

# REQUEST FOR PROPOSALS

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## *PREPARE FISCAL AUDITS FOR FISCAL YEARS 2019, 2020, and 2021 AND TRIENNIAL TRANSIT PERFORMANCE AUDIT FISCAL YEARS 2019-2021 FOR GLENN COUNTY TRANSPORTATION COMMISSION*

### **INTRODUCTION**

The Glenn County Transportation Commission (GCTC) invites the submission of proposals by qualified accounting firms for 2019, 2020 and 2021 fiscal year audits and triennial performance audit of the selected funds under its jurisdiction; there are 13 separate funds. The audits shall be made in accordance with generally accepted auditing standards and shall include all procedures necessary for the retention of an opinion regarding the fairness of the presentation of financial statements in accordance with generally accepted accounting principles. The initial agreement may be extended for an additional three years to cover fiscal years 2022, 2023, and 2024.

### **BACKGROUND**

GCTC is the state and federally designated transportation planning agency for Glenn County and is responsible for the preparation of all state and federal transportation plans and programs that are required in order to secure transportation funding for the cities and County. The GCTC was designated as a Rural Transportation Planning Agency (RTPA) by the California Secretary of Business, Transportation and Housing. In accordance with the mandates and guidelines of this designation and receipt and use of these funds the GCTC has stewardship of all funds it is required to oversee.

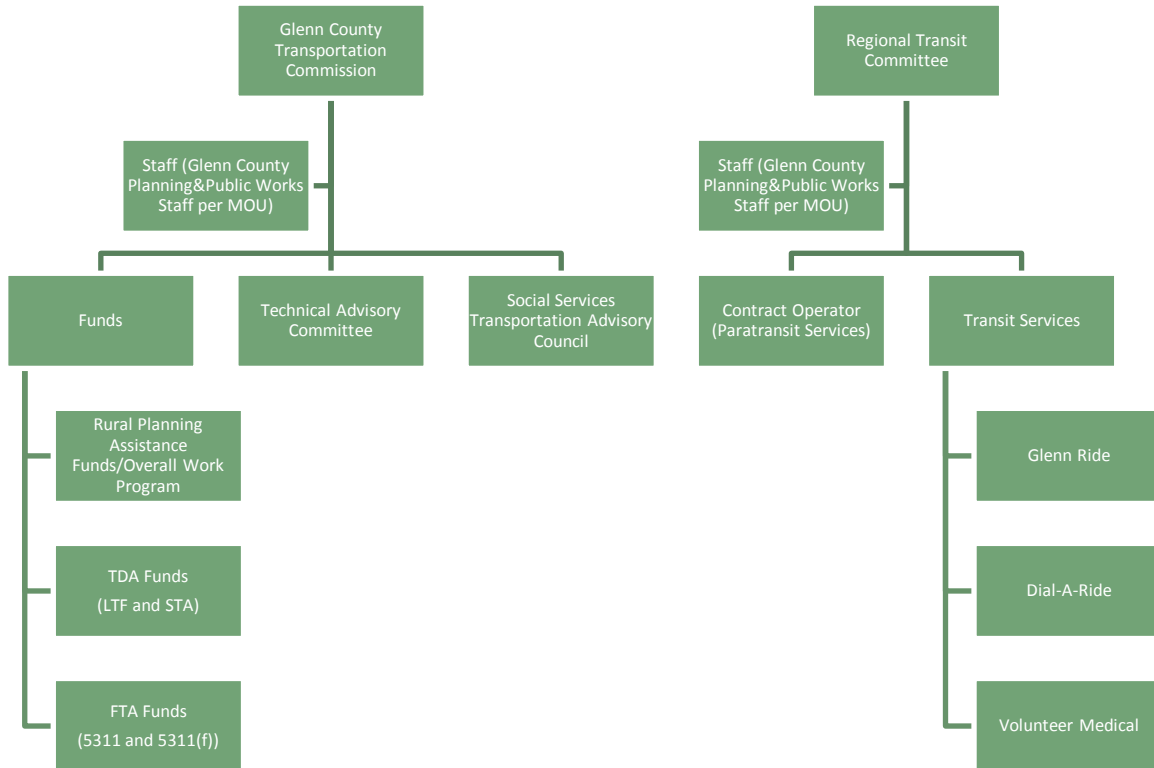
GCTC's governing board consists of six members: three members appointed by the County Board of Supervisors and three members appointed by the City Selection Committee representing the cities of Orland and Willows. Meetings are generally held once monthly alternating locations between sites in Orland and Willows.

