

RFP No. RFP2214

SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION

**REQUEST FOR PROPOSALS FOR
FINANCIAL AUDIT SERVICES FOR
THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION
AND
MEASURE D, A TRANSACTION AND USE TAX MEASURE**



**Bouapha Toommaly
Santa Cruz County Transportation Commission
1101 Pacific Avenue, Ste 250
Santa Cruz, CA 95060**

July 23, 2025

Contents

1. INTRODUCTION	1
2. BACKGROUND	1
3. SCOPE OF SERVICE/ PROJECT	2
4. SCHEDULE OF EVENTS	4
5. INSTRUCTIONS TO PROPOSERS	5
7. AWARD NOTICE AND ACCEPTANCE PERIOD	10
8. TERMS AND CONDITIONS.....	10

1. INTRODUCTION

General Information

- a. The Santa Cruz County Regional Transportation Commission (RTC) is requesting proposals from qualified firms of certified public accountants to audit the Financial Statements of the RTC and Measure D, a local transaction and use tax, for the fiscal years ending June 30, 2025, 2026, and 2027.
- b. These audits are to be performed in accordance with generally accepted auditing standards (GAAS), the standards set forth for financial audits by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA), the Government Accountability Office's (GAO) Government Auditing Standards. Also, with the provisions of the federal Single Audit Act of 1984 (with amendment in 1996) and requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*.
- c. Engagement Term

The RTC intends to enter into a three-year initial contract period, beginning with the three fiscal years ending June 30, 2025, 2026, and 2027, with the option by RTC to renew for two (2) additional one (1) year terms, and a total contract term of no more than five (5) years.

2. BACKGROUND

- a. The RTC is an autonomous regional transportation planning agency headquartered in downtown Santa Cruz, California. Created by the State of California in 1972 to carry out transportation responsibilities that cross city-county boundaries in Santa Cruz County. The RTC is currently governed by a twelve-member Commission composed of all five members of the Santa Cruz County Board of Supervisors, one member of the Watsonville, Santa Cruz, Scotts Valley and Capitola City Councils and three members appointed by the Santa Cruz Metropolitan Transit District. The Caltrans District 5 Director serves as an ex-officio member of the Commission. The RTC's fiscal year begins on July 1 and ends on June 30.
- b. The RTC administers various state, federal, and local transportation revenues, including Measure D, a local ½-cent transaction and use tax that provides funding for highway projects, local streets and road maintenance, bicycle and pedestrian projects, safety projects, rail, and transit and paratransit service, and other essential transportation projects and programs throughout the county.

More detailed information on the RTC government agency and its finances can be found online in the [RTC Adopted Budget Fiscal Year 2024/25](#), the [Measure D Adopted Budget Fiscal Year 2024/25](#), [RTC's Financial Statements, Fiscal Year ended June 30, 2023](#) and the [Measure D Financial Statements, Fiscal Year ended June 30, 2023](#).

3. SCOPE OF SERVICE/ PROJECT

a. Scope of Work to be Performed

The RTC desires the auditor to express an opinion on the fair presentation of the RTC's and Measure D basic financial statements in conformity with generally accepted accounting principles, compliance of Measure D requirements as set forth in the tax measure ordinance and compliance with RTC's policies and procedures. The audits also must be conducted to satisfy the requirements of the Transportation Development Act (TDA) published by the California State Department of Transportation (Caltrans).

The RTC also desires the auditor to express an opinion on the fair presentation of its combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles.

The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

Preparation of State Controller's Report (Annual Report of Financial Transactions of SCCRTC's funds due to State on or before January 31st following each fiscal year under audit pursuant to the requirements set forth in California Code of Regulations.

Single Audit Act requirements may apply if SCCRTC expends \$750,000 or more in federal funds.

Advise and assist on compliance with all current and new GASB pronouncements applicable to SCCRTC in the fiscal years the audits are performed.

b. Auditing Standards to be Followed

To meet the requirements of this request for proposal, audits are to be performed in accordance with generally accepted auditing standards (GAAS), the standards set forth for financial audits by the Governmental Accounting

Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA), the Government Accountability Office's (GAO) Government Auditing Standards. Also, with the provisions of the federal Single Audit Act of 1984 (with amendment in 1996) and requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and any other federal or state requirements which may be in effect at the time of each annual audit.

c. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited financial statements.
2. A report on compliance and internal control over financial reporting based on an audit of the financial statements. The report should identify areas where opportunities exist to enhance and improve internal controls.
3. A report on compliance and internal control over compliance applicable to each major federal program.

In the required report(s) on compliance and internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such in the report. Nonreportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report(s) on compliance and internal controls.

The reports on compliance and internal controls shall include all instances of noncompliance.

Irregularities and illegal acts. The auditor shall be required to make an immediate, written report of all irregularities and illegal acts or indications of

illegal acts of which they become aware to the following parties:

- Commission
- Executive Director

d. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of seven years, unless the firm is notified in writing by the RTC of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the following parties or their designees:

- Santa Cruz County Regional Transportation Commission;
- All cognizant agencies of federal assistance;
- Parties designated by the federal or state governments or by the Santa Cruz County Regional Transportation Commission as part of an audit quality review process; and
- Auditors of entities of which the Santa Cruz County Regional Transportation Commission is a subrecipient of grant funds.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

4. SCHEDULE OF EVENTS

Proposal Release	July 23, 2025
Question deadline/cut-off	July 29, 2025 at 3:00 p.m.
Response to questions posted	August 1, 2025
Proposal due date	August 11, 2025 at 3:00 p.m.
Commission Approval	September 4, 2025

- a. Questions and responses to questions will be posted on RTC's website and are considered constructive notice. Potential proposers are encouraged to check the RTC's website routinely for relevant postings. RTC will make every effort to post responses to questions as they are submitted and no later than August 1, 2025.

b. Audit Timeline

1. Annual Audit Timeline for fiscal year 2024/25

September 2025	Entrance Conference
September - October 2025	Interim Audit Fieldwork
November - December 2025	Final Audit Fieldwork
December 2025 - January 2026 (issued)	Single Audit Report

5. INSTRUCTIONS TO PROPOSERS

Please prepare your proposal in accordance with the following requirements.

- a. Proposal. In response to the RFP, each proposer shall electronically submit the proposal and bids to bouapha@sccrtc.org and info@sccrtc.org.
- b. A copy of the resumes must be included in an appendix to the proposal.
- c. Cover Letter. The proposal must be submitted with a cover letter describing the proposer's interest and commitment to the proposed project. A statement regarding the firm's availability to dedicate time, personnel and resources to this effort for the duration of the contract. The letter must state that the proposal is valid for a 90-day period and includes the name, title, address and telephone number of the individual to whom correspondence and other contacts should be directed during the selection process. The letter must state whether Proposer has any exceptions to the sample agreement (Attachment 1). The person authorized by the proposer to negotiate a contract with the RTC must sign the cover letter.

Address the cover letter as follows:

Santa Cruz County Regional Transportation Commission
Bouapha Toommaly
1101 Pacific Avenue, Suite 250
Santa Cruz, CA 95060
Via email: bouapha@sccrtc.org

- d. Approach and Management Plan. This section shall provide the proposer's proposed approach and management plan for providing the services.
- e. License to Practice in the State of California. An affirmative statement should be included that the firm and all assigned key professional staff are properly registered/licensed to practice in the State of California.
- f. Firm Qualifications and Experience
 - This section shall provide the qualifications and experience of the key team member(s) that will work on the project. Emphasize the specific qualifications and experience from projects similar to this project for the key team members. Key team members are expected to be committed for the duration of the project. Replacement of key team members will not be permitted without prior consultation with and approval of the RTC.

- The proposer should state the size of the firm, the size of the its governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full time basis and the number and nature of the staff to be so employed on a part time basis.
- The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.
- The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

g. Partner, Supervisory and Staff Qualifications and Experience

- Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.
- Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the RTC. However, in either case, the RTC retains the right to approve or reject replacements.
- Other audit personnel may be changed at the discretion of the proposer, provided replacements have substantially the same or better qualifications or experience.

h. Similar Engagements with Other Government Entities. For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum - 5) performed in the last five years that are similar to the engagement described in this request for proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and

telephone number of the principal client contact. The RTC reserves the right to contact these agencies for references.

- i. Work Plan and Schedule. This section shall include a description of how you will conduct each task of the project, identification of deliverables for each task and a schedule. The work plan should be in sufficient detail to demonstrate a clear understanding of the project. The project is expected to commence in September 2025 and all public meetings, draft and final documents fully completed by January 2026.
- j. Additional Relevant Information. *This section invites additional relevant information that may be helpful in the selection process.*
- k. Budget

- Total All-Inclusive Maximum Price

The proposal should contain all pricing information relative to performing the audit engagement for the RTC and Measure D as described in this request for proposal. The cost for the audits of the RTC and Measure D should be listed separately. List proposed subconsultants.

The following information should be included:

- The total estimated hours and total all-inclusive maximum price (not to exceed amount) to complete the examination, and to prepare and submit a final report on the examination and a management letter plus the necessary financial and compliance audits required by the OMB Circular A-133, and the Single Audit Act Amendments of 1996.
- Include the name and title of the individual responsible for control.
- Rates by partner, specialist, supervisory and staff level hours anticipated for each

The proposal should include a schedule of professional fees and expenses that supports the total all-inclusive maximum price.

l. Manner of Payment

For the contracted service fee, progress payments will be made on the basis of work completed during the course of the engagement. Interim billing shall cover a period of not less than a calendar month.

- m. A completed and signed [California Levine Act Statement](#) for each firm.

- n. Submittal of Proposal. In response to the RFP, each proposer shall submit the proposal and bids electronically to bouapha@sccrtc.org and info@sccrtc.org. no later than 3:00 p.m. on August 11, 2025, for a proposal to be considered. For further information, please contact Bouapha Toommaly by email, bouapha@sccrtc.org, telephone (831) 460-3200.

6. EVALUATION OF PROPOSALS

- a. **Evaluation Committee.** RTC staff shall examine and evaluate all proposals to ascertain their completeness and responsiveness to the provisions of this RFP. The Commission may at its discretion schedule interviews as part of the evaluation process. Evaluation of the proposals shall be within the sole judgment and discretion of the RTC. At the discretion of the RTC or the Evaluation Committee, firms submitting proposals may be requested to make oral presentations as part of the evaluation process. During the evaluation process, the Evaluation Committee reserves the right, where it may serve the RTC's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions.
- b. **Categories.** Proposals will be evaluated using criteria listed below. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. A technical score less than 70 will be eliminated from further consideration.
- c. **Price.** After the technical score for each firm has been established, the proposed contract service fee (price) will be reviewed, and additional points will be added to the technical score based on the proposed fee. The maximum score for price will be assigned to the firm offering the lowest total all-inclusive maximum price. Appropriate fractional scores will be assigned to other proposers. The following represents the principal selection criteria which will be considered during the evaluation process.

Mandatory Elements-Must be met or firm may be disqualified from further evaluation	
The audit firm is independent and licensed to practice in the State of California.	Required
The firm has no conflict of interest with regard to any other work performed by the firm for the Santa Cruz County Regional Transportation Commission.	Required
The firm adheres to the instructions in the request for proposal on preparing and submitting the proposal.	Required
The firm submits a copy of its last external quality control review report, and the firm has a record of quality audit work.	Required
Technical Quality: (Maximum Points – 100)	Points
Expertise, Experience and Performance:	
Responsiveness of the proposal in clearly stating an understanding of the work to be performed.	0-10
Auditing similar entities	0-10
Auditing of the similar type under consideration	0-10
Total for this section	30
The quality of the firm’s professional personnel to be assigned to the engagement and the quality of the firm’s management support personnel to be available for technical consultation:	
Qualifications of supervisory personnel, consultants, and of the audit team doing field work	0-15
Qualifications of supervisory personnel, consultants and of the firm’s management support personnel to be available for technical review and consultation	0-10
Size and their organizational ability to handle the audit work in a timely manner	0-10
Total for this section	35
Audit Approach, Adequacy of proposed staffing plan for various segments of the engagement:	
Comprehensiveness of audit work plan	0-10
Total for this section	10
Price Criteria (25 points)	25
Total Evaluation Points	100

- d. **Interviews.** Proposers may need to attend an interview, which may be done virtually. The RTC reserves the right to determine the number of proposers to be interviewed. The RTC will re-rank proposals upon the evaluation of the oral interview and the firm's ability to further demonstrate its qualifications and experience, based upon the same criteria contained within this solicitation. The determination as to the need for interviews, the location, order and schedule of the interviews is at the sole discretion of the RTC. The evaluation interview panel may include representatives from the RTC, Commission and other agencies, but the specific composition of the panel will not be revealed prior to the interviews. The proposer must bear all costs incurred to attend.
- e. **Best Value.** The RTC will select the proposal that presents the best value and is most advantageous to the RTC and the public. Accordingly, the RTC may not necessarily award the proposer with the lowest price proposal if doing so would not be in the overall best interest of the RTC.

7. AWARD NOTICE AND ACCEPTANCE PERIOD

The apparent highest ranked proposer should be prepared to enter into a contract with the RTC which shall be substantially the same as the Sample Contract included in Attachment A to this RFP. Notwithstanding, the RTC reserves the right to add terms and conditions, deemed to be in the best interest of the RTC, during final contract negotiations.

8. TERMS AND CONDITIONS

RFP Addenda, Cancellation and Right of Rejection.

- i. The RTC reserves the unilateral right to amend this RFP in writing at any time by posting the amendment on the County's website. Proposers are responsible for viewing the website periodically for any amendments to the RFP. Proposers shall respond to the final written RFP and any attachments and addenda. The RTC also reserves the right, in its sole discretion, to reject any and all proposals or to cancel or reissue the RFP.
- ii. The RTC reserves the right to waive variances in proposals provided such action is in the best interest of the RTC. Where the RTC waives minor variances in proposals, such waiver does not modify the RFP requirements or excuse the applicant from full compliance with the RFP. Notwithstanding any minor variance, the RTC may hold any proposal to strict compliance with the RFP.

ATTACHMENT 1. SAMPLE CONTRACT

Agreement No. TPXXXX

PROFESSIONAL SERVICES **INDEPENDENT CONSULTANT AGREEMENT**

THIS AGREEMENT is made and entered into on _____, by and between the SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION, hereinafter called COMMISSION, and <<consultant name>>, hereinafter called CONSULTANT. The parties agree as follows:

1. DUTIES.

- A. CONSULTANT agrees to exercise all reasonable care, skill and diligence in performing the same or similar services used by members of the same profession at the same time and locality under the same or similar conditions to accomplish the following results: << services description>> as specified in Exhibit X Scope of Services, which by this reference is incorporated herein.
- B. CONSULTANT shall provide the personnel listed below to perform the above-specified services, which persons are hereby designated as key personnel under this AGREEMENT.

Name	Firm	Function

- C. No person named in paragraph B of this Article or in Scope of Services (Exhibit X), or his or her successor, shall be removed or replaced by CONSULTANT, nor shall his or her agreed-upon function hereunder be changed, without the prior written consent of the COMMISSION Contract Manager. Such consent shall not be unreasonably withheld.
- D. This AGREEMENT includes the subconsultants listed in Fee Schedule (Exhibit X).
- E. The CONSULTANT's Project Manager shall meet with the COMMISSION's Contract Manager, as needed, to discuss progress on the contract.

2. COMPENSATION.

NOTE: This is a sample agreement and method of payment and terms will be finalized during contract negotiations.

In consideration for CONSULTANT accomplishing work to be performed under this AGREEMENT (as described in Exhibit X Scope of Services), COMMISSION



shall compensate CONSULTANT in accordance with the approved Fee Schedule, dated <<Date>>, attached hereto (Exhibit X) and incorporated by reference. Total payment shall not exceed <<\$XXXX>>, at the rates and conditions stipulated in Exhibit X. If there is any conflict between the approved Fee Schedule (Exhibit X) and this contract, this AGREEMENT shall take precedence. COMMISSION agrees to pay CONSULTANT as follows:

- A. Transportation and subsistence expenses claimed for reimbursement shall not exceed the rates authorized to be paid rank and file State employees under State Department of Personnel Administration (Cal HR: <https://hrmanual.calhr.ca.gov/Home/ManualItem/1/2203>).
- B. Progress payments may be made no more than monthly in arrears based on satisfactory services provided and actual allowable incurred costs. If CONSULTANT fails to submit the required deliverable items according to the schedule set forth in the Scope of Services (Exhibit X), the COMMISSION may delay payment and/or terminate this AGREEMENT in accordance with the provisions of Section 4 of this AGREEMENT.
- C. No payment will be made prior to approval of any work, nor for any work performed prior to approval of this AGREEMENT.
- D. This AGREEMENT is valid and enforceable only, if sufficient funds are made available to COMMISSION for the purpose of this AGREEMENT. It is mutually agreed that if sufficient funds are not appropriated, this AGREEMENT may be amended to reflect any reduction in funds.
- E. The CONSULTANT will be reimbursed after receipt by the COMMISSION's Contract Manager of itemized invoices. Invoices shall be sent electronically to the COMMISSION's Contract Manager:

Contract Manager, Finance and Budget Officer
@sccrtc.org and accountspayable@sccrtc.org

The invoices must include the following information:

1. This agreement number and project name;
2. Services provided and the dates;
3. Labor (staff name, hours charged, hourly billing rate, current and cumulative charges) performed during the billing period by task;
4. Total invoice/payment requested;
5. Total amount previously paid under this AGREEMENT; and

CONSULTANT'S final invoice must be submitted within 60- calendar days after acceptance of the CONSULTANT's work by the Contract Manager.



3. TERM.

- A. The AGREEMENT shall end on <<Date>>, unless earlier terminated or extended by contract amendment.
- B. The CONSULTANT is advised that this AGREEMENT is not binding and enforceable until it is approved by the COMMISSION and fully executed by all parties.

4. TERMINATION.

- A. COMMISSION reserves the right to terminate this AGREEMENT upon thirty (30) calendar days written notice to CONSULTANT with the reasons for termination stated in the notice.
- B. COMMISSION may terminate this AGREEMENT with CONSULTANT should CONSULTANT fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination, COMMISSION may proceed with the work in any manner deemed proper by COMMISSION. If COMMISSION terminates this AGREEMENT with CONSULTANT, COMMISSION shall pay CONSULTANT the sum due to CONSULTANT under this AGREEMENT prior to termination, unless the cost of completion to COMMISSION exceeds the funds remaining in the contract. In which case the overage shall be deducted from any sum due CONSULTANT under this contract and the balance, if any, shall be paid to CONSULTANT upon demand.

5. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS. To the fullest extent permitted by law, CONSULTANT shall exonerate, indemnify, defend, protect, and hold harmless the COMMISSION, its governing body, officers, officials, agents, employees and volunteers from and against:

- A. Any and all claims, demands, costs, damages, losses, expenses, or liability arising from or connected with the services provided under this AGREEMENT due to the recklessness, willful misconduct or negligent acts, errors, or omissions of the CONSULTANT, its officers, subconsultants, employees, volunteers, or agents. The CONSULTANT will reimburse COMMISSION for any expenditure, including reasonable attorney's fees, incurred by COMMISSION in defending against claims ultimately determined to be due to recklessness, willful misconduct or to negligent acts, errors, or omissions of the CONSULTANT, its officers, subconsultants, employees, volunteers, or agents.
- B. Any and all federal, State and local taxes, charges, fees, penalties, or contributions required to be paid with respect to CONSULTANT and CONSULTANT'S officers, subconsultants employees, volunteers, and agents engaged in the performance of this AGREEMENT (including, without limitation, unemployment insurance, social security, and payroll tax withholding).
- C. In the event that CONSULTANT or any employee, agent, or subcontractor of CONSULTANT providing services under this AGREEMENT is determined by a court of competent jurisdiction or the California Public Employees Retirement



System (PERS) to be eligible for enrollment in PERS as an employee of COMMISSION, CONSULTANT shall indemnify, defend, and hold harmless COMMISSION for the payment of any employee and/or employer contributions for PERS benefits on behalf of CONSULTANT or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of COMMISSION.

D. The provisions of this section shall survive expiration, termination, or suspension of this AGREEMENT.

- 1. INSURANCE.** CONSULTANT, at its sole cost and expense, for the full term of this AGREEMENT, and any extensions thereof, shall obtain and maintain at minimum compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects COMMISSION and any insurance or self-insurance maintained by COMMISSION shall be excess of CONSULTANT'S insurance coverage and shall not contribute to it. Insurance is to be placed with insurers reasonably acceptable to COMMISSION.

A. Types of Insurance and Minimum Limits

1. Workers' Compensation in the minimum statutorily required coverage amounts.
2. Automobile Liability Insurance for each of CONSULTANT'S vehicles used in the performance of this AGREEMENT, including owned, non-owned (e.g., owned by CONSULTANT'S employees), leased or hired vehicles, in the minimum amount of \$1,000,000 combined single limit per occurrence for bodily injury and property damage.
3. Comprehensive or Commercial General Liability Insurance coverage at least as broad as ISO form CG 00 01, with a minimum limit of \$2,000,000 per occurrence, and \$4,000,000 in the aggregate, including coverage for: (a) products and completed operations, (b) bodily and personal injury, (c) broad form property damage, (d) contractual liability, and (e) cross-liability.
4. Professional Liability Insurance in the minimum amount of \$1,000,000 combined single limit, if, and only if, this Subparagraph is initialed by CONSULTANT and COMMISSION here: ____/____.
5. If CONSULTANT normally carries insurance in an amount greater than the minimum amount required by the COMMISSION for this AGREEMENT, that greater amount shall become the minimum required amount of insurance for purposes of this AGREEMENT. Therefore, CONSULTANT hereby acknowledges and agrees that any and all insurances carried by it shall be deemed liability coverage for any and all actions it performs in connection with this AGREEMENT.



B. Other Insurance Provisions

1. If any insurance coverage required in this AGREEMENT is provided on a "Claims Made" rather than "Occurrence" form, CONSULTANT agrees that the retroactive date thereof shall be no later than the effective date of this AGREEMENT, and that it shall maintain the required coverage for a period of three (3) years after the expiration of this AGREEMENT (hereinafter "POST AGREEMENT COVERAGE") and any extensions thereof. CONSULTANT may maintain the required POST AGREEMENT COVERAGE by renewal or purchase of prior acts or tail coverage. The COMMISSION will not be responsible for any premiums or assessments on the policy.
2. All policies of Commercial General Liability Insurance shall be endorsed to cover the Santa Cruz County Regional Transportation Commission, its officials, employees, agents and volunteers, as additional insureds with respect to liability arising out of the work or operations and activities performed by or on behalf of, the CONSULTANT, including materials, parts or equipment furnished in connection with such work or operations. Endorsements shall be at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 10 01 and CG 20 37 10 01, covering ongoing operations and products and completed operations.
3. CONSULTANT agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide COMMISSION on or before the effective date of this AGREEMENT with Certificates of Insurance and endorsements for all required coverages. The Certificates of Insurance must note whether the policy does or does not include any self-insured retention and also must disclose the deductible. The certificates shall require the carrier to notify COMMISSION in writing of any material change, cancellation, termination or non-renewal of the coverage at least thirty days (30) days in advance of the effective date of such cancellation, or material change, or non-renewal. Insurance shall not be canceled until after ten (10) days prior written notice in the event of nonpayment of premium. Failure to obtain the required documents prior to the work beginning shall not waive the CONSULTANT's obligation to provide them. All Certificates of Insurance and endorsements shall be delivered or sent via email to:

contracts@sccrtc.org

4. If any insurance policy of CONSULTANT required by this AGREEMENT includes language conditioning the insurer's legal obligation to defend or indemnify COMMISSION on the performance of any act(s) by the named insured, then said insurance policy, by endorsement, shall also name the COMMISSION as a named insured. Notwithstanding the foregoing, both the CONSULTANT and its insurers agree that by naming the COMMISSION as a named insured, the COMMISSION may at its sole direction, but is not obligated to, perform any act required by the named insured under said insurance policies.



5. CONSULTANT shall do all things required to be performed by it pursuant to its insurance policies including but not limited to paying within five (5) workdays, all deductibles and self-insured retentions (SIR) required to be paid under any insurance policy that may provide defense or indemnity coverage to COMMISSION or any additional insured. If CONSULTANT'S insurance policy includes a self-insured retention that must be paid by a named insured as a precondition of the insurer's liability, or which has the effect of providing that payments of the self-insured retention by others, including additional insureds or insurers do not serve to satisfy the self-insured retention, such provisions must be modified by special endorsement so as to not apply to the additional insured coverage required by this AGREEMENT so as to not prevent any of the parties to this AGREEMENT from satisfying or paying the self-insured retention required to be paid as a precondition to the insurer's liability.
6. CONSULTANT hereby grants to COMMISSION a waiver of any right of subrogation which any insurer of said CONSULTANT may acquire against the COMMISSION by virtue of the payment of any loss under such insurance. CONSULTANT agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the COMMISSION has received a waiver of subrogation endorsement from the insurer.
7. CONSULTANT shall cause the foregoing provisions to be inserted in all subcontracts for any work covered under this AGREEMENT, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

6. FEDERAL, STATE AND LOCAL LAWS.

- A. CONSULTANT warrants that in the performance of this AGREEMENT, it shall exercise usual and customary professional care in its efforts to comply with all applicable federal, state and local laws, statutes and ordinances and all lawful orders, rules and regulations promulgated thereunder. In the event of a conflict between the laws and lawful regulations of any government entities having jurisdiction over the project, the CONSULTANT shall notify COMMISSION of the nature and impact of such conflict. The COMMISSION agrees to cooperate and work with the CONSULTANT in an effort to resolve any conflict.
- B. Those laws, statutes, ordinances, rules, regulations and procedural requirements that are imposed on COMMISSION as a recipient of federal or state funds are imposed on CONSULTANT.

7. NON-DISCRIMINATION AND COMPLIANCE PROVISIONS. During and in relation to the performance of this AGREEMENT, CONSULTANT agrees to the following:

- A. The CONSULTANT and its subconsultants shall not unlawfully discriminate, harass, or allow discrimination or harassment against any employee, applicant for employment, or subconsultant in any manner prohibited by



Federal, State and local laws, including but not limited to race, color, sex, gender, religious creed, national origin, ancestry, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), marital status, sexual orientation, age (over 40), veteran status, denial of family and medical care leave and denial of pregnancy disability leave, or any other non-merit factor unrelated to job duties.

- B. CONSULTANT and subconsultants shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. CONSULTANT and subconsultants shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 8113 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full. Consultant and its subconsultants shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other AGREEMENT.
- C. Such action shall include, but not be limited to, the following: recruitment; advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The CONSULTANT agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.
- D. CONSULTANT shall comply fully with all federal, State, and local laws and regulations which prohibit discrimination. The CONSULTANT's signature affixed herein, and dated, shall constitute a certification under penalty of perjury under the laws of the State of California that the CONSULTANT has, unless exempt, complied with, the nondiscrimination program requirements of Government Code Section 12990 and Title 2, California Administrative Code, Section 8103.
- E. Consultant and its subconsultants shall permit access to all records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission or any other agency of the State of California designated by STATE to investigate compliance with this Article.
- F. In the event of CONSULTANT'S non-compliance with the non- discrimination clauses of this AGREEMENT or with any of the said rules, regulations or orders the COMMISSION may cancel, terminate or suspend the Agreement in whole or in part. CONSULTANT may also be declared ineligible for further agreements with the COMMISSION.



8. CONFLICT OF INTEREST.

- A. CONSULTANT certifies that it has disclosed to COMMISSION any actual, apparent, or potential conflicts of interest that may exist relative to the services to be provided pursuant to this AGREEMENT. CONSULTANT agrees to advise COMMISSION of any actual, apparent or potential conflicts of interest that may develop subsequent to the date of execution of this AGREEMENT. CONSULTANT further agrees to complete any statements of economic interest if required by either COMMISSION ordinance or State law.
- B. CONSULTANT hereby certifies that it does not now have, nor shall it acquire any financial or business interest that would conflict with the performance of services under this AGREEMENT.
- C. Any subcontract in excess of \$25,000 entered into as a result of this AGREEMENT, shall contain all of the provisions of this Article.

9. LICENSES. If a license of any kind is required of CONSULTANT, its employees, agents, or subcontractors by Federal or State law, CONSULTANT warrants that such license has been obtained, is valid and in good standing, that CONSULTANT shall keep it in effect at all times during the terms of this AGREEMENT, and that any applicable bond has been posted in accordance with all applicable laws and regulations.

10. INDEPENDENT CONSULTANT STATUS.

- A. CONSULTANT and COMMISSION have reviewed and considered the principal test and secondary factors herein and agree that CONSULTANT is an independent CONSULTANT and not an employee of COMMISSION. CONSULTANT is responsible for all insurance (workers compensation, unemployment, etc.) and all payroll related taxes. CONSULTANT is not entitled to any employee benefits. COMMISSION agrees that CONSULTANT shall have the right to control the manner and means of accomplishing the result contracted for herein.
 - 1. PRINCIPAL TEST: The CONSULTANT rather than COMMISSION has the right to control the manner and means of accomplishing the result contracted for.
- B. SECONDARY FACTORS: (a) The extent of control which, by agreement, COMMISSION may exercise over the details of the work is slight rather than substantial; (b) CONSULTANT is engaged in a distinct occupation or business; (c) In the locality, the work to be done by CONSULTANT is usually done by a specialist without supervision, rather than under the direction of an employer; (d) The skill required in the particular occupation is substantial rather than slight; (e) The CONSULTANT rather than the COMMISSION supplies the instrumentalities, tools and work place; (f) The length of time for which CONSULTANT is engaged is of limited duration rather than indefinite; (g) The method of payment of

CONSULTANT is by the job rather than by the time; (h) The work is part of a special or permissive activity, program, or project, rather than part of the regular business of COMMISSION; (i) CONSULTANT and COMMISSION believe they are creating an independent CONSULTANT relationship rather than an employer-employee relationship; and (j) The COMMISSION conducts public business.

- C. It is recognized that it is not necessary that all secondary factors support creation of an independent CONSULTANT relationship, but rather that overall there are significant secondary factors which indicate that CONSULTANT is an independent CONSULTANT.
- D. By their signatures to this AGREEMENT, each of the undersigned certifies that it is his or her considered judgment that the CONSULTANT engaged under this AGREEMENT is in fact an independent CONSULTANT.

11. RETENTION OF RECORDS/AUDIT.

- A. For the purpose of determining compliance with Public Contract Code 10115, et seq. and Title 21, California Code of Regulations, Chapter 21, Section 2500 et seq., when applicable and other matters connected with the performance of the contract pursuant to Government Code 8546.7; CONSULTANT, subconsultants, and COMMISSION shall maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of the contract, including but not limited to, the costs of administering the contract. All parties shall make such materials available at their respective offices at all reasonable times during the contract period and for four years from the date of final payment under the contract. The COMMISSION, or any duly authorized representative of the State or Federal Government shall have access to any books, records, and documents of CONSULTANT and its certified public accountants (CPA) work papers that are pertinent to the contract for audit, examinations, excerpts, and transactions, and copies thereof shall be furnished if requested. If any action has occurred relative to the records, the records must be retained until completion of the action and resolution of all issues that arise from it.
- B. Subcontracts in excess of \$25,000 shall contain this provision.
- C. CONSULTANT and subcontractors shall establish and maintain, an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support Requests for Reimbursement which segregate and accumulate the costs of work elements by line item (i.e. direct labor, other direct costs, subrecipients/subcontractor, etc.) and enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices.

12. INSPECTION OF WORK. The CONSULTANT and any subconsultant shall permit the COMMISSION, to review and inspect the project activities and files at all



reasonable times during the term of this AGREEMENT including review and inspection on a daily basis.

13. ACKNOWLEDGMENT. CONSULTANT shall acknowledge in all reports and literature that the material is prepared for and on behalf of the COMMISSION.

14. WORK PRODUCTS/OWNERSHIP OF DATA. All material, data, information, and written, graphic or other work produced under this AGREEMENT is subject to the unqualified and unconditional right of the COMMISSION to use, reproduce, publish, display, and make derivative use of all such work, or any part of it, free of charge and in any manner and for any purpose; and to authorize others to do so.

- A. Upon completion of all work under this AGREEMENT, ownership and title to all custom letters, reports, documents, plans, specifications, and estimates and other products produced as part of this AGREEMENT (herein "deliverables") will automatically be vested in the COMMISSION; and no further agreement will be necessary to transfer ownership to the COMMISSION. The CONSULTANT shall furnish the COMMISSION all necessary copies of data needed to complete the review and approval process.
- B. The COMMISSION may permit copyrighting reports or other contract products, subject to its rights in Section C below.
- C. If any of the work is subject to copyright, trademark, service mark, or patent, CONSULTANT now grants to the COMMISSION a perpetual, royalty-free, nonexclusive and irrevocable license to use, reproduce, publish, use in the creation of derivative works, and display and perform the work, or any part of it, and to grant to any third party a comparable and coextensive sublicense.
- D. Any subcontract in excess of \$25,000 entered into as a result of this contract, shall contain all of the provisions of this Article.

15. CONFIDENTIALITY OF DATA.

- A. All financial, statistical, personal, technical, or other data and information relative to COMMISSION's operations, which are designated confidential by COMMISSION and made available to CONSULTANT in order to carry out this AGREEMENT, shall be protected by CONSULTANT from unauthorized use and disclosure.
- B. Permission to disclose information on one occasion, or public hearing held by COMMISSION relating to the contract, shall not authorize CONSULTANT to further disclose such information, or disseminate the same on any other occasion.
- C. CONSULTANT shall not comment publicly to the press or any other media regarding the contract or COMMISSION's actions on the same, except to



COMMISSION's staff, CONSULTANT's own personnel involved in the performance of this contract, at public hearings or in response to questions from a Legislative committee.

- D. CONSULTANT shall not issue any news release or public relations item of any nature, whatsoever, regarding work performed or to be performed under this contract without prior review of the contents thereof by COMMISSION, and receipt of COMMISSION'S written permission.
- E. Any subcontract entered into as a result of this contract shall contain all of the provisions of this Article.

16. AUDIT REVIEW PROCEDURES.

- A. Any dispute concerning a question of fact arising under an interim or post-completion audit of this AGREEMENT that is not disposed of by agreement, shall be reviewed by the COMMISSION'S Contract Manager.
- B. Not later than 30 days after issuance of the final audit report, the CONSULTANT may request a review by the COMMISSION'S Executive Director of unresolved audit issues. The request for review will be submitted in writing. The Executive Director's determination regarding such dispute shall be final unless the Executive Director determines, in its sole discretion, that the dispute shall be determined by the COMMISSION.
- C. Neither the pendency of a dispute nor its consideration by the COMMISSION will excuse the CONSULTANT from full and timely performance, in accordance with the terms of this AGREEMENT.

