



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Richard Doyle  
City Attorney

**SUBJECT:** Amendment to Convention and  
Cultural Facilities Management  
Agreement – Role of City  
Auditor

**DATE:** January 20, 2010

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## **RECOMMENDATION**

Adoption of a resolution authorizing the City Manager to execute an Amendment to the Agreement with Team San Jose (TSJ) for the Management of the Convention Center and Cultural Facilities to provide for the ability of the City Auditor to continue to conduct annual performance audits.

## **BACKGROUND**

On January 27, 2009, the City Council approved an Agreement for the Management of the San Jose Convention Center and Cultural Facilities between the City of San Jose and Team San José, Inc., from July 1, 2009 through June 30, 2014 (Agreement).

During the course of the final performance audit of the previous Management Agreement between City and Operator, the parties became aware that the Agreement did not explicitly include the right of the City to have the City Auditor perform the Annual Performance Audit. The purpose of the recommended action is to continue the City Auditors' role with regard to Performance Audits in the new Management Agreement.

## **ANALYSIS**

The existing Annual Performance Audit provision of the Agreement only provides for an external auditor to perform annual performance audits. The proposed amendment will include the City Auditor as an appropriate office to perform the annual performance audit as well.

## **EVALUATION AND FOLLOW-UP**

It is expected that the City Auditor will continue to conduct performance audits of this Agreement.

**POLICY ALTERNATIVES**

Not applicable

**PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater.  
**(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City.  
**(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

**COORDINATION**

This report has been prepared in coordination with the City Manager's Office, Budget Office, Finance Department, and the City Auditor. In addition coordination included staff from both Team San José and the Convention and Visitors Bureau and TSJ/CVB legal counsel.

**CEQA**

CEQA: Not a Project

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