

DRAFT

RESOLUTION 20xx-xxx

RESOLUTION AUTHORIZING AMENDMENT NO. 3 WITH MACIAS GINI & O'CONNELL, LLP FOR PROFESSIONAL EXTERNAL AUDITING SERVICES, INCREASING THE AGREEMENT AMOUNT BY \$364,370 WHICH INCREASES THE TOTAL TO THE AGREEMENT FROM \$517,214 TO \$881,584 AND EXTENDING THE AGREEMENT FROM APRIL 30, 2018 TO APRIL 30, 2021 AND INCLUDING A REQUIREMENT FOR ROTATION OF THE ENGAGEMENT PARTNER. FY 2018 EXPENDITURES, IF NEEDED, ARE BUDGETED. FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON ADOPTION OF EACH FISCAL YEAR'S BUDGET

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the legislature in 1962 pursuant to Harbors and Navigation Code Appendix 1, (Port Act); and

WHEREAS, in February 2013 the Office of the Port Auditor retained the firm of Macias Gini & O'Connell, LLP (MGO) for professional external auditing services based on a request for proposals process; and

WHEREAS, the agreement was for the financial and single audits covering fiscal years 2013, 2014 and 2015 with two options to extend the agreement at the sole discretion of the District; and

WHEREAS, the original agreement was scheduled to terminate on April 30, 2016; and

WHEREAS, on October 6, 2015 the Board exercised the first one-year option to extend the agreement with MGO from May 1, 2016 through April 30, 2017, and this option covered the audit for fiscal year 2016; and

WHEREAS, on October 13, 2016 the Board exercised the second option to extend the agreement with MGO from May 1, 2017 through April 30, 2018, and this extension covered the audit for fiscal year 2017; and

WHEREAS, on June 15, 2017 the Audit Oversight Committee (Committee) met and recommended that the Board amend the agreement with

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MGO to extend the term from April 30, 2018 to April 30, 2021 and increase the maximum not-to-exceed amount covering the financial and single audits for fiscal years 2018, 2019 and 2020; and

WHEREAS, the Committee also recommended that the amended agreement should include a requirement for rotation of the engagement partner in compliance with Government Code Section 12410.6 (AB1345).

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

That the Port Auditor or his designated representative is hereby authorized on behalf of the San Diego Unified Port District to execute Amendment No. 3 with Macias Gini & O'Connell, LLP for professional external auditing services, extending the agreement from April 30, 2018 to April 30, 2021 and increasing the agreement amount by \$364,370 which increases the maximum not-to-exceed amount payable under the agreement from \$517,214 to \$881,584 and requiring a provision for rotation of the engagement partner within the agreement's scope of services.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 10th day of April, 2018, by the following vote: