



## Staff Report Item 21

**TO:** East Bay Community Energy Board of Directors  
**FROM:** Howard Chang, COO & Treasurer  
**SUBJECT:** Selection of Auditor  
**DATE:** June 19, 2019

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### Recommendation

Seek Board approval to delegate authority to the Chief Executive Officer to negotiate and execute a contract with Pimenti & Brinker LLP for a three (3) year term of service plus two (2) optional years as EBCE's financial auditor.

### Background and Discussion

EBCE conducted an RFP for financial auditor services in the second quarter of this calendar year. The RFP focused on finding the best public agency auditor suitable in the electric utility space with a focus on CCA's. EBCE received and reviewed five (5) proposals with a standardized rubric. The review panel consisted of EBCE Staff, Craig Boyer from Alameda County, and Colleen Tribby from the City of Dublin.

The scoring rubric focused on four (4) areas of assessment: Understanding of Work, Capabilities to Perform, Firm Experience, and Cost Estimate. Additional considerations were given to Alameda County based firms per EBCE Administrative Procurement Policy No. 2018-9.

Each panelist individually and independently assessed each proposal in accordance with the rubric criteria. All panelists found Pimenti & Brinker scored highest in Understanding of Work, Capabilities to Perform, and Firm Experience and came in competitive on Cost. This gave them the highest overall score within the scoring rubric.

The three (3) highest scored audit firms were selected for interview. Each interview consisted of approximately 1-hour phone calls with the panel and the auditors to better understand each firm's strengths, weaknesses, and specific knowledge of the CCA space.

While all three interviewed candidates were strong, Pimenti & Brinker stood out as the best option for the following reasons:

1. They had significantly the most direct, relevant experience with auditing CCA's. Including EBCE, P&B has audited 6 CCAs with this work going as far back as 2013.
2. Already familiar with EBCE's existing financial processes, systems, and controls

3. Expressed clear commitment to the Board's interest
4. Provided a very competitive cost
5. Local to the Bay Area and available for in-person meetings, as necessary.

Staff wants to thank Craig Boyer and Colleen Tribby from our member jurisdictions for their support in this RFP process. Craig Boyer, a member of Alameda County's Auditor Controllers office, participated in EBCE's first financial audit. Based on his experience working with P&B and evaluation of the RFP proposals his endorsement of P&B further highlights the recommendation to select P&B for a long-term contract.

**Fiscal Impact**

The panel recommends to the Board to approve the three-year contract plus the option for an additional two years contingent upon Board satisfaction. This offers the lowest cost option and allows for a reasonable time frame and flexibility before going out to bid again. All P&B pricing options are presented below.

For the Year Ending June 30	2019	2020	2021	2022	2023
1 Year + 2 Option	27,000	27,500	28,000	0	0
2 Years + 2 Option	26,500	27,000	27,500	28,000	0
3 Years + 2 Option	26,000	26,500	27,000	27,500	28,000

All estimates include Management Letters, 3 in-person meetings, and other communications as necessary

**Attachment(s):**

- A. Resolution to appoint Auditor

**RESOLUTION EBCE R-2019**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY  
APPROVING AN AGREEMENT FOR AUDIT SERVICES  
WITH PISENTI & BRINKER, LLP**

**THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY  
AUTHORITY DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:**

Section 1. East Bay Community Energy Authority (“EBCE”) conducted an RFP for financial auditor services; and

Section 2. EBCE’s RFP panel selected Piseni & Brinker, LLP, as the highest scoring applicant for audit services; and

Section 3. The CEO is directed to negotiate and execute a contract with Piseni & Briker LLP for a three-year term plus two optional years as EBCE’s financial auditor, pursuant to the terms described in the staff report associated with this item.

**ADOPTED AND APPROVED this 19th day of June, 2019.**

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Scott Haggerty, Chair

**ATTEST:**

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Stephanie Cabrera, Clerk of the Board