

**REPORT TO THE BOARD OF DIRECTORS
BOARD MEETING OF MARCH 8, 2022
AGENDA ITEM NO. 9.F.**



AGENDA SECTION: NEW BUSINESS

SUBJECT: CONSIDER AUTHORIZING THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH LANCE SOLL AND LUNGHARD, LLP, FOR CPA SERVICES FOR AN AMOUNT NOT TO EXCEED \$80,000 PER YEAR

PREPARED BY: Adam Coyan, General Manager

APPROVED BY: Adam Coyan, General Manager

BACKGROUND

During the regular meeting of October 12, 2021, the General Manager received authorization from the Board of Directors to issue a Request for Proposals (RFP) for certified professional accounting (CPA) services. The RFP was released, and proposals were due on February 22, 2022 (Attachment 1).

DISCUSSION

The District received proposals from Eide Bailly LLP (Attachment 2) and Lance Soll and Lunghard LLP (Attachment 3).

Eide Bailly

The District has been receiving CPA services Vavrine, Trine, Day, and Co, LLP (now Eide Bailly) since April 11, 2017 when the firm's services were retained to review finance and accounting operations of the District. When that initial scope of work was completed with satisfactory performance, the General Manager at the time requested a proposal from VTD to provide finance manager services for Fiscal Year 2017-2018 and that PSA was executed on August 8, 2017. The firm (now Eide Bailly) continued to provide services under amended contracts through FY 2020-2021. The Eide Bailly proposes the following for engagement services and total all-inclusive not-to-exceed fees of **\$148,110** for 2022, **\$152,545** for 2023, and **\$157,120** for 2024:

Lance Sol and Lunghard, LLP (LSL CPAs)

The District has received audit services from LSL CPAs through a Professional Services Agreement with the District to conduct the annual audit for FY 2017/18, FY 2018/19, and FY 2019/20. This Agreement was extended on July 13, 2021 for audit services for FY 2020-2021. LSL CPAs proposes a total all-inclusive not-to-exceed maximum price of **\$80,000** each year through monthly billing.

FISCAL IMPACT

The Professional Services Agreement is for an amount not to exceed \$80,000/year with monthly billing. This amount was budgeted in the FY 2021-2022 Operating Budget.

CEQA ASSESSMENT

This is not a CEQA Project.

RECOMMENDED ACTION

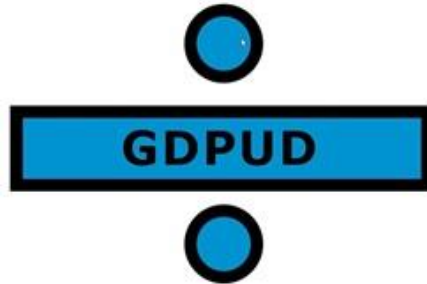
Staff recommends the Board of Directors of the Georgetown Divide Public Utility District authorize the General Manager to execute a Professional Services Agreement with Lance Soll & Lunghard, LLP, for CPA services for an amount not to exceed \$80,000 per year.

ALTERNATIVES

Deny Staff's recommendation and provide alternative direction.

ATTACHMENT:

1. Request for Proposals
2. Eide Bailly Proposal
3. Lance Soll & Lunghard, LLP Proposal
4. Draft Professional Services Agreement
5. Draft Resolution 2022-XX



GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
REQUEST FOR PROPOSAL
CERTIFIED PUBLIC ACCOUNT SERVICES

Proposal Submission Deadline (date/time): February 22, 2022 at 2:00 PM

Submit Proposal to: Georgetown Divide Public Utility District Office
6425 Main Street
P.O. Box 4240
Georgetown, CA 95634

Please deliver one unbound plus three (3) bound copies plus one electronic copy in MS word or Excel of both the Technical Proposal and the Cost Proposal in the format prescribed by the Request for Proposal.

REGISTERING YOUR EMAIL ADDRESS
FOR QUESTIONS CONCERNING THIS REQUEST FOR PROPOSAL:

Potential respondents are encouraged to submit an email address to the District by emailing gm@gd-pud.org as soon as possible so that an email list can be established to disseminate changes, additions and deletions to the Request for Proposal. When you submit an email address via email you will receive a confirmation that your email address has been received. If you don't receive a confirmation email that your email address was received, please follow up with a phone call to Georgetown Divide Public Utility District, Adam Coyan, at (530) 333-4356. Additionally, those who have submitted an email address will be provided with all questions and the District's responses as of the date and time of the response.

PLEASE SUBMIT EMAIL ADDRESS VIA EMAIL TO:

Georgetown Divide Public Utility District
Adam Coyan, General Manager gm@gd-pud.org

PLEASE EMAIL YOUR QUESTIONS, DO NOT CALL WITH YOUR QUESTIONS

I. INTRODUCTION

General Information

The Georgetown Divide Public Utility District (District) is requesting proposals from qualified firms of certified public accountants to assist the District with general internal accounting needs (the "Project").

The District is soliciting the services of qualified firms of certified public accountants (CPA's) to (1) maintain the District's general ledger, (2) Assist the District by documenting recommended changes to procedures and accounting practices for better controls and efficiencies purposes, (3) prepare for the annual audit including the preparation of the basic financial statements and completion of the annual State Controller's Reporting requirements, and (4) other accounting tasks as required.

Proposals submitted will be evaluated by individuals from the District and/or outside agencies. During the evaluation process, the District reserves the right, where it may serve the District's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the District, firms submitting proposals may be requested to make oral presentations as part of the evaluation process. Presentations, if required, may be held in conjunction with the Board of Directors meeting on March 8th, 2022.

The District reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the agreement between the District and the firm selected. The District has a standard two-party Professional Service Agreement, to which adherence is assumed unless specific objections are noted in the proposal by the candidate firm. The Professional Services Agreement is attached. Please note the insurance requirement in the agreement.

It is anticipated the selection of a firm will be completed by March 8th, 2022. Following the notification of the selected firm, it is expected the Professional Services Agreement will be executed between both parties by March 8th, 2022.

Term of Engagement

A one-year contract is contemplated, subject to the annual review and recommendation of the General Manager or Office Manager, with the satisfactory negotiation of terms (including a not-to- exceed price acceptable to both the District and the selected firm).

Subcontracting

Firms submitting proposals may not subcontract portions of the engagement to other qualified CPA firms.

II. NATURE OF SERVICES REQUIRED

Scope of Work

The District is soliciting the services of qualified firms of certified public accountants (CPA's) to (1) maintain the District's general ledger, (2) Assist the District by documenting recommended changes to procedures and accounting practices for better controls and efficiencies purposes, (3) prepare for the annual audit including the preparation of the basic financial statements and completion of the annual State Controller's Reporting requirements, and (4) other accounting tasks as required. It is anticipated that the accounting tasks will require approximately 1,000 hours per year, with the hours concentrated when the quarterly reports are required in October, January, and April, and when audit activities are ongoing in July, August, and September.

The District is to be informed of new developments affecting special district accounting and reporting as well as any other issues. This includes but is not limited to impacts of newly imposed Governmental Accounting Standards Board Statements, Governmental Auditing Standards, State of California mandated procedures, and required changes in grants and procedures. In addition, the District from time to time requests professional advice on accounting matters, and such advice should not be construed as consulting services, nor will compensation for such advice be contemplated unless explicitly negotiated by the District or its agents.

III. DESCRIPTION OF THE DISTRICT

The CPA's principal contact with the District will be Adam Coyan, General Manager, or a designated representative, who will coordinate the assistance to be provided by the District to the CPA.

Background Information

The District serves an area of 72,000 acres of unincorporated area within El Dorado County with approximately 3,800 treated water service connections, 400 irrigation customers and 1,000 wastewater customers. The District was formed in 1946 and established under the Public Utility Code.

The District has an operating budget of approximately \$5 million for the fiscal year ending June 30, 2021. The District employs approximately 24 full-time employees. The largest fund is the water general fund. The District accounts for its activities using a variety of funds, accounts, departments and cost centers.

More detailed information on the District and its finances can be found at .

Budget Basis of Accounting

The District prepares its budget on a basis consistent with generally accepted accounting principles.

Pension Plans & Benefits

The District participates in the California Public Employees Retirement System (PERS) an agent multiple-employer plan. Actuarial Services for the plan are provided by PERS.

In addition, the District provides a District administered post-retirement benefit plan for employees with 20 years or more of service and has been endeavoring to fund the GASB 45 obligation for these benefits.

Joint Ventures

The District participates in a joint venture under a joint powers agreement (JPA) with the Association of California Water Agencies Joint Powers Insurance Authority (Authority). The Authority is a risk- pooling self-insurance authority created under the provisions of California Government Code Section 6500 et. Sec. The Authority assists the District with property, liability and workers' compensation insurance.

Office Activities

The Office activities are headed by the Office Manager, they are assisted by four full time equivalent positions. The principal functions performed are Customer Service, Accounts Payable, Human Resources/Payroll, Administration, Budgeting and Accounting.

Software

The District recently upgraded from "Multiple Operations Management software (MOM)" to TYLER Incode 10 for Customer related activities including Utility Billing, budget development and monitoring, accounts payable and accounts receivable.

Availability of Prior Audit Reports

Interested proposers who wish to review prior years' audit reports can find them on the District's website at .

IV. ASSISTANCE TO BE PROVIDED TO THE CPA

District office staff as well as the responsible management personnel will be available

to assist the firm by providing information, documentation and explanations.

Work Area, Telephones, Photocopying and FAX Machines

The District will provide the CPA with reasonable work space, desks and chairs, which may be in the general (not private) Accounting area. The CPA will also be provided with access to a telephone, photocopying facilities and FAX machines subject to the following restrictions: The District utilizes a 40 hour work week, Mondays through Fridays. If the CPA requires extended working hours, arrangements must be made with the Office Manager.

V. PROPOSAL REQUIREMENTS

Contact with personnel of the District other than Adam Coyan, General Manager, regarding this Request for Proposal may be grounds for elimination from the selection process.

Transmittal Letter

A signed transmittal letter confirming the proposer's understanding of the work to be done, the commitment to perform the work within the time period depicted in this Request for Proposal, a statement of why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer.

Technical Proposal

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake the accounting tasks of the District in conformity with the requirements of this Request for Proposal. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should specify an accounting approach that will meet the Request for Proposals requirements.

The Technical Proposal should address all the points outlined in the Request for Proposal (excluding any cost information, which should only be included in the Cost Proposal). The Technical Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the Request for Proposal.

While additional data may be presented, the following subjects (Items 1 through 9) must be included. They represent the criteria against which the proposal will be evaluated:

1. *Independence*

The firm should provide an affirmative statement that it is independent of the

District as defined by generally accepted auditing standards, the standards set forth for financial audits in the U. S. General Accounting Office's *Government Auditing Standards (Yellow Book)*.

The firm also should provide an affirmative statement that it is independent of the District as defined by those same standards.

The firm should also list and describe the firm's professional relationships involving the District for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed Project.

In addition, the firm shall give the District written notice of any professional relationships entered into during the period of this agreement.

2. *License to Practice in California*

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in California.

3. *Firm Qualifications and Experience*

The proposer should state the size of the firm, the size of the firm's governmental staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal should be noted, if applicable.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement indicating whether that quality control review included a review of specific government engagements.

The firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

4. *Partner, Supervisory and Staff Qualifications, Experience and Continuity*

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is licensed to practice as a certified public accountant in California. Provide information on the government accounting experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this accounting work.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality

of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the District. Continuity of staffing sets the stage for an efficient audit. The firm will make every effort to maximize the continuity of staff from year to year. However, in either case, the District retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of the District, which retains the right to approve or reject replacements.

Other accounting personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

5. *Prior Engagements with the District*

List separately all engagements within the last five years, ranked on the basis of total staff hours, for the District by type of engagement (i.e., audit, management advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

6. *Similar Engagements with Other Special Districts*

For the firm's office that will be assigned responsibility, list the most significant engagements (maximum of five) performed in the last five years that are similar to the engagement described in this Request for Proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

7. *Technical Proposal*

Proposal is not to be more than ten single-sided pages in length including single page resumes of persons to be assigned to the project.

NO DOLLAR AMOUNTS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL

Cost Proposal

Total All-Inclusive Not-to-exceed Price

The Cost Proposal should contain all pricing information relative to performing the accounting tasks described in this Request for Proposal. The total all-inclusive not-to-exceed price is to contain all direct and indirect costs including all out-of-pocket expenses.

The District will not be responsible for expenses incurred in preparing and submitting the Technical Proposal or the Cost Proposal. Such costs should not be included in the proposal.

The first page of the Cost Proposal should include the following information:

- Name of Firm;
- Certification that the person signing the Cost Proposal is entitled to represent the firm, empowered to submit the proposal, and authorized to sign a contract with the District
- A total all-inclusive not-to-exceed annual price for the accounting services; and
- Rates by Partner, Specialist, Supervisory, and Staff Level , and Hours Anticipated for Each

The second page of the Cost Proposal should include a schedule of professional fees and expenses that supports the total all-inclusive not-to-exceed price.

Out-of-Pocket Expenses Included in the Total

All-Inclusive Not-to-exceed Price and Reimbursement Rates

Out-of-Pocket expenses for firm personnel (e.g. travel, lodging and subsistence) will be reimbursed at the rates used by the District for its employees. All estimated out-of-pocket expenses to be reimbursed should be presented on the second page of the Cost Proposal. All expense reimbursements will be charged against the total all-inclusive not-to-exceed price submitted by the firm.

Rates for Additional Professional Services

If it should become necessary for the District to request the Accountant to render any additional service to either supplement the services requested in this Request for Proposal, or to perform additional work as a result of the specific request by the District, then the additional work shall be performed only if set forth in an addendum to

the contract between the District and the firm. Any such additional work agreed to between the District and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the Cost Proposal.

Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's Cost Proposal. Interim billing shall cover a period of not less than a calendar month. Ten percent (10%) will be withheld from each billing pending acceptance of the firm's final reports by the Board of Directors. The District pays bills each month in conjunction with the regular Board of Directors meeting. Progress payment requests received no later than eight days prior to the regular Board of Directors meeting for the month will be approved for payment at the regular Board of Directors meeting.

VI. EVALUATION PROCEDURES

Proposals submitted will be evaluated by a committee made up of District management and/or outside agencies.

Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The following represent the principal selection criteria which will be considered during the evaluation process.

1. *Mandatory Elements*

- a) The firm is independent and licensed to practice in California.
- b) The firm has no conflict of interest with regard to any other work performed by the firm for the District.
- c) The firm adheres to the instructions in this Request for Proposal on preparing and submitting the proposal.
- d) The firm submits a copy of its last external quality control review report and the firm has a record of quality accounting work.

2. *Technical Qualifications*

- a) The firm's past experience and performance on comparable water district engagements
- b) The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation
- c) Adequacy of proposed staffing plan for various segments of the engagement

- d) Adequacy of sampling techniques
- e) Adequacy of analytical procedures
- f) Answers to Item 7 in the Technical Proposal

3. *Price*

- a) Cost will not be the primary factor in the selection of a CPA firm.

Oral Presentation

During the evaluation process, the evaluation committee may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the evaluation committee may have on a firm's proposal. Not all firms will be asked to make such oral presentations.

Final Selection

The District will select a firm based upon the recommendation of the evaluation committee. It is anticipated that a firm will be selected and a contract will be executed between both parties by March 8th, 2022

Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected. The District reserves the right without prejudice to reject any or all proposals.

PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, (the “Effective Date”) by and between the Georgetown Divide Public Utilities District, a California Public Utilities District (“District”), and (“Consultant”). District and Consultant may herein be referred to individually as a “Party” and collectively as the “Parties”. There are no other parties to this Agreement.

RECITALS

A. The Georgetown Divide Public Utility District (District) is requesting proposals from qualified firms of certified public accountants to assist the District with general internal accounting needs (the “Project”).

B. Consultant has submitted a proposal to District that includes a scope of proposed consultant services, attached hereto and described more fully in **Exhibit A** (“Services”).

C. Consultant represents that it is qualified, willing and able to provide the Services to District, and that it will perform Services related to the Project according to the rate schedule included in the scope of proposed consultant services attached hereto as **Exhibit B** (the “Rates”).

NOW, THEREFORE, in consideration of the promises and covenants set forth below, the Parties agree as follows:

AGREEMENT

1. Recitals. The recitals set forth above (“Recitals”) are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Sections 1 through 20 of this Agreement, Section 1 through 20 shall prevail.

2. Consulting Services. Consultant agrees, during the term of this Agreement, to perform the Services for District in connection with the Project. Any request for services in addition to the Services described in **Exhibit A** will be considered a request for additional consulting services and not compensated unless the Parties otherwise agree in writing. No subcontract shall be awarded or an outside consultant engaged by Consultant unless prior written approval is obtained from District.

3. Compensation. District shall pay Consultant according to the fee schedule set forth in **Exhibit B** for a time and materials cost not to exceed _____, as full remuneration for the performance of the Services. Consultant agrees to maintain a log of time spent in connection with performing the Services. On a monthly basis, Consultant shall provide the District, in reasonable and understandable detail, a description of the services rendered pursuant to the Services and in accordance with the Rates. If the work is satisfactorily completed, District shall pay such invoice within thirty (30) days of its receipt. If District disputes any portion of any invoice, District shall pay the undisputed

portion within the time stated above, and at the same time advise Consultant in writing of the disputed portion.

5. Term. This Agreement shall become effective on the Effective Date and will continue in effect until the Services provided herein have been completed, unless terminated earlier as provided in Section 6 or 7 below (the “Term”).

6. Termination. District may terminate this Agreement prior to the expiration of the Term (“Termination”), without cause or reason, by notifying Consultant in writing of District’s desire to terminate this Agreement (the “Termination Notice”). Upon receipt of a Termination Notice, Consultant shall immediately cease performing the Services. Consultant will be entitled to compensation, as of the date Consultant receives the Termination Notice, only for Services actually performed.

7. Termination for Cause. Notwithstanding Section 6 above, this Agreement may be terminated by District for cause based on the loss or suspension of any licenses, permits or registrations required for the continued provision of the Services, or Consultant’s malfeasance. Termination of the Agreement for cause as set forth in this Section shall relieve District from compensating Consultant.

