

Gridley City Council – Regular City Council Meeting Agenda

Monday, February 3, 2020; 6:00 pm
Gridley City Hall, 685 Kentucky Street, Gridley, CA 95948

“Our purpose is to continuously enhance our community’s vitality and overall quality of life. We are committed to providing high quality, cost-effective municipal services and forming productive partnerships with our residents and regional organizations. We collectively develop, share, and are guided by a clear vision, values, and meaningful objectives.”

CALL TO ORDER - Mayor Johnson

ROLL CALL - Recording Secretary

PLEDGE OF ALLEGIANCE – Councilmember Torres

INVOCATION – Pastor Ed Lucas, Gridley Christian Church

PROCLAMATIONS

Teen Dating Violence Prevention and Awareness Month, February 2020 - Accepted by Makayla Chacon, Catalyst Advocate

INTRODUCTION OF NEW OR PROMOTED EMPLOYEES

Introduction of new Police Department Employees:

- Officer Emmanuel Soto
- Officer Nou Lor

COMMUNITY PARTICIPATION FORUM - *Members of the public may address the City Council on matters not listed on the agenda. The City Council may not discuss nor take action on any community participation item brought forward by a member of the community. Comments are requested to be limited to three (3) minutes.*

CONSENT AGENDA – *Items on the Consent Agenda are considered routine and acted upon by one motion. Any Council member may request that an item be removed for separate consideration. The City Council may only make minor comments; otherwise the item should be removed from the Consent Agenda and placed as the first item(s) under “Items for Council Consideration”.*

1. Regular and Special City Council minutes dated January 21, 2020
2. Short-term Contract for Accounting Services

ITEMS FOR COUNCIL CONSIDERATION - None

CITY STAFF AND COUNCIL COMMITTEE REPORTS - *Brief updates from City staff and brief reports on conferences, seminars, and meetings attended by the Mayor and City Council members, if any.*

POTENTIAL FUTURE CITY COUNCIL ITEMS - (Appearing on the Agenda within 30-90 days):

Police Department Digital Radio System	2/18/2020
IT Contract with Oroville	2/18/2020
Grant Writer	2/18/2020
Police Service Agreement	2/18/2020
Fluoride Elimination	2/18/2020
Audit Approval	3/16/2020
Garbage Services RFP Approval	4/20/2020
Annual Budget FY 20-21 Introduction	4/20/2020
Budget Review	5/4/2020
Budget Review	5/18/2020
Budget Adoption	6/15/2020

CLOSED SESSION - None

ADJOURNMENT – adjourning to the next regularly scheduled meeting on Tuesday, February 18, 2020.

NOTE 1: POSTING OF AGENDA- This agenda was posted on the public bulletin board at City Hall at or before 6:00 p.m., January 31, 2020, in accordance with Government Code Section 54954.2. This agenda along with all attachments is available for public viewing online at www.gridley.ca.us and at the Administration counter in City Hall, 685 Kentucky Street, Gridley, CA.

NOTE 2: REGARDING UNSCHEDULED MATTERS – In accordance with state law, it shall be the policy of this Council that no action shall be taken on any item presented during the public forum or on unscheduled matters unless the Council, by majority vote, determines that an emergency situation exists, or, unless the Council by a two-thirds vote finds that the need to take action arose subsequent to the posting of this agenda.

NATIONAL TEEN DATING VIOLENCE PREVENTION AND AWARENESS MONTH
February 2020

WHEREAS, teen dating violence, also known as dating abuse, is a serious and growing problem throughout California; and

WHEREAS, teen dating violence intervention and prevention programs can help to ensure a positive school climate and safe learning environment for all youth; and

WHEREAS, education and outreach programs to community members address warning signs of teen dating violence among youth before behaviors escalate, and protect the safety of targeted youth; and

WHEREAS, according to the Center for Disease Control and Prevention, 1 in 4 adolescents report verbal, emotional, physical, or sexual dating abuse each year; and

WHEREAS, according to the Center for Disease Control and Prevention, 1 in 9 female teens and 1 in 13 male teens reported experiencing physical violence in the last year; and

WHEREAS, 43% of LGBT teens reported experiencing physical dating violence, compared to 29% of heterosexual youth; and

WHEREAS, survivors of teen dating violence have increased risk for truancy, dropout, teen pregnancy, suicide, having eating disorders, and engaging in other harmful behaviors such as use of alcohol, tobacco, and other drugs; and

NOW, THEREFORE, I Bruce Johnson, Mayor of Gridley, do hereby proclaim February 2020 as National Teen Dating Violence Awareness and Prevention Month. I urge all lawmakers, educators and parents to work toward ending teen dating violence by supporting their communities' efforts to empower teens to develop healthier relationships.