Each of the member agencies receives Local Transportation Funds (LTF) and State transit Assistance Funds (STA).

There are several committees which support the GCTC providing input on transit and the regional planning process. These committees are as follows: Social Services Transportation Advisory Council (SSTAC), Technical Advisory Regional Transportation Improvement Program Committee

(TAC), and the Glenn County Advisory Committee. The Glenn County Regional Transit Committee (RTC) is separate agency that will, from time to time, advise GCTC on transit issues.

The following represents the organization of GCTC, RTC, and their subcommittees:



## SCOPE OF WORK AND TIMELINE

I. Each Audit shall include the following:

- a. All Annual Reports of Transit Operators Financial Transactions and Compensation Report to be submitted to the State Controller’s office within 90 days after the close of each fiscal year ending June 30, 2019, 2020, 2021, pursuant to the provisions of Public Utilities Code Section 99243 (a), Article 3.
- b. Annual Report of Transportation Planning Agencies Financial Transactions and Compensation Report to be submitted to the State Controller’s office within 90 days after the close of each fiscal year ending June 30, 2019, 2020, 2021, pursuant to the provisions of Government Code Section 53891.
- c. Fiscal and Compliance Audit of Glenn County Transportation Commission pursuant to the Transportation Development Act (TDA) and according to the federal guidelines (2 Code of Federal Regulations part 200).

- d. Fiscal and Compliance Audit of Local Transportation Funds (LTF) and State Transit Assistance Funds (STA), as well as fiscal and compliance audit of the claimants of those funds pursuant to the Transportation Development Act.
- e. Conduct audits in accordance with generally accepted auditing standards; Sections 99245 and 99246 of the Public Utilities Code and the California Administrative Code, Title 21, Chapter 3, Subchapters 2 and 2.5, Articles 5 and 5.5 (including Sections 6661, 6662, 6664, 6666, 6667 and 6751); applicable auditing standards set forth in Government Auditing Standards (2018 Revision), issued by the Controller General of the United States; Statements on Auditing Standards published by the American Institute of Certified Public Accounts; and the Single Audit Act Amendments of 1996 and 2 Code of Federal Regulations part 200.

II. The results of each fiscal audit shall be reported in the following reports:

- a. Audit of the Local Transportation Fund and the State Transit Assistance Fund as accounted for by the Glenn County Auditor.
  - Due Date: FY 2019: December 5, 2019
  - FY 2020: December 3, 2020
  - FY 2021: December 2, 2021
- b. Agency audit that includes a fiscal audit of the Glenn County Transportation Commission.
  - Due Date: FY 2019: December 5, 2019
  - FY 2020: December 3, 2020
  - FY 2021: December 2, 2021
- c. Audit of each claimant of TDA funds (LTF and STA).
  - Due Date: FY 2019: December 5, 2019
  - FY 2020: December 3, 2020
  - FY 2021: December 2, 2021

Please note that the Regional Transit Committee, which was created as a Joint Powers Authority, acts as the Board of Directors for Glenn Transit Service and oversees the management and operation of Countywide transit programs (deviated fixed route, dial-a-ride, volunteer medical transportation, and support of the Senior Nutrition program).

The auditor's work program shall include all necessary working meetings with GCTC staff (provided by County), contracted Transit Operator staff (Paratransit Services, Inc.) and member agency staffs. Auditor will submit all necessary reports electronically to the State Controller's Office, provide twenty (15) copies of all final audit reports as well as one (1) digital document copy. All final reports may be shown on the Glenn County web site at the discretion of GCTC.

In the event the initial agreement is extended, it is expected that this scope of work will be perpetuated for each year of the extension. Upon approval of the extension, due dates for the additional fiscal years will be provided.