8. Confidential Information. Consultant understands and agrees that, in the performance of Services under this Agreement or in the contemplation thereof, Consultant may have access to private or confidential information that may be owned or controlled by District and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to District (“Confidential Information”).

Consultant shall not, either during or after the Term, disclose to any third party any Confidential Information without the prior written consent of District. If District gives Consultant written authorization to make any such disclosure, Consultant shall do so only within the limits and to the extent of that authorization. Such authorization does not guarantee that the District will grant any further disclosure of Confidential Information. Consultant may be directed or advised by the District’s General Counsel on various matters relating to the performance of the Services on the Project or on other matters pertaining to the Project, and in such event, Consultant agrees that it will treat all communications between itself, its employees and its subcontractors as being communications which are within the attorney-client privilege.

9. Performance by Key Employee. Consultant has represented to District that _____ will be the person primarily responsible for the performance of the Services and all communications related to the Services. District has entered into this Agreement in reliance on that representation by Consultant.

10. Property of District. The following will be considered and will remain the property of District:

A. Documents. All reports, drawings, graphics, working papers and Confidential Information furnished by District in connection with the Services (“Documents”). Nothing herein shall be interpreted as prohibiting or limiting District’s right to assign all or some of District’s interests in the Documents.

B. Data. All data collected by Consultant and produced in connection with the Services including, but not limited to, drawings, plans, specifications, models, flow diagrams, visual aids, calculations, and other materials (“Data”). Nothing herein shall be interpreted as prohibiting or limiting District’s right to assign all or some of District’s interests in the Data.

C. Delivery of Documents and Data. Consultant agrees, at its expense and in a timely manner, to return to District all Documents and Data upon the conclusion of the Term or in the event of Termination.

11. Duties of District. In order to permit Consultant to render the services required hereunder, District shall, at its expense and in a timely manner:

A. Provide such information as Consultant may reasonably require to undertake or perform the Services;

B. Promptly review any and all documents and materials submitted to District by Consultant in order to avoid unreasonable delays in Consultant’s performance of the Services; and

C. Promptly notify Consultant of any fault or defect in the performance of Consultant’s services hereunder.

12. Representations of Consultant. District relies upon the following representations by Consultant in entering into this Agreement:

A. Qualifications. Consultant represents that it is qualified to perform the Services and that it possesses the necessary licenses, permits and registrations required to perform the Services or will obtain such licenses or permits prior to the time such licenses or permits are required. Consultant represents and warrants to District that Consultant shall, at Consultant’s sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and registrations that are legally required for Consultant to practice Consultant's profession at the time the Services are rendered.

B. Consultant Performance. Consultant represents and warrants that all Services under this Agreement shall be performed in a professional manner and shall conform to the customs and standards of practice observed on similar, successfully completed projects by specialists in the Services to be provided. Consultant shall adhere to accepted professional standards as set forth by relevant professional associations and shall perform all Services required under this Agreement in a manner consistent with generally accepted professional customs, procedures and standards for such Services. All work or products completed by Consultant shall be completed using the best practices available for the profession and shall be free from any defects. Consultant agrees that, if a Service is not so performed, in addition to all of its obligations under this Agreement and at law, Consultant shall re-perform or replace unsatisfactory Service at no additional expense to District.

13. Compliance with Laws and Standards. Consultant shall insure compliance with all applicable federal, state, and local laws, ordinances, regulations and permits, including but not limited to federal, state, and county safety and health regulations. Consultant shall perform all work according to generally accepted standards within the industry. Consultant shall comply with all ordinances, laws, orders, rules, and regulations, including the administrative policies and guidelines of District pertaining to the work.

14. Independent Contractor; Subcontracting. Consultant will employ, at its own expense, all personnel reasonably necessary to perform the Services. All acts of Consultant, its agents, officers, employees and all others acting on behalf of Consultant relating to this Agreement will be performed as independent contractors. Consultant, its agents and employees will represent and conduct themselves as independent contractors and not as employees of District. Consultant has no authority to bind or incur any obligation on behalf of District. Except as District may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever. Consultant is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is expressly approved by District in writing.

15. Insurance. Consultant and all of Consultant's contractors and subcontractors shall obtain and maintain insurance of the types and in the amounts described in this paragraph and its subparagraphs with carriers reasonably satisfactory to District.

A. General Liability Insurance. Consultant shall maintain occurrence version commercial general liability insurance or an equivalent form with a limit of not less than Two Million Dollars (\$2,000,000) per claim and Two Million Dollars (\$2,000,000) for each occurrence.

B. Workers' Compensation Insurance. Consultant shall carry workers' compensation insurance as required by the State of California under the Labor Code. Consultant shall also carry employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) per accident, with a One Million Dollar (\$1,000,000.00) policy limit for bodily injury by disease, and a One Million Dollar (\$1,000,000.00) limit for each employee's bodily injury by disease.

C. Automobile Insurance. Consultant shall carry automobile insurance for the vehicle(s) Consultant uses in connection with the performance of this Agreement in the amount of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.

D. Errors and Omissions Liability. Consultant shall carry errors and omissions liability insurance in the amount of no less than One Million Dollars (\$1,000,000.00) per occurrence or greater if appropriate for the Consultant's profession. Architects and engineers coverage is to be endorsed to include contractual liability. Any deductibles or self-insured retentions must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the District, elected and appointed councils, commissions, directors, officers, employees, agents,

and representatives (“District’s Agents”); or the Consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claims administration and defense expenses.

E. Other Insurance Requirements. Within five (5) days of the Effective Date, Consultant shall provide District with certificates of insurance for all of the policies required under this Agreement (“Certificates”), excluding the required worker’s compensation insurance. Such Certificates shall be kept current for the Term of the Agreement and Consultant shall be responsible for providing updated copies and notifying District if a policy is cancelled, suspended, reduced, or voided. With the exception of the worker’s compensation insurance, all of the insurance policies required in this Agreement shall: (a) provide that the policy will not be cancelled, allowed to expire, or materially reduced in coverage without at least thirty (30) days’ prior written notice to District of such cancellation, expiration, or reduction and each policy shall be endorsed to state such; (b) name District, and District’s Agents as additional insureds with respect to liability arising out of Services, work or operations 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, or hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the District; (c) be primary with respect to any insurance or self-insurance programs covering District or District’s Agents and any insurance or self-insurance maintained by District or District’s Agents shall be in excess of Consultant’s insurance and shall not contribute to it; (d) contain standard separation of insured provisions; and (e) state that any failure to comply with reporting or other provisions of the policy including breaches of warranties shall not affect the coverage provided to the District.

16. Indemnification. Consultant hereby agrees to indemnify and hold harmless District, its agents, officers, employees and volunteers, against all liability, obligations, claims, loss, and expense (a) caused or created by Consultant, its subcontractors, or the agents or employees of either, whether negligent or not, pertaining to or related to acts or omissions of Consultant in connection with the Services, or (b) arising out of injuries suffered or allegedly suffered by employees of Consultant or its subcontractors (i) in the course of their employment, (ii) in the performance of work hereunder, or (iii) upon premises owned or controlled by District. Consultant’s obligation to defend, indemnify and hold District and its agents, officers, employees and volunteers harmless is not terminated by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

17. Consequential Damages. Notwithstanding any other provision of this Agreement, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.

18. Litigation. In the event that either Party brings an action under this Agreement for the breach or enforcement hereof, or must incur any collection expenses for any amounts due hereunder the prevailing Party in such action shall be entitled to its costs including reasonable attorney’s fees, whether or not such action is prosecuted to judgment.

19. Notices. Any notice or communication required hereunder between District or Consultant must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. Notices given by registered or certified mail shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, (b) on the date delivered as shown on a receipt issued by the courier, or (c) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at the addresses in this paragraph set forth below:

If to District: Georgetown Divide Public Utility District
P.O. Box 4240
6425 Main Street
Georgetown, CA 95634
Attention: General Manager

With courtesy copies to: Churchwell White LLP
1414 K Street, 3rd Floor
Sacramento, California 95814
Attention: Barbara A. Brenner, Esq.

If to Consultant:

20. General Provisions.

A. Modification. No alteration, modification, or termination of this Agreement shall be valid unless made in writing and executed by all Parties.

B. Waiver. The waiver by any Party of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

C. Assignment. No Party shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written

consent of the other Party. Subject to the forgoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties.

D. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of California.

E. Venue. Venue for all legal proceedings shall be in the Superior Court of California for the County of El Dorado.

F. Partial Invalidity. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

G. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall be deemed a single agreement.

H. Severability. If any term, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in effect.

I. Audit. District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to District under this Agreement.

J. Entire Agreement. This Agreement sets forth the entire understanding between the Parties as to the subject matter of this Agreement and merges all prior discussions, negotiations, proposal letters or other promises, whether oral or in writing.