I encourage community leaders to assist victims in finding and accessing the resources, to develop a comprehensive response to dating violence, and to engage in discussions with adult and youth community members to promote awareness and prevention of teen dating violence in their communities.

Bruce Johnson, Mayor

Gridley City Council – Special City Council Meeting Minutes

Tuesday, January 21, 2020; 5:30 pm
Gridley City Hall, 685 Kentucky Street, Gridley, CA 95948

“Our purpose is to continuously enhance our community’s vitality and overall quality of life. We are committed to providing high quality, cost-effective municipal services and forming productive partnerships with our residents and regional organizations. We collectively develop, share, and are guided by a clear vision, values, and meaningful objectives.”

CALL TO ORDER

Mayor Johnson called the meeting to order at 5:30 p.m.

ROLL CALL

Council Members

Present: Johnson, Crye, Williams, Borges
Absent: Torres

Staff present: Paul Eckert, City Administrator
Tony Galyean, City Attorney
Daryl Dye, Utilities Director

ITEMS FOR COUNCIL CONSIDERATION

1. Interviews of Candidates to fill Planning Commissioner Vacancies

Mayor Johnson invited both candidates to speak regarding their interest to serve on the Planning Commission. Kenneth Wolfe and Maria Espino each addressed Council expressing their appreciation for the opportunity and their desire to continue serving in the capacity of Planning Commissioners.

After brief Council discussion, motion to appoint Kenneth Wolfe and Maria Espino to serve another term on the Planning Commission by Mayor Johnson, seconded by Vice Mayor Williams.

Motion passed, all in favor

ADJOURNMENT

With no further items for discussion, Council adjourned to the regularly scheduled meeting on Tuesday, January 21, 2020 at 6:00 p.m.

Paul Eckert, City Clerk

Gridley City Council – Regular City Council Meeting Minutes

Tuesday, January 21, 2020; 6:00 pm
Gridley City Hall, 685 Kentucky Street, Gridley, CA 95948

“Our purpose is to continuously enhance our community’s vitality and overall quality of life. We are committed to providing high quality, cost-effective municipal services and forming productive partnerships with our residents and regional organizations. We collectively develop, share, and are guided by a clear vision, values, and meaningful objectives.”

CALL TO ORDER

Mayor Johnson called the meeting to order at 6:00 p.m.

ROLL CALL

Council Members

Present: Crye, Johnson, Williams, Borges
Absent: Torres
Arriving after roll call: None

Staff present:

Paul Eckert, City Administrator
Tony Galyean, City Attorney
Al Byers, Police Chief
Daryl Dye, Utilities Director
Danny Howard, Electric Supervisor
Ross Pippitt, Public Works Supervisor

PLEDGE OF ALLEGIANCE

Mayor Johnson led the Pledge of Allegiance

INVOCATION

The invocation was provided by Bishop Terry Hamblin, Church of Jesus Christ, Latter-Day Saints

PROCLAMATIONS – None

INTRODUCTION OF NEW OR PROMOTED EMPLOYEES - None

COMMUNITY PARTICIPATION FORUM

Recreation Coordinator Trina Leishman updated Council on the progress on the Vierra Park Playground Equipment project.

CONSENT AGENDA

1. City Council minutes dated December 16, 2019

2. A Resolution of The City Council of The City of Gridley Adopting a Name Change to The Final CEQA Plus Initial Study and Mitigated Negative Declaration and Notice of Determination (Sch#2019079100) To the Little Avenue Force Main and Lift Station Improvements
3. A Resolution of The City Council of The City of Gridley Authorizing the Finance Director to Write Off Delinquent Utility Accounts from July 1, 2018 to June 30, 2019

Motion to approve the consent agenda by Vice Mayor Williams, seconded by Council member Borges.

Motion passed, all in favor.

ITEMS FOR COUNCIL CONSIDERATION

4. Approval of a revision to the City's Master Fee Schedule by adding a new DG Rate for Electric Service with Distributed Generation

Utilities Director Daryl Dye gave a PowerPoint slide presentation that reviewed the proposed changes and the need for a new DG rate.

Phillip Burgess, Roy Sheppard and Patrick Coghlan spoke against the proposed changes. Damien Mrakuzic spoke in favor of the changes.

After Council discussion, motion to approve item #4 by Vice Mayor Williams, seconded by Council member Borges.

ROLL CALL VOTE

Ayes: Johnson, Crye, Williams, Borges

Motion passed, 4-0

5. Revised Contract Award for Construction of the Electric Department Building Addition to Uniq Building Inc.

Utilities Director Daryl Dye presented the revised contract to Council.