## **SUGGESTED PROJECT TIMELINE AND SELECTION SCHEDULE**

The following project schedule is considered advisory. Prospective auditors are encouraged to submit a revised schedule in their proposal that reflects their dates of project delivery. **The proposal MUST indicate if the schedule can be maintained. If no revised schedule is submitted, this schedule will be considered binding.**

Distribution of Request for Proposals	<b>June 3, 2019</b>
Proposals Due by 4:00 pm	<b>July 3, 2019</b>
Auditor selection	<b>July 10, 2019</b>
Contract award	<b>July 18, 2019</b>
Initial kick-off meeting	<b>August 2019</b>

### **Schedule:**

August-October	Collection and review of accounting data
November	Provide draft reports and recommendations, and meet with GCTC staff for review.
December	Final Reports due

## **CONSULTANT ADMINISTRATION RESPONSIBILITIES**

1. Work meetings: Schedule and coordinate all necessary working meetings with GCTC staff.
2. Invoices and progress reports: Invoices may be submitted at the end of each month. All invoices must include a description of work completed and upcoming tasks. Consultant must display hourly rate and expenditures for each employee as well as administrative rates.

## **INSTRUCTIONS FOR PREPARATION OF PROPOSAL**

### **1. Firm experience and qualifications:**

This section should provide a summary description of the auditor's overall qualifications for this project and previous experience on similar or related engagements.

## **2. Understanding of the Project:**

This section should include a brief narrative introducing the auditor's understanding of the project requirements. The contents of this section are to be determined by the respondent, but should demonstrate understanding of the unique characteristics of this project and the requirements of the project in the scope of work contained in this request for proposals.

## **3. Management:**

Prospective auditor shall designate by name the project manager to be engaged. The selected auditor shall not substitute the project manager without prior approval by the GCTC Executive Director.

## **4. Project Personnel:**

Prospective auditors shall describe the qualifications of all professional personnel assigned to this project, including a summary of similar work or studies each member has performed and a resume of each professional.

## **5. References:**

Prospective auditors shall provide names, addresses and telephone numbers for at least three clients for whom the prospective auditor has performed financial audits of similar complexity to that proposed in this request.

## **6. Subcontracting:**

If subcontractors are used, prospective auditors must submit a description of each person or firm and the work to be done by each subcontractor. No work may be subcontracted without the prior approval of the GCTC Executive Director.

## **7. Methodology:**

Prospective auditors shall describe the overall approach to the audit work, specific techniques that will be used, and the specific administrative and operational management expertise that will be employed.

## **8. Conflict of Interest:**

Prospective auditors shall disclose any financial, business or other relationship with GCTC, any of the two incorporated cities in Glenn County, the County of Glenn or any of their officers or officials that may have an impact on the outcome of the project. The prospective auditor shall

also list current clients who may have a financial interest in the outcome of the project. The auditor will be required to include conflict of interest statements in the final report.

#### **9. Hours and Rates:**

Provide an estimate of the total person-hours allocated to each task associated with preparing the audits, and a breakdown of the employees and professionals to be assigned to the tasks and the average hourly rates of each. The hourly rates may be presented as either “base” or “loaded” rates. Whichever rate is displayed, an explanation of what the rate includes must be identified either on the person-hour estimate or clearly stated elsewhere in the body of the proposal.

#### **10. Selection of Successful Auditor:**

Selection of the successful auditor will be based on information provided in response to the Request for Proposals: Information provided by former clients of the auditor for whom work of a similar scope has been done, evaluation of presentations following submission of proposals according to specified criteria, evidence of appropriate credentials or certifications and consideration of any exceptions taken to the RFP.

#### **11. Proposal Evaluation:**

An auditor selection committee composed of GCTC’s Executive Director, Principal Planner and Department of Finance Director will accomplish evaluation of the proposals. The selection committee may, at their discretion, conduct interviews with selected firm/auditor or may begin negotiations with the top ranked firm/auditor.

