

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Human Resources Department

AGENDA DATE: May 26, 2020

CONTACT PERSON/PHONE: Linda Ball Thomas, Human Resources Director, 915-212-1240
Bruce D. Collins, Purchasing & Strategic Sourcing Director, 915-212-1181

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: NO. 6: Set the Standard for Sound Governance and Fiscal Management

SUBJECT:

That the City Manager be authorized to sign Consent to Assignment of Contract from Springsted Waters Incorporated. (Assignor) to Baker Tilly Virchow Krause, LLP an Illinois Limited Liability Partnership. ("Assignee") with respect to the City of El Paso's Contract No. 2018-974R.

BACKGROUND / DISCUSSION:

Contract 2018-974R Executive Recruiting Services for Human Resources was approved on April 3, 2018 and is effective for a three-year term from April 3, 2018 to April 21, 2021 with a two (2), one-year option to extend.

SELECTION SUMMARY

N/A

PROTEST

☒ No protest received for this requirement.

☐ Protest received

CONTRACT VARIANCE:

N/A

PRIOR COUNCIL ACTION:

Motion to award contract 2018-974R was made by City Council on April 3, 2018.

AMOUNT AND SOURCE OF FUNDING:

The total estimated amount of the three-year period is for \$867,300.00. This assignment creates no change to the amount awarded.

Department: 999; Division: 99999; Fund: 9999; Account: 999999

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD: _____

COUNCIL PROJECT FORM

(CONSENT TO ASSIGNMENT)

Please place the following Item on the CONSENT agenda (under **RESOLUTIONS**) for the Council Meeting of **MAY 26, 2020.**

STRATEGIC GOAL: NO. 6 Set the Standard for Sound Governance and Fiscal Management

The linkage to the strategic plan is subsection 6.1 – Recruit and retain a skilled and diverse workforce. This contract will support the Human Resources Department in recruiting a skilled and diverse workforce.

Award Summary:

That the City Manager be authorized to sign Consent to Assignment of Contract from Springsted Waters Incorporated. (Assignor) to Baker Tilly Virchow Krause, LLP an Illinois Limited Liability Partnership. ("Assignee") with respect to the City of El Paso's Contract No. 2018-974R.

Additionally, it is requested that the City Attorney's Office review and that the City Manager be authorized to execute any related contract documents and agreements necessary to effectuate this award.

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

THAT the City Manager be authorized to sign Consent to Assignment of Contract from Springsted Waters Incorporated. (Assignor) to Baker Tilly Virchow Krause. LLP an Illinois Limited Liability Partnership. ("Assignee") with respect to the City of El Paso's Contract No. 2018-974R for Executive Recruiting Services.

PASSED AND APPROVED this ____ day of _____ 2020.

CITY OF EL PASO:

Dee Margo
Mayor

ATTEST:

Laura D. Prine
City Clerk

APPROVED AS TO FORM:

Leslie B. Jean-Pierre
Assistant City Attorney

APPROVED AS TO CONTENT:

Bruce D. Collins, Director
Purchasing and Strategic Sourcing Department

STATE OF TEXAS)
)
COUNTY OF EL PASO)

**CONSENT TO ASSIGNMENT OF
CONTRACT NO. 2018-974R**

This Consent to Assignment is executed this ____ day of _____ 2020, by and among the City of El Paso (the "City"), Springsted Human Capital Advisors Incorporated a Minnesota Corporation doing business as Springsted Waters Incorporated ("Assignor") and Baker Tilly Virchow Krause, LLP an Illinois Limited Liability Partnership ("Assignee").

WHEREAS, on April 3, 2018, the City entered into Contract No. 2018-974R for Executive Recruiting Services ("Contract") with Assignor for an initial term of thirty six (36) months and a two (2), one-year option to extend which is fully incorporated herein by reference to provide such services to the City;

WHEREAS, after entering into said Contract on April 1, 2019, the assets of Assignor were transferred to Assignee;

WHEREAS, the Contract provides that it is not assignable without the consent of the City;

WHEREAS, Assignor has requested that the City approve an assignment of the Contract to Assignee;

WHEREAS, Assignee has agreed to be responsible for all duties and obligations under the Contract; and

WHEREAS, the City agrees to the assignment of all rights, duties and obligations encompassed in the Contract to Assignee.

NOW, THEREFORE, IT IS HEREBY AGREED as follows:

1. The City consents to the assignment of the rights, duties and obligations under Contract No. 2018-974R to Assignee.
2. Assignee agrees to assume and perform all duties, obligations and responsibilities under Contract No. 2018-974R
3. All terms and conditions of Contract No. 2018-974R shall remain in full force and effect.

NOW, THEREFORE, IT IS HEREBY AGREED as follows:

2. The City consents to the assignment of the rights, duties and obligations under Contract No. 2018-974R to Assignee.
3. As of the execution date of this Consent to Assignment, Assignee agrees to assume and perform all duties, obligations and responsibilities under Contract No. 2018-974R.
4. All terms and conditions of Contract No. 2018-974R shall remain in full force and effect.

(Signature page to follow)

STATE OF TEXAS)
)
COUNTY OF EL PASO)

**CONSENT TO ASSIGNMENT OF
CONTRACT NO. 2018-974R**

EXECUTED this the ____ day of May, 2020

THE CITY OF EL PASO:

Tomás González
City Manager

APPROVED AS TO FORM:

Leslie B. Jean-Pierre
Assistant City Attorney

APPROVED AS TO CONTENT:

Bruce D. Collins, Director
Purchasing and Strategic Sourcing Dept.

ASSIGNOR:

Name: _____
Title: _____

ASSIGNEE:

Name: _____
Title: _____

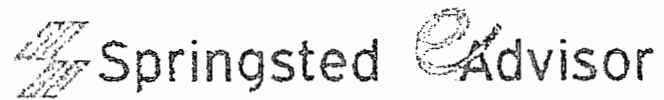
MOTION
APRIL 3, 2018

Motion made by Representative Ordaz Perez, seconded by Mayor Pro Tempore Noe, and unanimously carried to **AWARD** Solicitation No. 2018-974R Executive Recruiting Services for on-call executive recruitment services. Services will be requested on a task order basis by and between the following two (2) firms:

1. Ralph Andersen & Associates; and
2. Springsted Waters Incorporated

Each consultant will perform the work on a task order basis pursuant to the rates established in Solicitation No. 2018-974R. Each on-call executive recruitment award will be for a total estimated amount not to exceed Four Hundred & Fifty Thousand and No/00 Dollars (\$450,000.00) for a term of three (3) years with the option to extend the term for two (2) additional one (1) year periods. In addition, the City Manager is authorized to establish the funding sources and make any necessary budget transfers and execute any and all documents necessary for execution of each On-Call Agreement. Additionally, it is requested that the City Attorney's Office review and that the City Manager be authorized to execute any related contract documents and agreements necessary to effectuate this award. In accordance with this award, the City Manager or designee is authorized to exercise future options if needed. This is a Request for Proposal, Service Contract.

Laura D. Prine, City Clerk



To our valued clients, partners and friends:

We have exciting news! We are pleased to announce our intention to join forces with H.J. Umbaugh and Associates, Municipal Advisors and Certified Public Accountants, LLP (Umbaugh) and Baker Tilly Virchow Krause, LLP (Baker Tilly), a financial services and accounting firm.

Springsted's mission has always been to provide you with high-quality independent advice and comprehensive services. This three-firm combination builds on this mission and approach.

Umbaugh is the largest CPA firm in the U.S. that is a major regional municipal advisory firm, focusing on financial management, capital planning, bond issuance and post issuance advising and consulting for municipalities, utilities, schools, libraries, counties and townships. Like Springsted, Umbaugh provides an array of services which complement their municipal advisory work. These services include utility rate studies and cost-of-service analysis, cash management advisory services, tax increment and economic development strategies and comprehensive financial planning.

Baker Tilly has a longstanding public sector practice with a team of 220 professionals serving nearly 1,000 governmental clients. Baker Tilly's industry concentration in economic development, higher education and healthcare complements its public sector specialization. In addition to governmental auditing, the firm provides advisory services to the public sector which include financial forecasting, TIF projections, consolidations and shared services, forensics and expert witness services, Enterprise Resource Planning (ERP), process and efficiency analysis and internal controls reviews and recommendations. In total, Baker Tilly will now have approximately 3000 employees.

What does this mean for you?

This combination creates one of the largest independent municipal advisory firms in the nation and builds on the services Springsted has historically provided – public finance, economic development, fiscal planning, human capital management and investments. The people you have worked with will remain the same. However, they will now have access to greater resources and a broader array of services. The cultural fit among our three firms is very strong. Each is dedicated to exceptional client service, high professional standards, independence and a commitment to serving the public sector.

What about location and contact information?

Our office locations and phone numbers will remain the same. When our email addresses change in a few months, any messages sent to a former address will automatically forward – there's nothing different you need to do at this time.

When is this happening?

We expect the combination to be effective in the first quarter of this year. As we transition, you will see our new name of Baker Tilly and our new logo used in communications. Bakertilly.com will be our new online home.

What's next?

We will keep you informed as we work through the integration. We would welcome the opportunity to discuss with you how the combined firms can be of benefit to your organization.

Springsted's past success is based on serving you. This exciting next step is a new investment in expanding our services. We are very grateful for your ongoing confidence and trust.

Sincerely,

The SPRINGSTED Group

BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT

This BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Instrument") is effective as of the 1st day of April, 2019, by and among SPRINGSTED INCORPORATED, a Minnesota corporation (the "Company"), SPRINGSTED INVESTMENT ADVISORS INCORPORATED, a Minnesota corporation and wholly owned subsidiary of the Company, and SPRINGSTED HUMAN CAPITAL ADVISORS INCORPORATED, a Minnesota corporation doing business as Springsted Waters Incorporated and a wholly owned subsidiary of the Company (collectively, "Assignor"), and BAKER TILLY VIRCHOW KRAUSE, LLP, an Illinois limited liability partnership ("Assignee"). All capitalized terms used but not defined herein shall have the meaning given to them in that certain Practice Combination Agreement effective as of April 1, 2019, by and among Assignor, Assignee and the other parties signatory thereto (as it may be amended, restated, supplemented or otherwise modified, the "Agreement").