K. Headings Not Controlling. Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

L. Time is of the Essence. Time is of the essence in this Agreement for each covenant and term of a condition herein.

M. Drafting and Ambiguities. Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the last day and date below written.

DISTRICT:

GEORGETOWN DIVIDE PUBLIC UTILITIES DISTRICT, a California Public Utilities District

By: _____
General Manager

Date: _____

Approved as to Form:

Barbara A. Brenner, General Counsel

CONSULTANT:

By: _____

Date: _____



PREPARED BY:

Lance, Soll & Lunghard, LLP
Certified Public Accountants
License Number 2584
203 N. Brea Blvd.
Suite 203
Brea, CA 92821
(714) 672-0022

Proposal Presented to
Georgetown Divide Public Utility District

Request For Proposal
for
Certified Public Account Services

CONTACT PERSON:

Brandon Young, CPA
Engagement Partner
Brandon.Young@lslcpas.com
(714) 672-0022

February 22, 2022

Focused
on YOU





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TRANSMITTAL LETTER

February 22, 2022

Adam Coyan
General Manager
Georgetown Divide Public Utilities District
6425 Main Street
Georgetown, CA 95634

Dear Mr. Coyan,

LANCE, SOLL & LUNGHARD, LLP ("LSL CPAs", "LSL") is pleased to respond to your request for proposal for certified public account services. As a leader in governmental accounting and auditing, we value the opportunity to present our professional qualifications to the Georgetown Divide Public Utilities District ("District", "GDPUD").

Our proposal highlights our firm's strength and stability, along with our demonstrated experience, knowledge, passion, and creative problem-solving capabilities. Our dynamic team is committed to excellence and is comprised of the brightest talent within the industry. With our comprehensive government experience, we believe you will find that LSL CPAs is one of the most qualified accounting firms for the District.

LSL CPAs will perform the services as request by the District to maintain the general ledger, assist in documenting recommended changes to procedures and accounting practices for better controls and efficiencies, prepare for the annual audit including the preparation of the basic financial statements and completion of the annual State Controller's Reporting requirements, and other accounting tasks as required.

During the period of this engagement, our team will be available on a day-to-day basis for consultation on accounting and reporting matters related to new government accounting standards and other ongoing auditing needs. We will also communicate new state and national developments affecting municipal finance and reporting standards and trends, including changes in federal/state grant program accounting, and other reporting requirements

We affirm that our proposal is in accordance with all terms, conditions, and requirements contained in the RFP. Our proposal is a firm and irrevocable offer for **90 days** following the closing date of the receipt of proposals.

Brandon Young is the assigned Engagement Partner for this proposal and is authorized to make representations on behalf of our firm. He can be reached at the address below, by phone at (714) 672-0022, or by email at Brandon.Young@lslcpas.com.

A handwritten signature in black ink, appearing to read "B. Young", is written over a light blue horizontal line.

Brandon Young, CPA
Engagement Partner
Lance, Soll & Lunghard, LLP
203 N. Brea Blvd., Suite 203
Brea, CA 92821



INTRODUCTION

LSL provides auditing services to over 70 municipal clients in California, including cities, counties, water and electric utilities, and compliance with OMB Uniform Guidance. Generally, our government sector services break down into the following major classifications: attestation, compliance, consulting, outsourced accounting, staffing, strategic planning, and tax services.

Our extensive experience in local government auditing has led to the development of efficient procedures and a comprehensive understanding of all federal and state grant programs. Our work plan approach takes full advantage of our accumulated experiences, which we believe makes LSL one of the best qualified CPA team to perform the engagement for GDPUD.

INDEPENDENCE

LSL CPAs meets the independence requirements as defined by the *Government Auditing Standards* and are independent of all component units of the District as defined by those standards. LSL has been GDPUD's auditors for the past five (5) years, and the contract has reached its contractual term. Our partners do not own any other business organization that has in the past, or will in the future, be providing services, supplies, materials, or equipment to the District. A listing of our firm's clients is distributed annually to all employees for review and proper documentation of possible independence threats. In addition, LSL shall give the District written notice of any professional relationships entered into during the period of this agreement.

LICENSE TO PRACTICE IN CALIFORNIA

LSL CPAs is a limited liability partnership and is not a wholly owned subsidiary of a parent company. LSL is a public accounting firm licensed by the State of California, Department of Consumer Affairs, as a Public Accounting Partnership. As a firm, we are members of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants. All key staff assigned to this engagement are or will be licensed by the State of California to practice as Certified Public Accountants.

FIRM QUALIFICATIONS AND EXPERIENCE

ABOUT OUR FIRM

LSL CPAs was established in 1929 and has grown as a leader in the governmental auditing industry. LSL is a full-service accounting firm with company headquarters in Brea, California and additional offices located in Laguna Hills, Sacramento, and Santa Ana, California, as well as in Houston, Texas. Our firm has approximately one hundred twenty-five employees, including fourteen partners. Our governmental staff consists of four partners, one senior manager, three managers, four supervisors, six seniors, and fourteen professional staff.

We have a dynamic team of educated professionals with extensive experience in auditing a full range of government entities. We have also provided seminars on GASB Statement No.75, "Accounting and Financial Reporting" for post-employment benefits other than pensions (OPEB), and GASB Statement No. 87 Leases, and are knowledgeable and ready to assist the District in implementing upcoming GASBs.

LOCATION


The engagement team for the District will be staffed by our Sacramento office, offering services in audit and attestation, tax and accounting services, and consulting services. LSL will not be subcontracting any portion of the engagements, as the members of our team have extensive experience providing auditing services for cities, counties, and special-purpose government agencies. All staff assigned will be employed by LSL on a full-time basis.

DESK REVIEW / DISCIPLINARY ACTION

There have been no disciplinary actions against our organization since its inception. There have been no litigations against our firm in the past three years. Our Single Audit reports are desk reviewed either by the federal cognizant agency or the State Controller's Office acting as the Oversight Agency. We have never had a report rejected by any of these agencies and are highly regarded and recognized by the staff of the State Controller's Office for high-quality reports.

PEER REVIEW

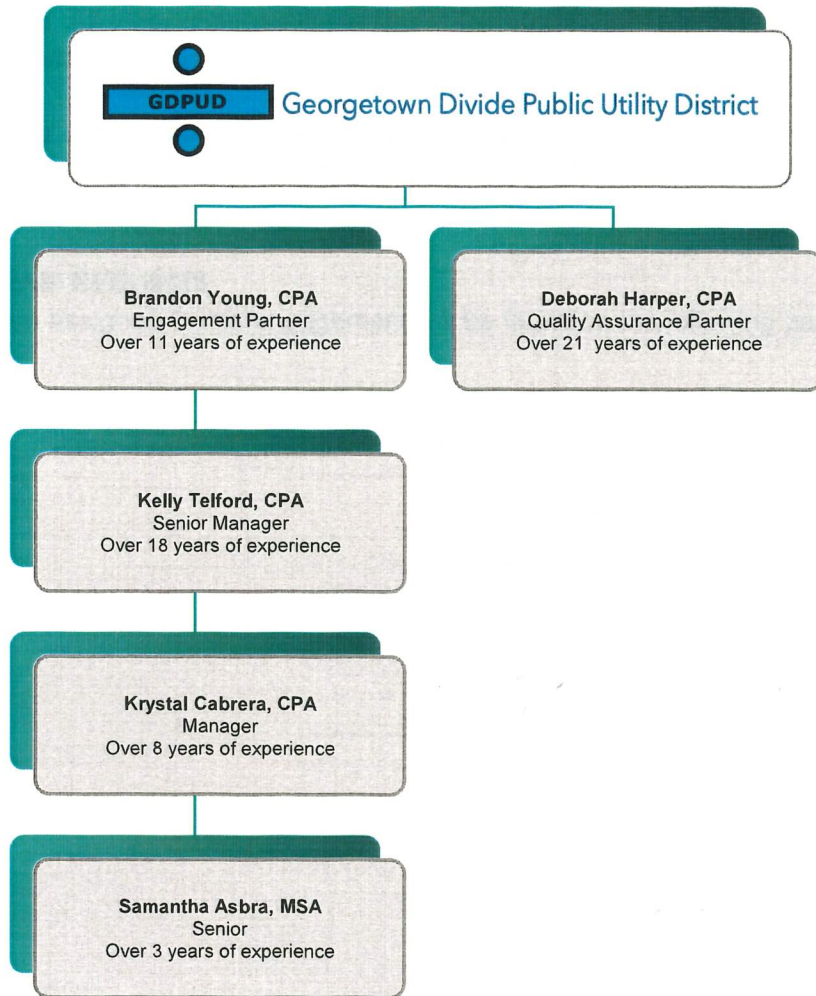
Our firm has participated in the Peer Review Program since its inception. All our peer reviews have covered governmental engagements and have received *pass* ratings. Our most recent peer review was conducted by Mark F. Wille, A Professional Accountancy Corporation. A copy of the report is presented below:

<p style="text-align: center;">MARK F WILLE Certified Public Accountant <small>A PROFESSIONAL ACCOUNTANCY CORPORATION</small></p> <p style="text-align: center;">Report on the Firm's System of Quality Control</p> <p>January 17, 2020</p> <p>To the Partners Lance, Soll & Lunghard, LLP and the Peer Review Committee of the California Society of CPAs</p> <p>We have reviewed the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP (the firm) in effect for the year ended May 31, 2019. 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.</p> <p>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.</p> <p>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 remedying weaknesses in its system of quality control, if any.</p> <p>Peer Reviewer's Responsibility Engagements selected for review included engagements performed under <i>Government Auditing Standards</i>, including compliance audits under the Single Audit Act and audits of employee benefit plans.</p> <p>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.</p> <p>Required Selections and Considerations As a part of our review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.</p>	<p>Opinion In our opinion, the system of quality control for the accounting and auditing practice of Lance, Soll & Lunghard, LLP in effect for the year ended May 31, 2019 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 <i>pass</i>, <i>pass with deficiency(ies)</i> or <i>fail</i>. Lance, Soll & Lunghard, LLP has received a peer review rating of <i>pass</i>.</p> <p style="text-align: center;"> Mark F Wille A Professional Accountancy Corporation</p>
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PARTNER, SUPERVISORY, AND STAFF QUALIFICATIONS, EXPERIENCE AND CONTINUITY

At LSL, our engagement teams are curated with an optimum mix of talents and formed based on the specific engagement scope of work. Additionally, each of our professionals have developed expert-level skills in complementary subjects through their work with other clients in various industries. The partners at LSL are an integral part of the audit process and will be overseeing and supervising staff personnel in the field.

ORGANIZATIONAL CHART



ENGAGEMENT TEAM

The engagement team for the District has extensive experience in all municipal accounting operations. Deborah Harper and Brandon Young both serve on the CalCPA Governmental Accounting and Auditing Committee, a committee specific to the State of California that has been responsible for numerous white papers and technical clarifications, including those for GASB 68 and 75. This equips our firm with the latest knowledge and expertise to train our government audit professionals on the proper implementation of new GASB pronouncements, an advantage that extends to our clientele.

LSL ensures the quality of staffing over the term of the engagement through firm policies which provide for maintaining continuity of engagement teams, except in instances where an employee has left the firm or has been promoted. All other changes in staffing at the supervisor level and above will first have the District's expressed written permission.

Our focused efforts to obtain and retain quality staff have further enabled us to provide high levels of services to our clients. If changes are required, our extensive team of government auditors provides for qualified replacements.

ENGAGEMENT TEAM RESUMES

Resumes of the team assigned to this engagement will be found on the following pages.



Brandon Young, CPA

ENGAGEMENT PARTNER

ACHIEVEMENTS

Brandon Young is an expert in Governmental Accounting and Auditing, with over 11 years of experience serving a wide range of clients in both size and type. In 2017, he established LSL’s first Northern California office, and has nearly tripled the size of the office in just over two years.

CONTINUING EDUCATION

125 total hours over the last three years, **74 of which were in governmental accounting and auditing subjects**. Brandon meets the requirements of governmental CPE Government Auditing Standards.

EXPERIENCE

Brandon has performed all phases of governmental audits and has made numerous presentations to City Councils, Board of Supervisors, Board of Directors, and Audit Committees. He routinely presents at CSMFO, local chapter meetings, and CalSACA on current accounting and auditing material, and currently serves on the CalCPA Governmental Accounting and Auditing Committee, and also served as a technical reviewer for the GFOA for over three years.

He regularly teaches current audit and accounting related material at LSL training seminars, webinars, and client education workshops and training events.

His work entailed:

- The preparation of the ACFR for entities involved in CSMFO and GFOA in the U.S. and Canada
- Audit review and technical assistance throughout the year to deliver the most up to date information with current GASB pronouncements
- Presentation of audit results to Audit Committees or others charged with governance

Memberships

California Society of Certified Public Accountants (CalCPA)
 American Institute of Certified Public Accountants (AICPA)
 CalCPA State Governmental Accounting & Auditing Committee (GAA)
 California Society of Municipal Finance Officers (CSMFO)
 Government Finance Officers Association, Associate Member (GFOA)

EDUCATION

Bachelor of Arts Degree in Accounting, Magna Cum Laude – Vanguard University, 2012

LICENSE

Certified Public Accountant – California 2014

ENGAGEMENTS

- City of Camarillo
- City of Chula Vista
- City of Citrus Heights
- City of Coronado
- City of Dinuba
- City of Dixon
- City of Emeryville
- City of Galt
- City of Lathrop
- City of Live Oak
- City of Livingston
- City of Menlo Park
- City of Newark
- City of Pasadena
- City of Pleasanton
- City of Riverside
- City of Roseville
- City of Santa Monica
- City of Shafter
- Coachella Valley Water District
- County of Sutter
- County of Yolo
- Covered California
- East Bay Municipal Utility District
- Georgetown Divide Public Utility District
- Inland Empire Utilities Agency
- Monterey Peninsula Airport District
- Orange County Water District
- San Joaquin Council of Governments
- Santa Clarita Valley Water Agency
- Three Valleys Municipal Water District
- Union Sanitary District



Deborah Harper, CPA

TECHNICAL RESOURCE PARTNER

LICENSE

Certified Public Accountant –
California 2005

ENGAGEMENTS

City of Banning
City of Brea
City of Camarillo
City of Claremont
City of Corona
City of Monrovia
City of Orange
City of Pasadena
City of Riverside
City of Santa Monica
City of Seal Beach
City of Thousand Oaks
Coachella Valley Water City
Cucamonga Valley Water City
East Bay Municipal Utilities City
Inland Empire Utilities Agency
Sutter County
Yolo County

ACHIEVEMENTS

Deborah Harper was a GAQC Executive Committee Member in 2015 and 2016. She contributed to the 2016 Guide Edition for the AICPA Senior Committee Auditing Standards Board and participated in the GASB Research Note Disclosure Reexamination Roundtable in 2017. Deborah has over 21 years of experience in governmental audits. She now leads the LSL training program as the firm's Learning Director.

CONTINUING EDUCATION

132 total hours over the last three years, **68 of which were in governmental accounting and auditing subjects**. Deborah meets the requirements of governmental CPE Government Auditing Standards.

EXPERIENCE

Deborah provides training courses to the California Association of State Auditors, the County Auditors, and the California Society of Municipal Finance Officers. In addition, Deborah provides courses to a variety of Cities throughout the year on current and upcoming GASB pronouncements.

Recent courses include:

- Introductory to Government Accounting
- Internal Control Risk Assessments
- GASB update
- GASB 87, Lease Accounting
- Preliminary Views on Financial Reporting

Her work in governmental audit has entailed:

- The preparation of the ACFR for entities involved in CSMFO and GFOA in the U.S. and Canada
- Audit review and technical assistance throughout the year to deliver the most up to date information with current GASB pronouncements
- Presentation of audit results to Audit Committees or others charged with governance

MEMBERSHIPS

California Society of Certified Public Accountants (CalCPA)
American Institute of Certified Public Accountants (AICPA)
California Society of Municipal Finance Officers, Associate Member (CSMFO)
Government Finance Officers Association, Associate Member (GFOA)
Governmental Accounting and Auditing Committee
AICPA Government Audit Quality Center

EDUCATION

Bachelor of Arts Degree in Business Administration with an emphasis in Accounting – California State University, Fullerton, 2000



Kelly Telford, CPA

SENIOR MANAGER

ACHIEVEMENTS

Kelly has served as Director of Finance/City Treasurer for the County of Los Angeles, the City of Costa Mesa, and the City of Seal Beach, and developed her expertise in accounting and auditing, financial forecasting, budget development, public utilities, investment management, grant management, human resources, and information technology.

She has established a record of success for improving financial reporting, internal controls and efficiencies, while maintaining a focus on transparency, trust, and collaboration.

CONTINUING EDUCATION

130 total hours over the last three years, **104 of which were in governmental accounting and auditing subjects**. Kelly meets the requirements of governmental CPE Government Auditing Standards.

EXPERIENCE

Kelly has over 18 years of experience working both in and with government agencies including large and small Cities, redevelopment agencies/successor agencies, Special Districts, and Native American Tribes and Tribal Casinos. She has been an auditor and consultant for 13 years specializing in the audits of government agencies.

As an auditor, her experience as a Director of Finance/City Treasurer has helped her better appreciate the demands of government agency finance departments and she strives to have a collaborative relationship year- round, not just during the audit.

Her work has entailed:

- The preparation of the ACFR for entities involved in CSMFO and GFOA in the U.S. and Canada
- Audit review and technical assistance throughout the year to deliver the most up to date information with current GASB pronouncements Presentations to City Councils, Board of Supervisors, Boards of Directors, and Audit Committees

MEMBERSHIPS

American Institute of Certified Public Accountants (AICPA)
 California Society of Certified Public Accountants (CalCPA)
 California Society of Municipal Finance Officers (CSMFO)
 Government Finance Officers Association (GFOA)

EDUCATION

Bachelor of Arts Degree in Accounting – California State University, Fullerton, 2003

LICENSE

Certified Public Accountant – California 2008

ENGAGEMENTS

City of Banning
 City of Corona
 City of Coronado
 City of Monrovia
 City of Vista
 Orange County Fire Authority
 Orange County Sanitation District
 Orange County Water District
 San Diego County Water Authority
 Three Valleys Municipal Water District



Krystal Cabrera, CPA

MANAGER

LICENSE

Certified Public Accountant – California 2020
AICPA Advanced Single Audit Certificate – 2020

CONTINUING EDUCATION

154 total hours over the last three years, 135 of which were in governmental accounting and auditing subjects. Krystal meets the requirements of governmental CPE Government Auditing Standards.

EXPERIENCE

During her time with LSL, Krystal has progressed in an outstanding manner. She has performed all phases of our government audits, including other special districts, Annual Comprehensive Financial Reports (ACFR) audits, successor agency audits and Single Audits.

MEMBERSHIPS

American Institute of Certified Public Accountants (AICPA)

EDUCATION

Master of Science in Accountancy – California State University, Fullerton, 2014
Bachelor of Arts Degree in Business Administration with an emphasis in Accounting – California State University, Fullerton, 2012

ENGAGEMENTS

- City of Barstow
- City of Canyon Lake
- City of Chino Hills
- City of Corona
- City of Downey
- City of Lawndale
- City of Los Alamitos
- City of Pasadena
- City of Santa Fe Springs
- Los Angeles Community Development Authority



Samantha Asbra, MSA

SENIOR

LICENSE

AICPA Intermediate Single Audit Certificate – 2021

CONTINUING EDUCATION

Total hours were 150 over the last three years, 100 of which were in governmental accounting and auditing subjects. Samantha has met the Governmental Auditing Standards requirement for governmental CPE.

EXPERIENCE

During her time with the firm, Samantha has progressed in an outstanding manner. She has performed all phases of our government audits, including water districts, other special districts, ACFR audits, successor agency audits and Single Audits.

Her work has entailed:

- Assisting in the preparation of the Annual Comprehensive Financial Report (ACFR)
- Performing analytical and substantive audit procedures on account balances
- Planning the nature, timing and extent of procedures involved in the audit process
- Assisting clients with the preparation and review of GASB 68, 75, and 84 journal entries
- Review of capital asset, debt service, federal and state award schedules

EDUCATION

Master of Science Degree in Accountancy – Saint Mary’s College of California, 2020

Bachelor of Science in Business Administration, Accounting – Drexel University, 2019

ENGAGEMENTS

- City of Dixon
- City of Livingston
- City of Lodi
- City of Menlo Park
- City of Newark
- City of Pleasanton
- City of Roseville
- City of Vacaville
- City of Vallejo
- City of Woodland
- County of Sutter
- County of Yolo
- Covered California
- Georgetown Divide Public Utility District
- Monterey One Water
- Monterey Peninsula Airport District
- San Joaquin Council of Governments
- Union Sanitary District

PRIOR ENGAGEMENTS WITH THE DISTRICT

LSL has been GDPUD’s auditors for the past five (5) years, maintaining the general ledger, assisting in documenting recommended changes to procedures and accounting practices for better controls and efficiencies, preparing for the annual audit including the preparation of the basic financial statements and completion of the annual State Controller’s Reporting requirements, and other various accounting tasks.

SIMILAR ENGAGEMENTS WITH OTHER SPECIAL DISTRICTS

Below is a list of the most significant engagements performed in the last five years that are similar to the engagement described in the District’s request for proposal. A detailed list of current municipal clients can be found in Exhibit A.

CITY OF SEAL BEACH	
Contact	Jill R. Ingram, City Manager
Email Address	jingram@sealbeachca.gov
Telephone Number	(562) 431-2527 x1300
Scope of Work	Kelly Telford previously worked as the City’s Finance Director overseeing the City’s budget, financial reporting process, ARPA funding compliance, and other various tasks.

LOS ANGELES COUNTY DEVELOPMENT AUTHORITY	
Contact	Kathy Thomas, Chief of Operations
Email Address	kathy.thomas@lacda.org
Telephone Number	(626) 586-1844
Scope of Work	Kelly Telford previously worked as the Director of Finance and Budget for the Authority.

CITY OF CHINO HILLS	
Contact	Christa Buhagiar, Director of Finance
Email Address	cbuhagiar@chinohills.org
Telephone Number	(909) 364-2653
Scope of Work	Audit and preparation of an Annual Comprehensive Financial Report (ACFR) which receives the GFOA Award. Single Audit in accordance with the Uniform Guidance. Audit and preparation of the financial statements of the not-for-profit entities administered by the City. Compliance audit of the City’s Air Quality Management District (AQMD) revenues and expenditures. Performance of agreed-upon procedures over the City’s Appropriations Limit Calculation and Investments. Preparation of the City’s State Controller’s Reports. Krystal Cabrera serves as the audit manager on the engagement.

EXHIBIT A – CURRENT LIST OF MUNICIPAL CLIENTS

Current List of Municipal Clients

Client	Contact Person	Services	Years	Phone
Agoura Hills	Ms. C. Pinuelas, Finance Manager	F	7	818-597-7319
* Big Bear Lake	Ms. K. Ent, Director of Government Services	F, S	24	909-866-5831
Burbank	Ms. C. L Giraldo, Financial Services Director	I	11	818-238-5487
* Camarillo	Mr. M. Uribe, Finance Director	F, S	5	805-388-5320
Canyon Lake	Mr. C. Mann, City Manager	F	27	909-244-2955
* Cathedral City	Mr. K. Biersack, Fiscal Officer	F, S	12	760-770-0378
* Chino Hills	Ms. C. Buhagiar, Finance Director	F, S	25	909-364-2600
* Chula Vista	Ms. S. Schoen, Director of Finance	F, S	8	619-409-3818
* Citrus Heights	Mr. R. Prasad, Accounting Manager	F, S	3	916-727-4705
* Citrus Heights Water District	Mr. A. Preciado, Accounting Manager	F, U	1	916-735-7703
Covered California	Mr. J. Watkins, Chief Financial Officer	F, S	6	916-228-8223
* Cypress	Ms. D. Mullally, Assistant Finance Director	F, S	5	714-229-6700
* Diamond Bar	Mr. J. Jacobsen, Finance Director	F, S	12	909-839-7051
* Dinuba	Ms. K. Solis, Interim Administrative Services Director	F, S	4	559-591-5900
* Dixon	Ms. K. Zawadzki, Finance Director	F, S	7	707-678-7000
* Downey	Mr. A. Gandhi, Finance Director	F, S	7	562-904-7265
* East Bay Municipal Utility District	Ms. A. Miller, Controller	F, U	3	510-287-0230
* Eastern Municipal Water District	Ms. W. Garriz, Controller	F, S	1	951-928-3777
* Fullerton	Ms. C. Moynihan, Fiscal Services Manager	F, S	11	714-738-3133
* Galt	Ms. C. Nguyen, Accounting Manager	F, S	4	209-366-7140
Georgetown Divide Public Utility District	Mr. A. Coyan, General Manager	F, S	4	530-333-4356
Grand Terrace	Ms. C. Clayton, Senior Accountant	F	8	909-824-6621
* Indio	Mr. R. Rockwell, Assistant City Manager/Director of Finance	F, S	6	760-391-4029
Inglewood	Ms. L. Gomez, Accounting Manager	F, S	7	310-412-5127
* Inwindale	Ms. J. Duran, Finance Director	F	27	626-430-2268
Jurupa Community Services District	Mr. S. Popelar, Director of Finance and Administration	F	3	951-685-7434
* Lake Elsinore	Ms. S. Buckley, Finance Manager	F, S	5	951-674-3124
Lathrop	Mr. T. Hedegard, Deputy Finance Director	F, S	1	209-941-7320
* Live Oak	Mr. J. Ramsey, Finance Director	F, S	5	916-999-8511
Livingston	Ms. V. Portillo, Finance Director/Interim City Manager	F, S	1	209-394-5550
* Lompoc	Ms. C. Donnelly, Acting Management Services Director	F, S	1	805-875-8283
* Los Angeles County Development Authority	Mr. M. Fortini, Finance Director	F, S	5	626-586-1890
* Malibu	Ms. R. Feldman, City Manager	F	18	310-456-2489
* Manhattan Beach	Mr. S. Charelian, Finance Director	F	17	310-802-5553
* Menlo Park	Ms. P. Barboza, Interim Finance & Budget Manager	F	3	650-330-6632
* Monrovia	Mr. B. Bullis, Director of Administrative Services	F, S	21	626-932-5510
* Monterey One Water	Mr. F. Marsh, Chief Financial Officer	F, S, U	7	831-645-4623
Monterey Peninsula Airport District	Mr. T. Bergholz, Deputy Executive Director of Finance and Administration	F, S	3	831-648-7000 x201
* Moorpark	Mr. P. Gagajena, Finance Director	F, S	4	805-517-6213
* Newark	Ms. K. Lee, Finance Director	F	3	510-578-4288
* Oceanside	Ms. J. Moya, Accounting Manager	F, S	13	760-435-3887
Ontario International Airport	Ms. K. Snow, Finance Manager	F, S	5	714-415-9636
* Orange	Ms. K. Bandhauer, Assistant Finance Director	F, S	1	714-744-5500
* Orange County Fire Authority	Ms. G. Cheung, Accounting Manager	F, S	3	714-573-6000
Orchard Dale Water District	Mr. R. Richard, Finance Manager	F, U	3	562-941-0114
* Palm Desert	Mr. J. Espinoza, Assistant Finance Director	F	5	760-346-0611
* Pleasanton	Ms. T. Olso, Finance Director	F, S	1	925-931-5402
* Rancho Cucamonga	Ms. T. Layne, Finance Officer	F, S, U	44	909-989-1851
* Redondo Beach	Ms. J. Paul, Finance Director	F, S	5	310-372-1171x2428
* Rialto	Ms. K. Stevens, Deputy Director of Finance	F, S	1	909-421-7242
* Riverside	Ms. N. Garcia, Controller	F, S, U	3	951-826-5466



Cost Proposal

LANCE, SOLL & LUNGHARD, LLP ("LSL CPAs", "LSL") is pleased to respond to your request for proposal for certified public account services. We value the opportunity to present our cost proposal to Georgetown Divide Public Utility District ("District", "GDPUD").

TOTAL ALL-INCLUSIVE MAXIMUM PRICE

LSL hourly rates are based on the level of experience for the certified public account services. The agreed will include a "Not to Exceed" (NTE) of **\$80,000** each year and will be billed on a monthly basis.

LSL CPAS STANDARD HOURLY RATES	
Position	Rates
Partner	\$ 310
Senior Manager	\$ 215
Manager	\$ 200
Supervisor	\$ 175
Senior	\$ 155
Experienced Staff	\$ 130
Staff	\$ 110
Clerical	\$ 80

MANNER OF PAYMENT

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's proposal. Interim billings shall cover a period of not less than a calendar month. The final ten percent (10%) of the total all-inclusive maximum price will be paid upon delivery of the firm's final reports.

Brandon Young is the assigned Engagement Partner for this proposal and is authorized to make representations on behalf of our firm. He can be reached at the address below, by phone at (714) 672-0022, or by email at Brandon.Young@lslcpas.com.

Brandon Young, CPA
Engagement Partner
Lance, Soll & Lunghard, LLP
203 N. Brea Blvd., Suite 203
Brea, CA 92821

AMENDED PROFESSIONAL SERVICES AGREEMENT

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and entered into this ___ day of _____2022, (the “Effective Date”) by and between the Georgetown Divide Public Utilities District, a California Public Utilities District (“District”), and Lance, Soll & Lunghard, LLP, (“Consultant”). District and Consultant may herein be referred to individually as a “Party” and collectively as the “Parties”. There are no other parties to this Agreement.

RECITALS

A. District has determined that consultant services are required for non-audit services to assist the District in reviewing and updating finance and accounting policies and procedures (the “Project”).

B. Consultant has submitted a proposal to District that includes a scope of proposed consultant services, attached hereto, and described more fully in **Exhibit A** (“Services”).

C. Consultant represents that it is qualified, willing, and able to provide the Services to District, and that it will perform Services related to the Project according to the rate schedule included in the scope of proposed consultant services attached hereto as **Exhibit B** (the “Rates”).

NOW, THEREFORE, in consideration of the promises and covenants set forth below, the Parties agree as follows:

AGREEMENT

1. Recitals. The recitals set forth above (“Recitals”) are true and correct and are hereby incorporated into and made part of this Agreement by this reference. In the event of any inconsistency between the Recitals and Sections 1 through 20 of this Agreement, Section 1 through 20 shall prevail.

2. Consulting Services. Consultant agrees, during the term of this Agreement, to perform the Services for District in connection with the Project. Any request for services in addition to the Services described in **Exhibit A** will be considered a request for additional consulting services and not compensated unless the Parties otherwise agree in writing. No subcontract shall be awarded, or an outside consultant engaged by Consultant unless prior written approval is obtained from District.

3. Compensation. District shall pay Consultant according to the fee schedule set forth in **Exhibit B** for a time and materials cost not to exceed \$80,000/year, as full remuneration for the performance of the Services. Consultant agrees to maintain a log of time spent in connection with performing the Services. On a monthly basis, Consultant shall provide District, in reasonable and understandable detail, a description of the services rendered pursuant to the Services and in accordance with the Rates. If the work is satisfactorily completed, District shall pay such invoice within thirty (30) days of its receipt. If District disputes any portion of any invoice, District shall

pay the undisputed portion within the time stated above, and at the same time advise Consultant in writing of the disputed portion.

5. Term. This Agreement shall become effective on the Effective Date and will continue in effect until the Services provided herein have been completed, unless terminated earlier as provided in Section 6 or 7 below (the “Term”).

6. Termination. District may terminate this Agreement prior to the expiration of the Term (“Termination”), without cause or reason, by notifying Consultant in writing of District’s desire to terminate this Agreement (the “Termination Notice”). Upon receipt of a Termination Notice, Consultant shall immediately cease performing the Services. Consultant will be entitled to compensation, as of the date Consultant receives the Termination Notice, only for Services actually performed.

7. Termination for Cause. Notwithstanding Section 6 above, this Agreement may be terminated by District for cause based on the loss or suspension of any licenses, permits or registrations required for the continued provision of the Services, or Consultant’s malfeasance. Termination of the Agreement for cause as set forth in this Section shall relieve District from compensating Consultant.

8. Confidential Information. Consultant understands and agrees that, in the performance of Services under this Agreement or in the contemplation thereof, Consultant may have access to private or confidential information that may be owned or controlled by District and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to District (“Confidential Information”).

Consultant shall not, either during or after the Term, disclose to any third party any Confidential Information without the prior written consent of District. If District gives Consultant written authorization to make any such disclosure, Consultant shall do so only within the limits and to the extent of that authorization. Such authorization does not guarantee that the District will grant any further disclosure of Confidential Information. Consultant may be directed or advised by the District’s General Counsel on various matters relating to the performance of the Services on the Project or on other matters pertaining to the Project, and in such event, Consultant agrees that it will treat all communications between itself, its employees and its subcontractors as being communications which are within the attorney-client privilege.

9. Performance by Key Employee. Consultant has represented to District that Brandon Young will be the person primarily responsible for the performance of the Services and all communications related to the Services. District has entered into this Agreement in reliance on that representation by Consultant.

10. Property of District. The following will be considered and will remain the property of District:

A. Documents. All reports, drawings, graphics, working papers and Confidential Information furnished by District in connection with the Services (“Documents”).

Nothing herein shall be interpreted as prohibiting or limiting District's right to assign all or some of District's interests in the Documents.

B. Data. All data collected by Consultant and produced in connection with the Services including, but not limited to, drawings, plans, specifications, models, flow diagrams, visual aids, calculations, and other materials ("Data"). Nothing herein shall be interpreted as prohibiting or limiting District's right to assign all or some of District's interests in the Data.

C. Delivery of Documents and Data. Consultant agrees, at its expense and in a timely manner, to return to District all Documents and Data upon the conclusion of the Term or in the event of Termination.

11. Duties of District. In order to permit Consultant to render the services required hereunder, District shall, at its expense and in a timely manner:

A. Provide such information as Consultant may reasonably require to undertake or perform the Services;

B. Promptly review any and all documents and materials submitted to District by Consultant in order to avoid unreasonable delays in Consultant's performance of the Services; and

C. Promptly notify Consultant of any fault or defect in the performance of Consultant's services hereunder.

12. Representations of Consultant. District relies upon the following representations by Consultant in entering into this Agreement:

A. Qualifications. Consultant represents that it is qualified to perform the Services and that it possesses the necessary licenses, permits and registrations required to perform the Services or will obtain such licenses or permits prior to the time such licenses or permits are required. Consultant represents and warrants to District that Consultant shall, at Consultant's sole cost and expense, keep in effect or obtain at all times during the Term of this Agreement, any licenses, permits, and registrations that are legally required for Consultant to practice Consultant's profession at the time the Services are rendered.

B. Consultant Performance. Consultant represents and warrants that all Services under this Agreement shall be performed in a professional manner and shall conform to the customs and standards of practice observed on similar, successfully completed projects by specialists in the Services to be provided. Consultant shall adhere to accepted professional standards as set forth by relevant professional associations and shall perform all Services required under this Agreement in a manner consistent with generally accepted professional customs, procedures, and standards for such Services. All work or products completed by Consultant shall be completed using the best practices available for the profession and shall be free from any defects. Consultant agrees that, if a Service is not so performed, in addition to all of its obligations

under this Agreement and at law, Consultant shall re-perform or replace unsatisfactory Service at no additional expense to District.

13. Compliance with Laws and Standards. Consultant shall insure compliance with all applicable federal, state, and local laws, ordinances, regulations and permits, including but not limited to federal, state, and county safety and health regulations. Consultant shall perform all work according to generally accepted standards within the industry. Consultant shall comply with all ordinances, laws, orders, rules, and regulations, including the administrative policies and guidelines of District pertaining to the work.

14. Independent Contractor; Subcontracting. Consultant will employ, at its own expense, all personnel reasonably necessary to perform the Services. All acts of Consultant, its agents, officers, employees, and all others acting on behalf of Consultant relating to this Agreement will be performed as independent contractors. Consultant, its agents and employees will represent and conduct themselves as independent contractors and not as employees of District. Consultant has no authority to bind or incur any obligation on behalf of District. Except as District may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever. Consultant is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is expressly approved by District in writing.

15. Insurance. Consultant and all of Consultant's contractors and subcontractors shall obtain and maintain insurance of the types and in the amounts described in this paragraph and its subparagraphs with carriers reasonably satisfactory to District.

A. General Liability Insurance. Consultant shall maintain occurrence version commercial general liability insurance or an equivalent form with a limit of not less than Two Million Dollars (\$2,000,000) per claim and Two Million Dollars (\$2,000,000) for each occurrence.

B. Workers' Compensation Insurance. Consultant shall carry workers' compensation insurance as required by the State of California under the Labor Code. Consultant shall also carry employer's liability insurance in the amount of One Million Dollars (\$1,000,000.00) per accident, with a One Million Dollar (\$1,000,000.00) policy limit for bodily injury by disease, and a One Million Dollar (\$1,000,000.00) limit for each employee's bodily injury by disease.

C. Automobile Insurance. Consultant shall carry automobile insurance for the vehicle(s) Consultant uses in connection with the performance of this Agreement in the amount of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury and property damage.

D. Errors and Omissions Liability. Consultant shall carry errors and omissions liability insurance in the amount of no less than One Million Dollars (\$1,000,000.00) per occurrence or greater if appropriate for the Consultant's profession. Architects and engineers' coverage is to be endorsed to include contractual liability. Any deductibles or self-insured

retentions must be declared to and approved by the District. At the option of the District, either the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the District, elected and appointed councils, commissions, directors, officers, employees, agents, and representatives (“District’s Agents”); or the Consultant shall provide a financial guarantee satisfactory to the District guaranteeing payment of losses and related investigations, claims administration and defense expenses.

E. Other Insurance Requirements. Within five (5) days of the Effective Date, Consultant shall provide District with certificates of insurance for all of the policies required under this Agreement (“Certificates”), excluding the required worker’s compensation insurance. Such Certificates shall be kept current for the Term of the Agreement and Consultant shall be responsible for providing updated copies and notifying District if a policy is cancelled, suspended, reduced, or voided. With the exception of the worker’s compensation insurance, all of the insurance policies required in this Agreement shall: (a) provide that the policy will not be cancelled, allowed to expire, or materially reduced in coverage without at least thirty (30) days’ prior written notice to District of such cancellation, expiration, or reduction and each policy shall be endorsed to state such; (b) name District, and District’s Agents as additional insureds with respect to liability arising out of Services, work or operations 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, or hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the District; (c) be primary with respect to any insurance or self-insurance programs covering District or District’s Agents and any insurance or self-insurance maintained by District or District’s Agents shall be in excess of Consultant’s insurance and shall not contribute to it; (d) contain standard separation of insured provisions; and (e) state that any failure to comply with reporting or other provisions of the policy including breaches of warranties shall not affect the coverage provided to the District.

16. Indemnification. Consultant hereby agrees to indemnify and hold harmless District, its agents, officers, employees and volunteers, against all liability, obligations, claims, loss, and expense (a) caused or created by Consultant, its subcontractors, or the agents or employees of either, whether negligent or not, pertaining to or related to acts or omissions of Consultant in connection with the Services, or (b) arising out of injuries suffered or allegedly suffered by employees of Consultant or its subcontractors (i) in the course of their employment, (ii) in the performance of work hereunder, or (iii) upon premises owned or controlled by District. Consultant’s obligation to defend, indemnify and hold District and its agents, officers, employees and volunteers harmless is not terminated by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

17. Consequential Damages. Notwithstanding any other provision of this Agreement, in no event shall District be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect, or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement or the Services performed in connection with this Agreement.

18. Litigation. In the event that either Party brings an action under this Agreement for the breach or enforcement hereof, or must incur any collection expenses for any amounts due hereunder the prevailing Party in such action shall be entitled to its costs including reasonable attorney's fees, whether or not such action is prosecuted to judgment.

19. Notices. Any notice or communication required hereunder between District or Consultant must be in writing, and may be given either personally, by registered or certified mail (return receipt requested), or by Federal Express, UPS or other similar couriers providing overnight delivery. If personally delivered, a notice shall be deemed to have been given when delivered to the Party to whom it is addressed. Notices given by registered or certified mail shall be deemed to have been given and received on the first to occur of (a) actual receipt by any of the addressees designated below as the party to whom notices are to be sent, (b) on the date delivered as shown on a receipt issued by the courier, or (c) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If given by Federal Express or similar courier, a notice or communication shall be deemed to have been given and received on the date delivered as shown on a receipt issued by the courier. Any Party hereto may at any time, by giving ten (10) days written notice to the other Party hereto, designate any other address in substitution of the address to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at the addresses in this paragraph set forth below:

If to District:

Georgetown Divide Public Utility District
P.O. Box 4240
6425 Main Street
Georgetown, CA 95634
Attention: General Manager

With courtesy copies to:

White Brenner LLP
1414 K Street, 3rd Floor
Sacramento, California 95814
Attention: Barbara A. Brenner, Esq.

If to Consultant:

Lance, Soll & Lunghard, LLP
203 N. Brea Blvd.
Brea, CA 92821
Attention: Brandon
Young

20. General Provisions.

A. Modification. No alteration, modification, or termination of this Agreement shall be valid unless made in writing and executed by all Parties.

B. Waiver. The waiver by any Party of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

C. Assignment. No Party shall assign, transfer, or otherwise dispose of this Agreement in whole or in part to any individual, firm, or corporation without the prior written consent of the other Party. Subject to the forgoing provisions, this Agreement shall be binding upon, and inure to the benefit of, the respective successors and assigns of the Parties.

D. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of California.

E. Venue. Venue for all legal proceedings shall be in the Superior Court of California for the County of El Dorado.

F. Partial Invalidity. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

G. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall be deemed a single agreement.

H. Severability. If any term, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in effect.

I. Audit. District shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to District under this Agreement.

J. Entire Agreement. This Agreement sets forth the entire understanding between the Parties as to the subject matter of this Agreement and merges all prior discussions, negotiations, proposal letters or other promises, whether oral or in writing.

K. Headings Not Controlling. Headings used in this Agreement are for reference purposes only and shall not be considered in construing this Agreement.

L. Time is of the Essence. Time is of the essence in this Agreement for each covenant and term of a condition herein.

M. Drafting and Ambiguities. Any rule of construction that ambiguities are to be resolved against the drafting party does not apply in interpreting this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the last day and date below written.

DISTRICT:

GEORGETOWN DIVIDE PUBLIC
UTILITIES DISTRICT, a California Public
Utilities District

By: _____
Adam Coyan, General Manager

Date: _____

Approved as to Form:

Barbara A. Brenner, General Counsel

CONSULTANT:

Lance, Soll & Lunghard , LLP
Limited Liability Partnership

By: _____
Name: *Joe Coyan*

Date: _____

EXHIBIT A

Services

Specific services to be provided follow. Any additional services requested, other than routine advice and training will require an amendment of this agreement:

- Update accounting records and prepare journal entries related to routine and year end accounting
- Prepare schedules related to the interim and year end audit
- Assist in drafting annual financial statements
- Assist the District by documenting recommended changes to procedures and accounting practices for better controls and efficiencies purposes
- Assist with other related accounting work as directed by the General Manager

EXHIBIT B

Rates

VTD Staff Hourly Rate

Partner	\$310
Senior Manager	\$215
Manager	\$200
Supervisor	\$175
Senior Accountant	\$155
Staff Accountant	\$110

DRAFT

RESOLUTION NO. 2022-XX
OF THE BOARD OF DIRECTORS OF THE
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT
AUTHORIZING THE EXECUTION OF A PROFESSIONAL SERVICES
AGREEMENT WITH LANCE, SOLL & LUNGHAND, LLP,
FOR CERTIFIED PROFESSIONAL ACCOUNTING SERVICES FOR
AN AMOUNT NOT TO EXCEED \$80,000

WHEREAS, the Georgetown Divide Public Utility District (District) Staff selected Lance, Soll & Lunghard, LLP (LSL CPAs) to provide certified professional accounting (CPA) services after reviewing proposals received through a Request for Proposals (RFP) authorized by the Board of Directors on October 12, 2021; and

WHEREAS, on March 8, 2022, the Board of Directors authorized the General Manager to execute a Professional Services Agreement (PSA) with LSL CPAs, in an amount not to exceed \$80,000 for CPA services for a year; and

WHEREAS, LSL CPAs had provided the District with audit services annual audit services for the previous four (4) fiscal years and District Staff has deemed their services to be satisfactory; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT THAT the General Manager is authorized to execute a Professional Service Agreement with Lance, Soll & Lunghard, LLP, for CPA services.

PASSED AND ADOPTED by the Board of Directors of the Georgetown Divide Public Utility District at a meeting of said Board held on the 8th day of March 2022, by the following vote:

AYES:

NOES:

ABSENT/ABSTAIN:

Michael Saunders, President, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

Attest:

Adam Coyan, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT

CERTIFICATION

I hereby certify that the foregoing is a full, true, and correct copy of Resolution 2022-XX duly and regularly adopted by the Board of Directors of the Georgetown Divide Public Utility District, County of El Dorado, State of California, on this th8 day of March 2022.

Adam Coyan, Clerk and Ex officio
Secretary, Board of Directors
GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT