTHER RESOLVED: That pursuant to OMC section 2.04.051 and the reasons stated in this resolution and the accompanying agenda report, the City Council finds and determines that a waiver of the advertising and request for proposals/qualifications process for this contract amendment is in the best interest of the City, and so waives the requirements; and be it

FURTHER RESOLVED: That the City Council hereby waives the L/SLBE requirements for this contract.

IN COUNCIL, OAKLAND, CALIFORNIA,

MAY 6 2025

PASSED BY THE FOLLOWING VOTE:

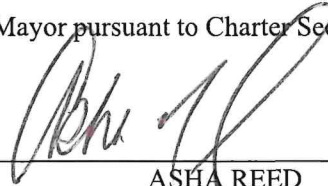
AYES - BROWN, FIFE, HOUSTON, KAPLAN, RAMACHANDRAN, UNGER, AND
PRESIDENT PRO TEMPORE GALLO - 7

NOES - 0

ABSENT - COUNCIL PRESIDENT JENKINS (serving as Mayor pursuant to Charter Section 303)

ABSTENTION - 0

ATTEST:



ASHA REED

City Clerk and Clerk of the Council of the
City of Oakland, California

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