**In the event an agreement cannot be successfully negotiated with the top ranked firm/auditor, the second ranked firm/auditor will be invited to enter into negotiations. This process will be continued, if required, until a satisfactory agreement can be negotiated.**

## **12. Proposal Submittal:**

The proposal shall not exceed twenty-five (25) single-sided printed pages, excluding cover sheet, table of contents, index sheets, resumes, and required attachments. Double-sided pages will be allowed and counted as two (2) pages. Resumes included with the proposal shall not exceed one single-sided printed page per person listed in the table of organization. Please submit two (2) hard copies and one (1) electronic copy of your proposal addressed to:

Fiscal Audit Request for Proposals  
Glenn County Transportation Commission  
777 N. Colusa St.  
Willows, CA 95988  
Attn: Mohammad Qureshi, Executive Director

Submittals must be received by 4:00 pm on **July 3, 2019**. This is a firm deadline, and no proposals will be accepted after this time.

All proposals become the property of GCTC. The cost of preparing, submitting and presenting a proposal and participating in an interview are at the sole expense of the proposer. GCTC has the right to reject any or all of the proposals received as a result of this request. Solicitation of proposals in no way obligates GCTC to contract with any firm or individual. The decision to approve and award a contract is at the discretion of GCTC.

## **13. Modifications or Withdrawal of Proposal:**

Any proposal received prior to the date and time specified above for receipt of proposals may be withdrawn or modified by written request of the proposer. To be considered, the modification must be received in writing, and the same number of copies as the original proposal, prior to the date and time specified above for receipt of proposals.

## **14. Rejection of Proposals:**

Failure to meet the requirements of this RFP shall be cause for rejection of the proposal. GCTC may reject any proposal if it is conditional, incomplete, contains irregularities or reflects inordinately high cost rates. GCTC may waive immaterial deviation in a proposal. Waiver of an immaterial deviation shall in no way modify the RFP documents or excuse the proposing firm/team from full compliance with the contract requirements if the proposer is awarded the contract.

## **15. Contract Award:**

Following successful contract negotiations the Executive Director of the GCTC will award the contract to the chosen auditor. The contract is not in force until it is awarded by the Executive Director and evidenced by written notice of award.

## **16. Insurance Requirements:**

GCTC will require the selected auditor to obtain and maintain at its sole cost and expense the following insurance coverage naming Glenn County Transportation Commission as additional insured.

- a. Workers' Compensation and Employer's Liability:  
Workers' Compensation insurance up to statutory limits and Employer Liability insurance with policy limits of at least \$1,000,000 for bodily injury or disease.
- b. General Liability:  
At least \$1,000,000 combined single limit per occurrence coverage for bodily injury, personal injury and property damage. If a general aggregate limit is used, then either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be twice the required per occurrence limit. The Consultant or Consultant's insurance carrier shall notify County if incurred losses covered by the policy exceed 50% of the annual aggregate limit.
- c. Automobile Liability:  
At least \$100,000 to cover bodily injury for one person and \$300,000 for two or more persons, and \$50,000 to cover property damages. However, policy limits for construction projects shall be at least \$1,000,000 combined single limit per accident for bodily injury and property damage for autos used by the Consultant to fulfill the requirements of this Agreement, and coverage shall be provided for "any auto", code 1 as listed on the Acord form "Certificate of Insurance."
- d. Professional Liability Insurance:  
Professional liability insurance covering professional services shall be provided in an amount of at least \$1,000,000 per occurrence or \$1,000,000 on a claims-made basis. However, if coverage is written on a claims-made basis, the policy shall be endorsed to provide at least a two-year extended reporting provision.

Attachment "B" must be properly completed and submitted with the proposal.

## **17. Harmless Clause:**

The GCTC will require the successful consultant to hold harmless, defend and indemnify the GCTC, their officers, staff and agents from any liability, claims, actions, costs, damages or losses,



for injury, including death to any person, or damage to any property arising out of the consultant's services.

**18. Ineligible Bidders:**

Each consultant must certify that it is not included on the U.S. Comptroller General's Consolidated List of Persons or Firms Currently Debarred for Violations of Various Public Contracts Incorporating labor Standards Provisions. Attachment "A" must be properly completed and submitted with the proposal.

