



Meeting:

**Reservoir Committee & Authority Board  
Agenda Item 1.4**

**June 20, 2025**

Subject:

**Annual Financial Statement & Single Audit Services Contract**

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**Requested Action:**

Reservoir Committee and Authority Board consider approval of authorizing the Executive Director to execute a consulting contract for Financial Audit Services with Richardson & Company, LLP in an amount not to exceed \$33,900 for FY2025, \$35,750 for FY2025 and \$40,500 for FY2027 with an additional one-time \$20,000 for additional services as needed with the option to continue an additional two years based on performance.

**Detailed Description/Background:**

The current auditor, Fechter, is performing the audit of the Authority's 2024 financials. Fechter has been performing the Authority's audits for 9 years and best practice dictates that a new auditor be procured for audit services starting with the 2025 audit. On April 1, 2025, the Sites Authority released a Request for Proposals (RFP) to solicit proposals providing financial auditing services. The RFP was posted on the Sites Authority's website, and additional outreach was conducted to known firms. The Sites Authority received eight proposals. In coordination with the Board Treasurer, Staff performed an evaluation of proposals and conducted interviews with the highest rated four firms. The selection committee determined Richardson & Company best possesses the capabilities necessary to fulfill the needs of the solicitation. The firm has experience performing these services for water agencies across the state. The proposed annual fees and hourly rates were determined to be in line with the market and are fair and reasonable.

Richardson & Company will provide annual audit services for the Sites Authority's financial statements including the disclosures and required supplementary information, the annual federal single audit, and file the California State Controllers annual report of financial transactions. The firm may also provide additional accounting guidance as requested by the Authority based on time and materials basis at the Consultant's agreed upon billing rates. Audit services would be provided with an initial contract authority for the Executive Director of \$33,900 for the FY25 audit, \$35,750 for the FY26 audit, and \$40,500 for the FY27 audit. The approval to enter into this contract with Richardson would also include the Executive Director the authority to increase

the contract amount by a total of up to \$20,000 for additional services on an as needed basis based on hourly rates ranging from \$65/hr to \$220/hr.

**Prior Action:**

None

**Fiscal Impact/Funding Source:**

The financial statement audit services that will be incurred in FY2025 are included in the Amendment 3 work plan and can accommodate the proposed one-time \$20,000 additional services. Budget for future years' base audit services will be captured in the FY26, FY27 and FY28 budgets, which will be brought to the Board for adoption. The negotiated fees to perform this work are in alignment with market rates and are comparable to the rates of our prior auditor.

**Staff Contact:**

Shayleen O'Connell

**Primary Service Provider:**

None

**Attachments:**

None