Motion to approve the revised contract with the addition of a not to exceed amount of \$30,000 to enclose the third bay and install a roll-up door.

ROLL CALL VOTE

Ayes: Borges, Williams, Crye, Johnson

Motion passed, 4-0

CITY STAFF AND COUNCIL COMMITTEE REPORTS

Mayor Johnson reported on the meeting he attended with Butte County Mosquito and Vector Control District. The Sutter Butte Flood Control Agency meeting was canceled.

POTENTIAL FUTURE CITY COUNCIL ITEMS - (Appearing on the Agenda within 30-90 days):

Police Department Digital Radio System	2/3/2020
Fluoride Elimination	2/3/2020
IT Contract with Oroville	2/3/2020
Grant Writer	2/3/2020
Police Service Agreement	2/3/2020
Garbage Services RFP Approval	3/16/2020
Audit Approval	3/16/2020
Annual Budget FY 20-21 Introduction	4/20/2020
Budget Review	5/4/2020
Budget Review	5/18/2020
Budget Adoption	6/15/2020

CLOSED SESSION - Closed Session pursuant to Government Code Section 54957 Public Employee Performance Evaluation, Title: Utilities Director

Council went into Closed Session at 7:10 p.m. Council came out of Closed Session at 7:53 p.m. and the Mayor announced the hiring of Ross Pippitt as Public Works Director and Daniel Howard as Electric Utility Director effective February 23, 2020. The Council authorized the Mayor to sign the employment offer letters and directed the City Administrator to develop updated employment agreements, using already approved salary and benefit levels for all Department Directors, for the Mayor's signature.

ADJOURNMENT

With no further items for discussion, Council adjourned to the next regularly scheduled meeting on Monday, February 3, 2020.

Paul Eckert, City Administrator

City Council Agenda Item #2
Staff Report

Date: February 3, 2020
To: Mayor and City Council
From: Paul Eckert, City Administrator/Finance Director
Subject: Short-term Contract for Accounting Services

X	Regular
	Special
	Closed
	Emergency

Recommendation - Staff respectfully requests the City Council consider and approve the attached master services agreement contract and approve the accounting support services for software implementation from Eide Bailly and authorize Paul Eckert, City Administrator/Finance Director to execute contracts related to the accounting services and software implementation services proposals.

Background - The Mayor and City Council last year approved the contract to purchase new integrated financial software, replacing the outdated and very inadequate MOM’s software. The implementation of the Tyler Technologies software is proceeding very smoothly and elements of the software will go online in the next several months. Tyler Technologies is exceeding our expectations with their commitment to assist us with the transition. However, and as mentioned last year during the Council conversations, work is required to improve our fundamental financial accounting structure that is beyond the role of a software vendor. Staff recommends a restructuring of our accounting structure, including our “Chart of Accounts”. A Chart of Accounts is essentially the structure of all of our accounting line items. Our current structure is exceptionally illogical and cumbersome making simple tasks such as identifying the current General Fund balance difficult and uncertain.

Staff recommends a short-term accounting and advisory services agreement with Eide Bailly to develop a new system that complies with the current “Best Practices” in accounting that will significantly improve our overall accounting efficiency and accuracy and also better meet Federal and State expectations.

Financial Impact – Funding for the proposed short-term accounting services are available due to recent vacancies within the Finance Department.

Compliance with the City Council Strategic Plan or Budget Goals

This recommendation is consistent with our ongoing efforts to be fully transparent and compliant with all legal standards and financial reporting obligations.

Attachment - Eide Bailly Master Services Agreement and proposal for accounting support services and financial software implementation services.

City of Gridley



MASTER SERVICES AGREEMENT

THIS AGREEMENT (“Agreement”) is made this 10th day of January, 2020 and between City of Gridley (“Customer”), on behalf of itself and its affiliates and Eide Bailly LLP.

Customer hereby engages Eide Bailly LLP to perform various projects from time to time, according to the terms of this Agreement and its Schedules, Statements of Work and Proposals as follows:

NOW, THEREFORE, Customer and Eide Bailly LLP mutually agree as follows:

1. DEFINITIONS

- A. Schedule – Shall mean and refer to documents referencing this Agreement and specifying work to be accomplished by Eide Bailly LLP and to be paid for by Customer. Schedules shall, once executed, become a part of this Agreement and they shall define the scope of work to be accomplished in conjunction with a specific project and provide a fee for accomplishment of this work. Project details concerning methodologies, deliverables and project plans shall be provided in the project Proposal (if applicable), which shall be attached to the corresponding Schedule.
- B. Statement of Work - Shall mean and refer to documents referencing this Agreement and specifying work to be accomplished by Eide Bailly LLP and to be paid for by Customer. Statements of Work shall, once executed, become a part of this Agreement and they shall define the scope of work to be accomplished in conjunction with a specific project and provide a fee for accomplishment of this work. Project details concerning methodologies, deliverables and project plans shall be provided in the project Proposal (if applicable), which shall be attached to the corresponding Statement of Work.
- C. Proposal – Shall mean and refer to the project Proposal, which shall provide specific project details and shall be prepared and submitted by Eide Bailly LLP and accepted by Customer. The Proposal shall be attached to the appropriate Schedule or Statement of Work (if applicable) and shall provide specific project methodologies, deliverables and project plans. The Proposal shall be attached to an appropriate Schedule or Statement of Work (if applicable) and shall be made part of this Agreement upon acceptance by Customer.

2. PROJECT UNDERTAKING

Customer hereby retains Eide Bailly LLP and Eide Bailly LLP hereby agrees to perform certain professional services in support of designated projects as directed by Customer. Eide Bailly LLP shall devote sufficient time and effort and shall allocate sufficient personnel and resources to the designated project as may be required for successful completion thereof. Eide Bailly LLP shall conduct and conclude project activities in a professional manner. Unless otherwise agreed to by the parties, all work will be performed at Eide Bailly LLP facilities.

3. TERM AND TERMINATION

The term of this Agreement (“Term”) shall continue in full force and effect until all projects are completed. This Agreement may be terminated by either party, without cause, upon thirty (30) calendar days’ written notice provided that any such termination shall only be effective as to an ongoing assignment specified in a Schedule when the minimum term for such assignment specified in a Schedule has been completed. In the event of termination by Customer other than for a material breach of this Agreement by Eide Bailly LLP, and in the event of termination by Eide Bailly LLP, because of Customer’s breach of this Agreement, Eide Bailly LLP shall be entitled to receive payment for all services performed up to the effective date of termination at the labor rates set for in the Schedule. In the case of a Schedule providing for services at a fixed price, Eide Bailly LLP shall be entitled to receive payment of a percentage of the agreed aggregate fixed price proportionate to the amount of work completed. Customer shall also reimburse Eide Bailly LLP for any additional travel, living and relocation expenses incurred by Eide Bailly LLP as a result of such early termination including, without limitation, any costs associated with breaking apartment leases which have been approved in writing by Customer for Eide Bailly LLP’s employees assigned to Customer projects.

4. PRICES

Eide Bailly LLP shall be compensated for all services performed within the scope of this Agreement at the prices or rates set forth in the Schedules, Statements of Work, and Proposals between Customer and Eide Bailly LLP. The prices stated for services include all taxes, except that Customer shall pay any state and local sales or use tax imposed thereon. Customer shall not pay for any services outside the scope of this Agreement unless Customer has authorized these additional services in advance.

5. CERTAIN OUT-OF-POCKET EXPENSES

Except as set forth in the Schedules, Statements of Work, and Proposals between Customer and Eide Bailly LLP, prices quoted for services to be performed on a time and materials basis do not include Eide Bailly LLP's out-of-pocket costs for travel (air and cab fare, lodging, auto rental, per diem, mileage where no auto rental, parking fees, etc.), overnight courier and telephone, etc. Such costs shall be billed to Customer at Eide Bailly LLP's actual cost. Except as set forth in the Schedules, Statements of Work, and Proposals between Customer and Eide Bailly LLP, prices quoted for services to be performed on a fixed price basis include all of Eide Bailly LLP's out-of-pocket costs for travel, overnight courier and telephone.

6. INVOICES AND PAYMENT

Eide Bailly LLP shall submit biweekly invoices to Customer for services rendered hereunder on a time and material basis. Services rendered hereunder on a fixed price basis shall be invoiced as provided in the payment schedule set forth in the Schedule, Statement of Work, or Proposal. Payment shall be due upon receipt. Any payment not made when due shall be subject to a service charge at the rate of one percent (1%) per month, or if less, the highest rate permitted by law.

7. NON-SOLICITATION

Customer acknowledges that personnel to be provided by Eide Bailly LLP represent a significant investment in recruitment and training, and that the loss of such personnel would be detrimental to Eide Bailly LLP's current and future business and profits.

In consideration of the foregoing, Customer agrees that for the term of this Agreement and for a period of one (1) year after this termination, Customer will not directly or indirectly:

- A. Recruit, hire, engage or attempt to recruit, hire, engage or discuss employment with, or otherwise utilize the services in any capacity of any person who shall have been an employee, agent or consultant to Eide Bailly LLP at any time during the term of this Agreement: or
- B. Induce any person who shall have been an employee, agent of or consultant to Eide Bailly LLP at any time during their term of this Agreement to terminate his or her relationship with Eide Bailly LLP or any related company or introduce such person to any potential employer. These same obligations shall be binding upon Eide Bailly LLP with respect to any person who is an employee, agent of or consultant to Customer at any time during the term of this Agreement.

If during the term of this Agreement and for a period of one (1) year after this termination, Customer hires any employee, agent or consultant to Eide Bailly LLP, Customer agrees to reimburse Eide Bailly LLP a one-time fee of one hundred percent (100%) of that employee, agent or consultant's annual compensation to cover recruitment and training costs.

8. CONFIDENTIAL INFORMATION

- A. Acknowledgement of Confidentiality – Each party hereby acknowledges that it may be exposed to confidential and propriety information of the other party including, without limitation, Custom Work Product, embedded software (if any) and other technical information (including functional and technical specifications, designs, drawings, analysis, research, processes, computer programs, methods, ideas, "know how" and the like), business information (sales and marketing research, materials, plans, accounting and financial information, personnel records and the like) and other information designated as confidential expressly or by the circumstances in which it is provided ("Confidential Information"). Confidential Information does not include (i) information already known or independently developed by the recipient, or (ii) information in the public domain through no wrongful act of the recipient, or (iii) information received by the recipient from a third party who was free to disclose it.

- B. **Covenant Not to Disclose** – With respect to the other party's Confidential Information, the recipient hereby agrees that during the Term and at all times thereafter it shall not use, commercialize or disclose such Confidential Information to any person or entity, except to its own employees having a “need to know” (and who are themselves bound by similar nondisclosure restrictions), and to such other recipients as the other party may approve in writing, provided, that all such recipients shall have first executed a confidentiality agreement in a form acceptable to the owner of such information. Neither Eide Bailly LLP nor any recipient may alter or remove from any software or associated documentation owned or provided by Customer any proprietary, copyright, trademark or trade safeguarding the other party's Confidential Information as it uses in safeguarding its own comparable Confidential Information.

9. COOPERATION WITH OTHER CONTRACTORS

Eide Bailly LLP shall cooperate with other contractors working on projects for Customer as may reasonably be required in order to execute efficiently projects for Customer.

10. WARRANTIES

Good and Workmanlike Manner – Eide Bailly LLP represents and warrants to Customer that all services provided hereunder will be performed to the best of its ability in a good and workmanlike manner.

Non-Infringement Warranty – Eide Bailly LLP represents and warrants to Customer that the Custom Work Product and any embedded software, when properly used as contemplated herein, will not infringe or misappropriate any United States copyright, trademark, patent, or other trade secrets of any third persons. Upon being notified of such a claim, Eide Bailly LLP shall at its cost (i) defend through litigation or obtain through negotiation the right of Customer to continue using the Custom Work Product, (ii) rework the Custom Work Product so as to make it non-infringing while preserving the original functionality, or (iii) replace the Custom Work Product with functionally equivalent software. If Customer determines that none of the foregoing alternatives provide an adequate remedy, Customer may terminate all or any part of this Agreement and, in addition to other relief, recover amount paid hereunder.

Optional Ongoing Maintenance – If required by Customer, Eide Bailly LLP shall provide additional ongoing maintenance services pursuant to a separate maintenance agreement in order to fix future problems and enhance the Custom Work Product. The fees for such maintenance services shall be negotiated between the parties.

11. LIMITATION OF LIABILITY AND NO PUNITIVE DAMAGES

The exclusive remedy available to you in any adjudication proceeding shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by us of our duties under this agreement and/or under applicable professional standards, such damages will be limited to no more than two times fees paid under this agreement. In no event shall we be liable to you for any punitive or exemplary damages, or for attorneys' fees.

12. TIME LIMITATION

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any Dispute. We both agree that, notwithstanding any statute of limitations that might otherwise apply to a Dispute, it is reasonable that you may not bring any legal proceeding against us unless it is commenced within twenty-four (24) months (“Limitation Period”) after the date when we deliver our report or other deliverable under this agreement to you. The Limitations Period applies and begins to run even if you have not suffered any damage or loss, or have not become aware of the existence or possible existence of a Dispute.

13. INDEMNITY

- A. If a claim is brought against you by a third-party that arises out of or is in any way related to the services provided under this engagement, you agree to indemnify Eide Bailly, its partners, affiliates, officers and employees, against any losses, including settlement payments, judgments, damage awards, punitive or exemplary damages, and the costs of litigation (including attorneys' fees) associated with the services performed hereunder provided that the services were performed in accordance with professional standards, in all material respects.

- B. Eide Bailly will indemnify and hold harmless Customer, its officers, directors, employees and agents from any and all claims, losses, liabilities, damages, expenses and costs (including attorneys' fees and court costs) relating to, resulting from, or arising out of (i) a breach or alleged breach of any representation or warranty of Eide Bailly (a "Claim") set forth in this Agreement or (ii) any negligence or willful misconduct. Customer will give Eide Bailly written notice of any such Claim and Eide Bailly has the right to participate in the defense of any such Claim at its expense.
- C. Customer will indemnify and hold harmless Eide Bailly, its partners, affiliates, officers, directors, employees and agents from any and all claims, losses, liabilities, damages, expenses and costs (including attorneys' fees and court costs) relating to, resulting from, or arising out of (i) a breach or alleged breach of any representation or warranty of Customer (a "Claim") set forth in this Agreement or (ii) any negligence or willful misconduct. Eide Bailly will give Customer written notice of any such Claim and Customer has the right to participate in the defense of any such Claim at its expense.
- D. Each Party will indemnify the other Party against any personal injury claim or action brought against the other Party arising from the indemnifying Party's gross negligence or willful misconduct. Each Party will give the other Party written notice of any such claim and the other Party has the right to participate in the defense of any such claim at its expense.

14. ASSIGNMENTS PROHIBITED

You agree that you will not and may not assign, sell, barter or transfer any legal rights, causes of actions, claims or Disputes you may have with or against Eide Bailly, its partners, affiliates, officers and employees, to any other person or party, or to any trustee, receiver or other third party.

15. NOTICES

Notices sent to either party shall be effective upon delivery when delivered in person and shall be effective one (1) day after being sent by overnight courier, or two (2) days after being sent by first class mail postage prepaid to the address set forth below, or at such other address as the parties may from time to time give notice:

City of Gridley
685 Kentucky St
Gridley, California 95948

EIDE BAILLY LLP
4310 17th Ave S.
Fargo, ND 58108-2545

16. DEFAULT

Either party may be declared in default of this Agreement if it breaches any material provision hereof and fails within thirty (30) days after receipt of written notice of default to correct such default or to commence corrective action reasonably acceptable to the other party and proceed with due diligence to completion. Either party shall be in default hereof if it becomes insolvent, makes an assignment for the benefit of its creditors, a receiver is appointed or a petition in bankruptcy is filed with respect to the party and is not dismissed within thirty (30) days.

17. DISPUTE RESOLUTION

The following procedures shall be used to resolve any disagreement, controversy or claim that may arise out of any aspect of our services or relationship with you, including this engagement, for any reason ("Dispute"). Specifically, we agree to first mediate.

Mediation

All Disputes between us shall first be submitted to non-binding mediation by written notice ("Mediation Notice") to the other party. In mediation, we will work with you to resolve any differences voluntarily with the aid of an impartial mediator. The mediator will be selected by mutual agreement, but if we cannot agree on a mediator, one shall be designated by the American Arbitration Association ("AAA").

The mediation will be conducted as specified by the mediator and agreed upon by the parties. The parties agree to discuss their differences in good faith and to attempt, with the assistance of the mediator, to reach an amicable resolution of the Dispute. Mediation will be conducted with the parties in person in Minneapolis, Minnesota.

Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties.

Either party may commence suit on a Dispute after the mediator declares an impasse.

Governing Law and Venue

We both agree to submit any unresolved Dispute to trial by a federal or state court venue in Minneapolis, Minnesota. This agreement shall be governed by and construed in accordance with the laws of the State of Minnesota (regardless of the laws that might be applicable under the principles of conflict of law) as to all matters including without limitation, matters of validity, construction, effect, and performance.

18. INDEPENDENT CONTRACTORS STATUS

It is understood and agreed that Eide Bailly LLP is retained only for the purpose and to the extent set forth in this Agreement, and that the relationship of Eide Bailly LLP and Eide Bailly LLP's employees, agents or subcontractors to Customer during the term of this Agreement shall be that of independent contractors. Eide Bailly LLP shall have the sole and exclusive control over its employees or subcontractors who provide services to Customer hereunder, and over the labor and employee relations policies and policies relating to wages, hours, working conditions or other conditions of its employees, agents or subcontractors. Eide Bailly LLP shall have the sole and exclusive right to hire, transfer, suspend layoff, recall, assign, discipline, adjust grievances and discharge said employees or subcontractors.

19. PAYMENT OF EIDE BAILLY LLP PERSONNEL

Eide Bailly LLP agrees to be solely responsible for all salaries and other compensation of all Eide Bailly LLP employees, agents or subcontractors who provide services to Customer hereunder and work on designated projects. Eide Bailly LLP further agrees that it will be solely responsible for making all necessary deductions and withholdings from its employees' salaries and other compensation, and for the payment of any and all contributions, taxes, and assessments and agrees to comply with all other requirements of the Federal Social Security, State Unemployment Compensation and Federal Withholding of Income Tax Laws on all salary and other compensation of said employees or subcontractors.

20. NONEXCLUSIVE AGREEMENT

It is agreed by the parties hereto that this is not an exclusive agreement and that Customer has the right to use or contract for the use of similar services from other contractors or providers. Likewise, Eide Bailly LLP has the right to provide and contract to provide similar services to other clients.

21. NO VOLUME GUARANTEE

Other than services specified on an applicable Schedule, Statement of Work and/or Proposal it is understood that no promises or representations whatsoever have been made as to the potential amount of business Eide Bailly LLP can expect at any time during the term of this Agreement.

Eide Bailly LLP represents and warrants that Eide Bailly LLP is solely responsible for any expenses incurred by it related to this Agreement and agrees that Customer shall not be obligated for any expense incurred by Eide Bailly LLP in connection with any change in the number of Eide Bailly LLP's employees utilized, or expenditures made by Eide Bailly LLP for additional facilities or equipment unless approved in writing in advance by the Customer.

22. CUSTOMER RESPONSIBILITIES

Customer accepts responsibility for the results of the services being provided and agrees to perform the following functions in connection with this agreement:

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

23. SECURITY NO CONFLICTS

Eide Bailly LLP agrees that Eide Bailly LLP's employees, representatives and agents upon entering Customer's premises shall, if required, sign in at the facility "SIGN-IN LOG" and, if applicable, shall wear visible identification specifying Eide Bailly LLP's name. Eide Bailly LLP employees, representatives and agents shall be subject at all times to Customer's security policies and procedures.

Each party agrees to inform the other of any information made available to the other that is classified or restricted data, agrees to comply with the security requirements imposed by any state or local government, or by the United States Government, and shall return all such material upon request. Each party warrants that its participation in this Agreement does not create any conflict of interest prohibited by the United States Government or any other domestic or foreign government and shall promptly notify the other party if any such conflict arises during the Term.

24. INTELLECTUAL PROPERTY

Eide Bailly LLP shall own all right, title and interest in all intellectual property that proceeded before the performance of this contract. Intellectual property includes names, logos, technology, software, reports, tools, spreadsheets, presentations, cost information, and all data developed by Eide Bailly LLP. Customer agrees to not share, distribute and/or communicate Eide Bailly LLP's intellectual property without the express written consent of Eide Bailly LLP. In addition, Eide Bailly LLP holds rights to discoveries not already held by the Customer. All intellectual property, names, logos, technology, software, reports, tools, spreadsheets, presentations, cost information, and all data of the Customer remains subject to confidentiality and use as agreed upon.

25. INSURANCE

Eide Bailly LLP shall maintain at its own expense (1) Worker's Compensation Insurance and employer's Liability Insurance. Limits of liability shall be statutory limits under the Worker's Compensation and not less than \$500,000 under the Employer's Liability portion; (2) Commercial General Liability Insurance, including Contractual Liability coverage to cover the indemnity provisions of this Agreement, with limits of not less than \$1,000,000 combined single limits for bodily injury and property damage; (3) Automobile Liability Insurance with limits of not less than \$1,000,000 combined single limits for bodily injury and property damage. Customer shall be named as an additional insured on Eide Bailly LLP's insurance policy (except for Worker's Compensation) and a certificate of insurance shall be provided to Customer confirming the above referenced coverage's.

26. COMPLIANCE WITH IMMIGRATION LAW

Eide Bailly LLP shall comply with all applicable immigration laws and regulations with respect to any alien employees assigned to perform services for Customer. Customer agrees to permit Eide Bailly LLP to post at the worksite any notices required to be so posted under such laws or regulations.

27. RIGHTS UPON TERMINATION

Upon termination or other expiration of this Agreement, Eide Bailly LLP agrees to immediately return to Customer all papers, materials and other properties of Customer held by Eide Bailly LLP relating to the services performed hereunder.

28. COUNTERPARTS

This Agreement may be executed in two counterparts, both of which taken together shall constitute a single Agreement between parties.



IN WITNESS THEREOF, and intending to be legally bound, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

City of Gridley

EIDE BAILLY LLP

By _____

Date _____

Date _____



INSPIRED TO HELP YOU REACH YOUR GOALS



January 10, 2020

EIDE BAILLY TECHNOLOGY CONSULTING

Software Implementation Consulting Services

City of Gridley



REACH YOUR GOALS

Executive Summary

CURRENT SITUATION

City of Gridley has signed an implementation agreement with Tyler Technologies to implement Incode in 2020. While Tyler Technologies will work directly with the City on the implementation, the City may request assistance from Eide Bailly to provide an independent perspective, to share feedback that may not be in Tyler Technologies scope, and to provide software solution implementation advice and guidance.

Services

DESCRIPTION OF SERVICES

At Eide Bailly, we tailor our approach based on the needs of each client. Our approach is designed to collaborate with City of Gridley to achieve optimal results. We will assist the City on an as-needed basis to provide advice and guidance on the Incode implementation. These services may include advice on the chart of accounts setup, a review of the planned Incode configuration, assessment of desired financial reporting to planned configuration, etc.

Other services may include:

- Participating in the Incode implementation by providing guidance as requested, to the leadership of the implementation and conversion team through various aspects of the implementation from planning, data migration and cleansing, configuration, testing, training, project management and other implementation related activities.
- Participating in data conversion planning discussions, understanding conversion and data cleansing needs, ensuring data issues, challenges and limitations are addressed.
- Participating in ERP trainings and configuration sessions where necessary to assist the leadership team and project stakeholders.
- Collaborating with the project leadership team and any Incode consultants to develop effective testing and training strategies.
- Coordinating with the project leadership team to ensure key implementation, configuration, and business rule decisions are being made and made timely.

- Participating in regular status meetings with the project team and its vendor/partners and communicating regularly with the project team and client management.

Services will be provided by appropriate Eide Bailly consultants based on expertise necessary for the task. Work will be performed on and offsite from the client’s location throughout the implementation of the software in 2020.

Cost Proposal

EXPECTED HOURS AND FEES

Our fees are based on the complexity of the issue and the experience level of the staff members necessary to address it. If you request additional services, we will obtain your agreement on fees before commencing work so there are no surprises or hidden fees.

We propose the following fees based on our understanding of the scope of work and the level of involvement of City of Gridley staff:

Engagement

PROFESSIONAL SERVICES AND FEES	Rate	Est. Fees
Implementation Consulting Services	\$225/hour	\$18,000 - \$22,500

Because of the nature of these consulting services, all services will be billed on a time and materials basis. The estimated fees are based on 80 – 100 hours of as-needed consulting services which assumes the City will need a limited amount of services throughout the implementation. Should additional services be required, a change order will be provided prior to any work being performed. A combination of resources may be utilized on this project.

Key Assumptions

- Work will be performed both on and offsite from the client’s location. We expect that consultants from our various geographies to perform work on this project.
- Upon acceptance of this agreement, services within the scope of this project will be billed on a time and material basis. This includes all meetings, communication, research and other work required to complete this Statement of Work. The hours quoted in this Statement of Work represent our best estimate for the stated scope and timeframe; actual hours could vary.
- Billing is completed in 15-minute increments, with a minimum of 6 hours billed for on-site time.
- In the event a change in scope or fees is required, Eide Bailly will provide Client with a Change Request that includes the scope change and the estimated hours to complete the scope change. Client will sign and return the Change Request as authorization to proceed with the changes.
- Client management, including representatives of key areas of the business, will actively participate in this project and provide a timely response when needed. Client will ensure that personnel participating in meetings, project communication, requirements gathering if necessary, and approving completed work are authorized to represent and make decisions on behalf of Client.
- Travel time for consultants is billed from the consultant’s home office at \$100 per hour.
- Travel expenses, including airfare, car rental, lodging, meals, mileage, and other out of pocket expenses will be billed in addition to the above fees as incurred
- Fees and expenses will be billed bi-weekly. Payment is due upon receipt.
- Eide Bailly may suspend services if the account does not remain in good financial standing.
- This statement of work must be executed within 30 days.

Details of Engagement

WE WANT TO WORK WITH YOU.

This schedule shall be effective as of January 10, 2020 and remain in effect until terminated by mutual agreement of both parties. The services set forth are to be provided to City of Gridley in accordance with, and are subject to, the terms and conditions of the Master Service Agreement between Eide Bailly LLP and City of Gridley.

Signatures

IN WITNESS, WHEREOF, the parties have duly executed the Agreement as of the day and year first written above.

City of Gridley

Eide Bailly LLP

Shelley Earsley | Partner

Printed Name

Date

Date