

**STAFF REPORT FOR CALENDAR ITEM NO.: 8.4
FOR THE MEETING OF: May 11, 2023**

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Authorize the Executive Director to execute an amendment to the agreement for Independent Auditing Services with Maze and Associates (“Contractor”) to extend the agreement for one-year for additional compensation of up to \$72,674.

EXPLANATION:

The TJPA issued a Request for Proposals (RFP) for Independent Auditing Services in March 2020. Following a competitive procurement process, Contractor was awarded a contract in June 2020, in the amount of \$207,441, for a three-year base term, with two options to extend for one-year each at pre-negotiated pricing.

Under the agreement, Contractor has performed the audits for fiscal years ending June 30, 2020, 2021, and 2022. Exercising the one-year option will allow Contractor to perform the fiscal year ending 2023 audit as well, at the price predetermined in original contract. The price for the option period (\$72,674) is based on the pre-negotiated pricing. If approved, the not to exceed pricing for the four-year term would be \$280,115. TJPA’s independent auditor conducts an audit of the basic financial statements of the TJPA for the purpose of expressing an opinion on these financial statements and issuing an independent auditor’s report. The audits are to be performed in accordance with all applicable Generally Accepted Auditing Standards (GAAS) including but not limited to: auditing standards set forth by the American Institute of Certified Public Accountants (AICPA), the standards for financial audits set forth in the U.S. Government Accountability Office’s *Government Auditing Standards*, and applicable State of California audit guidelines.

The auditor also performs the federally-required Single Audit of TJPA’s expenditures of federal grants, and audits the compliance of the TJPA with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of the major federal programs identified in TJPA’s Schedule of Expenditures of Federal Awards (SEFA), for the purpose of expressing an opinion as to whether the TJPA complied, in all material respects, with the applicable requirements. The supplemental Schedule of Expenditures of Federal Awards is to be subjected to the auditing procedures applied in the audit of the basic financial statements to determine if the SEFA is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Each time a new auditor is selected, a great deal of staff time is invested while the new audit team learns and documents agency processes and procedures. Staff believe that continuity of auditors will be extremely beneficial during the first audit year with the new Chief Financial Officer.

Contractor is a local audit firm founded in 1979 with governmental auditing as their primary practice. They are one of the leading California-based CPA firms with local offices in Pleasant Hill and the majority of their professional staff specialize in audits of governmental entities. They are members of the AICPA, the California Society of Certified Public Accountants, the AICPA Governmental Audit Quality Center and the Government Finance Officers Association. In addition, Contractor is registered with the Public Companies Accounting Oversight Board.

This extension complies with the auditor rotation requirements of Assembly Bill 345 (AB 345), California Government Code 12410.6(b), which states that a firm cannot provide audit services for more than six consecutive years commencing with fiscal year ending June 30, 2014 if the lead audit partner or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for that local agency for six consecutive fiscal years.

RECOMMENDATION:

Authorize the Executive Director to execute an amendment to the agreement for Independent Auditing Services with Contractor to extend the agreement an additional one-year for additional compensation of up to \$72,674.

ATTACHMENTS:

1. Resolution
2. Amendment

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, The Transbay Joint Powers Authority (TJPA) requires the services of a Certified Public Accounting firm to provide independent auditing services for the Transbay Transit Center Program; and

WHEREAS, On March 18, 2020, the TJPA issued Request for Proposals 20-03 for independent auditing services; and

WHEREAS, On June 25, 2020, following a competitive procurement process, the TJPA awarded a contract to the firm of Maze and Associates (“Contractor”) for a maximum of \$207,441 for a base term not to exceed three years, with two options to extend for one year each at pre-negotiated pricing by mutual agreement of the parties; and

WHEREAS, Continuity in the audit team will be beneficial during this transition period with the new Chief Financial Officer, saving staff time and agency costs; now, therefore, be it

RESOLVED, That the Board authorizes the Executive Director to execute an amendment to the agreement for Independent Auditing Services with Contractor in the form presented to extend the agreement for an additional one-year for additional compensation of up to \$72,674.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of May 11, 2023.

Secretary, Transbay Joint Powers Authority

Amendment No. 01
Professional Services Agreement between
the Transbay Joint Powers Authority and
Maze and Associates

THIS Amendment No. 1 to the Professional Services Agreement to furnish independent auditing services dated June 25, 2020 (“Agreement”) is entered into as of the 25th day of June 2023 in San Francisco, California, by and between **Maze and Associates** (“Contractor”), and the **Transbay Joint Powers Authority** (“TJPA”).

Recitals

- A. The TJPA and Contractor desire to extend the term of the Agreement without changing the scope or deliverables under the Agreement.
- B. The Agreement has two (2) options to extend the term of the Agreement for one (1) year each, and the price for each additional option year was negotiated at the time of the Agreement negotiations.
- C. On May 11, 2023, the TJPA Board of Directors adopted Resolution No. _____, authorizing the exercise of the first option and the extension of the Agreement for one (1) year at the prenegotiated price.

Terms and Conditions

Now, therefore, the TJPA and Contractor agree to amend the following sections of the Agreement in their entirety to read as follows:

2. Term of the Agreement.

Subject to Section 1, the term of this Agreement shall be four (4) years from the Effective Date of the initial Agreement, as described in Section 3, “Effective Date of Agreement,” provided that (i) the TJPA shall have the right to extend this Agreement for one (1) additional one (1) year term by providing to the Contractor written notice of such extension on or before the expiration date of this Agreement, and (ii) any such extension shall be subject to and condition upon the written agreement of the Contractor and the approval of such extension by the TJPA.

5. Compensation

- a. All work under this Agreement shall be compensated on an hourly or fixed fee by deliverable basis, subject to any maximum price set forth in a particular NTP. In no event shall the total compensation under this Agreement for the *four (4) year term* exceed *Two Hundred Eighty Thousand One Hundred Fifteen Dollars (\$280,115.00)*. The breakdown of the Contractor’s fees appears in Appendix B, Fees. In the event that the TJPA elects to exercise additional option periods, the total compensation under this Agreement shall be increased as provided in Appendix B.
- b. Hourly rates and fixed fees per deliverable for services are to remain fixed during the entire contract period, including any option periods, pursuant to Appendix B.
- c. No charges shall be incurred under this Agreement nor shall any payments become due to the Contractor until the Services required under this Agreement are received from the Contractor and approved by the Executive Director as being in accordance with this Agreement. The TJPA may withhold payment to the Contractor in any instance in which

- the Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.
- d. In no event shall the TJPA be liable for interest or late charges for any late payments.

The Agreement is amended only to the extent expressly provided herein; all other provisions of the Agreement shall remain in full force and effect.

The individuals executing this Amendment No. 01 to the Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. 01 effective as of the day first mentioned above.

**TRANSBAY JOINT POWERS
AUTHORITY**

CONTRACTOR
Maze and Associates

Adam Van de Water
Executive Director

Whitney Crockett
Maze and Associates
3478 Buskirk Ave, Ste. 215
Pleasant Hill, CA 94523
925-930-0902
whitneyc@mazeassociates.com

Approved as to Form by:

TJPA Legal Counsel

Date

Transbay Joint Powers Authority
Board of Directors
Resolution No. _____
Adopted: _____
Attest:

Tax Identification Number: 94-2590179

Secretary, TJPA Board