

**STAFF REPORT FOR CALENDAR ITEM NO.: 8.5**  
**FOR THE MEETING OF: June 13, 2024**

**TRANSBAY JOINT POWERS AUTHORITY**

**BRIEF DESCRIPTION:**

Authorize the Executive Director to execute a second amendment to the agreement for Independent Auditing Services with Maze and Associates (“Contractor”) to extend the agreement for one year with no change in the total authorized contract amount.

**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. On May 11, 2023, the TJPA Board of Directors adopted Resolution No 23-020 authorizing the exercise of the first option, extending the contract for one year and increasing the contract limit to \$280,115. Contractor has performed the audit of the fiscal year 2023 under the first amendment.

Exercising another one-year option will allow Contractor to perform the fiscal year ending June 30, 2024 audit at the rates predetermined in the original contract. If approved, the not-to-exceed contract amount for the five-year term would remain \$280,115; Contractor did not expend the full contract amount in prior years of the contract term and, as a result, the accumulated savings are expected to be adequate to cover Contractor’s services in the fifth year of the term.

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 apply 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. Exercising the first-year option and maintaining the continuity of auditors was extremely beneficial in completing the fiscal year 2023 audit within a short period and meeting state and Federal deadlines. The new Chief Financial Officer could benefit from the continuity of the auditors for the second-year option due to familiarity with the process and positive working experience with the Contractor during the recent audit of the fiscal year 2023 financial statements.

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 the 2013-14 fiscal year, 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 a second amendment to the agreement for Independent Auditing Services with Contractor in the form presented to extend the agreement an additional one year with no change in the total authorized contract amount.

**ATTACHMENTS:**

1. Resolution
2. Amendment No. 2

**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, On May 11, 2023, the TJPA Board of Directors adopted Resolution No. 23-020, authorizing the exercise of the first option, extending the contract for one year and increasing the contract limit to \$280,115 based on the pre-negotiated price; and

WHEREAS, Exercising another one-year option will allow Contractor to perform the fiscal year ending June 30, 2024 audit at the rates predetermined in the original contract and with no change in the total contract amount. The new Chief Financial Officer could benefit from the continuity of the auditors for the second-year option due to familiarity with the process and positive working experience with Contractor; now, therefore, be it

RESOLVED, That the Board authorizes the Executive Director to execute a second amendment to the agreement for Independent Auditing Services with Contractor in the form presented to extend the agreement for an additional one year with no change in the total authorized contract amount.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of June 13, 2024.

\_\_\_\_\_  
Secretary, Transbay Joint Powers Authority

**Amendment No. 02**  
**Professional Services Agreement between**  
**the Transbay Joint Powers Authority and**  
**Maze and Associates**

THIS Amendment No. 2 to the Professional Services Agreement to furnish independent auditing services dated June 25, 2020, as once previously amended (“Agreement”) is entered into as of the \_\_\_\_\_ day of June 2024 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 one (1) remaining option to extend the term of the Agreement for one (1) year. Notwithstanding the extension of the term, as a result of accumulated savings in prior years of the Agreement term, no increase is required in the maximum compensation under the Agreement.
- C. On June 13, 2024, the TJPA Board of Directors adopted Resolution No. \_\_\_\_\_, authorizing the exercise of the second option and the extension of the Agreement for one (1) year.

**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 for five (5) years from the Effective Date of the initial Agreement, as described in Section 3, “Effective Date of Agreement.”.

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. 02 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. 02 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. 217  
Pleasant Hill, CA 94523  
925-930-0902  
[whitneyc@mazeassociates.com](mailto: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