17. SUBCONTRACTING.

- A. Nothing contained in this AGREEMENT or otherwise, shall create any contractual relation between COMMISSION and any subconsultant(s), and no subcontract shall relieve CONSULTANT of its responsibilities and obligations hereunder. CONSULTANT agrees to be as fully responsible to COMMISSION for the acts and omissions of its subconsultant(s) and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by CONSULTANT. CONSULTANT's obligation to pay its subconsultant(s) is an independent obligation from COMMISSION'S obligation to make payments to the CONSULTANT.
- B. The CONSULTANT shall perform the work contemplated with resources available within its own organization; and no portion of the work pertinent to this AGREEMENT shall be subcontracted without prior written authorization by the COMMISSION'S Contract Manager, except that, which is expressly identified in the approved Fee Schedule (Exhibit X).
- C. CONSULTANT shall pay its subconsultants within seven (7) calendar days from receipt of each payment made to CONSULTANT by COMMISSION.
- D. All subcontracts entered into as a result of this AGREEMENT shall contain all



the provisions stipulated in this AGREEMENT to be applicable to subconsultants.

- E. Any substitution of subconsultants must be approved in writing by the COMMISSION's Contract Manager prior to the start of work by the subconsultant.
- F. Any subcontract in excess of \$25,000 entered into as a result of this contract, shall contain all the provisions required by this AGREEMENT to be applicable to those subconsultants.

18. REBATES, KICKBACKS OR OTHER UNLAWFUL CONSIDERATION.

The CONSULTANT warrants that this AGREEMENT was not obtained or secured through rebates, kickbacks, or other unlawful consideration, either promised or paid to any COMMISSION employee. For breach or violation of this warranty, COMMISSION shall have the right in its discretion; to terminate the AGREEMENT without liability; to pay only for the value of the work actually performed; or to deduct from the contract price; or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

- 19. BROKERAGE OR OTHER FEES.** CONSULTANT warrants that s/he has not employed or retained any company or person, other than a bona fide employee working for the consultant, to solicit or secure this AGREEMENT, and that s/he has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or formation of this AGREEMENT. For breach or violation of this warranty, the COMMISSION shall have the right to annul this AGREEMENT without liability, or at its discretion to deduct from the AGREEMENT price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee."

20. FORCE MAJEURE

CONSULTANT shall not be liable for any failure to perform or any impairment to its performance to the extent such failure or impairment is caused by any act of God, fire, flood, natural catastrophe, labor dispute or strike or shortage, national or state emergency, epidemic or pandemic, insurrection, riot, act of terrorism, war, act of government, any action or inaction of the COMMISSION or a third-party engaged by it, and/or any other event, occurrence or circumstance beyond the reasonable control of CONSULTANT.

21. COMPLETE AGREEMENT.

- A. AGREEMENT: The two parties to this AGREEMENT, who are the before named CONSULTANT and the before named COMMISSION, hereby agree that this AGREEMENT constitutes the entire AGREEMENT which is made and concluded in duplicate between the two parties. Both of these parties for and in consideration of the payments to be made, conditions mentioned, and work to be performed; each agree to diligently perform in accordance



with the terms and conditions of this AGREEMENT as evidenced by the signatures below.

- B. COMMISSION DESIGNEE: The Executive Director of COMMISSION, or his or her designee, shall have the authority to act for and exercise any of the rights of COMMISSION as set forth in this AGREEMENT subsequent to, and in accordance with the authorization granted by the COMMISSION.
- C. COMPLETE AGREEMENT, INCLUDING ATTACHMENTS: This AGREEMENT includes all exhibits, attachments, and documents incorporated herein and made applicable by reference, constitutes the complete and exclusive statement of the terms and conditions of the AGREEMENT between COMMISSION and CONSULTANT, and supersedes all prior representations, understandings and communications. The invalidity in whole or in part of any term or condition of this AGREEMENT shall not affect the validity of other terms or conditions. The COMMISSION's waiver of CONSULTANT's performance of any term(s) or condition(s) of this AGREEMENT shall not be construed as a waiver for any future performance of such term(s) or conditions.

Attachments are:

- Exhibit X: Scope of Services
- Exhibit X: Fee Schedule
- Exhibit X: Levine Act Statement



Each of the undersigned represents and warrants that they are duly authorized to execute and deliver this AGREEMENT and that such execution is binding upon the entity for which they are executing this document.

SIGNATURE PAGE

Agreement No. TPXXXX

1. CONSULTANT:

By _____
Name
Title

Date_____

Firm
Address 1
Address 2
Telephone
Email

**2. SANTA CRUZ COUNTY REGIONAL
TRANSPORTATION COMMISSION:**

By _____
Sarah Christensen
Executive Director

Date_____

1101 Pacific Avenue, Suite 250
Santa Cruz, CA 95060
(831) 460-3200
info@sccrtc.org

3. APPROVED AS TO FORM:

By _____
Steve Mattas
RTC Counsel

Date_____

4. APPROVED AS TO INSURANCE:

By _____
Yesenia Parra
RTC Administrative Services Officer

Date_____

Distribution: RTC Contract Manager, RTC Contracts, CONSULTANT