WHEREAS, Assignor has agreed to transfer the Acquired Assets to Assignee.

NOW, THEREFORE, for and in consideration of the mutual promises herein made, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Subject to the terms and conditions of the Agreement, Assignor, by this Instrument, does hereby transfer, convey, assign, set over and deliver to Assignee, its successors and permitted assigns, and Assignee does hereby accept all of Assignor's right, title and interest in, to and under the Acquired Assets, including without limitation all assets related to or used in the SWI Business, and other than the Acquired Assets conveyed pursuant to the Assignment, Assumption and Bills of Sale attached as Exhibit 3.2(d) and Exhibit 3.2(e) to the Agreement. The foregoing referenced transferred assets do not include the Excluded Assets.

2. Effective as of the date hereof, Assignee hereby assumes and agrees to pay, perform and discharge only the Assumed Liabilities pursuant to and in accordance with the terms and conditions of the Agreement. Except for the Assumed Liabilities, Assignee is not assuming, and shall have no obligation to assume, pay, perform, discharge or accept any Liabilities or obligations of Assignor or any of their respective Affiliates.

3. The terms of the Agreement, including but not limited to Assignor's and Assignee's representations, warranties, covenants, agreements and indemnities, are incorporated herein by reference. Each of Assignor and Assignee acknowledge and agree that the representations, warranties, covenants, agreements and indemnities contained in the Agreement shall not be superseded by this Instrument but shall remain in full force and effect to the full extent provided therein. In the event of any conflict or inconsistency between the terms of the Agreement and the terms of this Instrument, the terms of the Agreement shall govern and control.

4. Any dispute arising out of or relating to this Instrument will be settled in accordance with the provisions of Section 9.13 of the Agreement, which provisions are hereby incorporated by reference.

5. Each of Assignor and Assignee hereby further undertake that they will execute such documents and take such actions as may be reasonably required in order to confirm and further effectuate the assignment and assumption of the Acquired Assets, as necessary.

6. Without limiting Section 5 hereof, Assignor hereby constitutes and appoints Assignee the true and lawful agent and attorney in fact of Assignor, with full power of substitution and resubstitution, in whole or in part, in the name and stead of Assignor but on behalf and for the benefit of Assignee and its successors and assigns, from time to time to:

(a) demand, receive and collect any and all of the Acquired Assets and to give receipts and releases for and with respect to the same, or any part thereof;

(b) institute and prosecute, in the name of Assignor (to the extent Assignor is a necessary party) or otherwise, any and all proceedings at law, in equity or otherwise, that Assignee may deem proper in order to collect or reduce to possession any of the Acquired Assets and in order to collect or enforce any claim or right of any kind hereby assigned or transferred, or intended so to be; and

(c) do all things legally permissible, required or reasonably deemed by Assignee to be required to recover and collect the Acquired Assets and to use Assignor's name in such manner as Assignee may reasonably deem necessary (to the extent Assignee cannot reasonably accomplish the same objective in its own name) for the collection and recovery of same.

Assignor hereby declares that the foregoing powers are coupled with an interest and are and shall be irrevocable by Assignor.

7. This Instrument may be executed in counterparts, including by facsimile or pdf, each counterpart of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Instrument shall be governed by and construed in accordance with the internal laws of the State of Illinois, regardless of such state's conflict of laws principles and without reference to any rules of construction regarding the draftsman hereof. Headings in this Instrument are for the purposes of reference only and shall not limit or otherwise affect any of the terms hereof. This Instrument shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Bill of Sale and Assignment and Assumption Agreement to be duly executed effective as of the date first written above.

ASSIGNEE:

BAKER TILLY VIRCHOW KRAUSE, LLP

By: Brandon D. Andries

Name: Brandon D. Andries

Title: Chief Operating Officer

ASSIGNOR:

SPRINGSTED INCORPORATED

By: _____

Name: _____

Title: _____

SPRINGSTED INVESTMENT ADVISORS
INCORPORATED

By: _____

Name: _____

Title: _____

SPRINGSTED HUMAN CAPITAL ADVISORS
INCORPORATED

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, each of the parties hereto has caused this Bill of Sale and Assignment and Assumption Agreement to be duly executed effective as of the date first written above.

ASSIGNEE:

BAKER TILLY VIRCHOW KRAUSE, LLP

By: _____
Name: Brandon D. Andries
Title: Chief Operating Officer

ASSIGNOR:

SPRINGSTED INCORPORATED

By: Kathleen A. And
Name: Kathleen And
Title: President

SPRINGSTED INVESTMENT ADVISORS
INCORPORATED

By: Kathleen A. And
Name: Kathleen And
Title: President

SPRINGSTED HUMAN CAPITAL ADVISORS
INCORPORATED

By: Kathleen A. And
Name: Kathleen And
Title: President