**19. Method of Payment:**

Payment to the selected consultant will be made upon successful completion of project tasks as invoiced by the consultant.

**QUESTIONS**

Any questions regarding this RFP may be directed to:

Mardy Thomas, Principal Planner  
Glenn County Transportation Commission  
P.O. Box 1070  
Willows, CA 95988  
transit@countyofglenn.net

All questions must be received by 5:00 pm (Pacific Time), June 18, 2019; however, GCTC reserves the right, at its discretion, to accept questions beyond that date should significant or unanticipated issues arise. Questions and answers will be consolidated into one or more addenda to this RFP providing an official response.

# ATTACHMENT A

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## INELIGIBLE CONTRACTORS CERTIFICATION

Contractors or firms who are included on the U.S. Comptroller General's list of persons or firms currently debarred for violations of various public contracts incorporating labor standards provisions cannot be awarded this contract, the undersigned hereby certify that:

\_\_\_\_\_  
Name of Consultant

Does not appear on the U.S. Comptroller General's list of ineligible contractors.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

----Do not write below this line----

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

# ATTACHMENT B

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## CERTIFICATION CONCERNING WORKERS COMPENSATION INSURANCE

STATE OF CALIFORNIA        )  
                                          )  
GLENN COUNTY ASSOCIATION  
OF GOVERNMENTS         )  
                                          )

I am aware of the provisions of Section 3700 of the Labor Code that require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this Contract.

CONTRACTOR: \_\_\_\_\_ DATE: \_\_\_\_\_

# ATTACHMENT C

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Sample contract

## **GLENN COUNTY TRANSPORTATION COMMISSION**

### **CONSULTANT SERVICES TO PREPARE ANNUAL AUDIT FOR FISCAL YEARS ENDING JUNE 30, 2019, 2020, AND 2020 WITH A PERFORMANCE AUDIT FOR THE THREE YEARS ENDING JUNE 30, 2021**

This AGREEMENT to prepare the Annual Audits and Triennial Performance Audit for the Glenn County Transportation Commission is made and entered into this \_\_\_ day of \_\_\_\_\_ 2019 by and between the Glenn County Transportation Commission hereinafter referred to as "GCTC" and \_\_\_\_\_, hereinafter referred to as "CONTRACTOR".

#### **1. RESPONSIBILITIES OF CONTRACTOR/SCOPE OF WORK**

During the term of this AGREEMENT, CONTRACTOR shall perform all necessary tasks to complete and file the annual audits, and triennial performance audit for GCTC. The project shall include, but not be limited to completing all financial statements, filing all required reports with the State Controller's Office, completing an annual audit at the end of each fiscal year, provide a verbal report to the GCTC upon submittal of the completed audit and complete the triennial performance audit. During the process, Contractor will work with GCTC staff and assigned Glenn County staff.

CONTRACTOR shall perform all professional services, tasks, attend all meetings, and meet all deadlines described in Exhibit "A" (attached hereto and incorporated by this reference) and as follows:

- A. CONTRACTOR agrees to conduct for GCTC a careful and complete examination of the accounts and records of the Local Transportation Planning and Administration Fund, Local Transportation Fund, State Transit Assistance Fund, State Planning Subventions, County Transit System, Road Department (as a claimant) of the County of Glenn, City of Willows and City of Orland Transportation Development Act funds for the fiscal years ending June 30, 2019, 2020, and 2021. In the event the contract is extended, additional fiscal years will be added. A "careful and complete examination" is defined as a review of records within the pertinent offices of the County of Glenn, establishing by means of testing that items of cash reported as having been received have in fact been received and recorded by the said offices. It shall also include the testing of disbursement by reference to canceled warrants and supporting documents supplied by vendors or other supporting evidence of payment. This examination shall be made pursuant to the provisions of Sections 6661, 6662 and 6664.1 of the California Code of Regulations, Title 21, Chapter 3, Subchapter 2, Article 5.5, and Section 99245 of the Public Utilities Code, Division 10, Part 11, Chapter 4, Article 3.

- B. CONTRACTOR shall prepare for GCTC a careful and complete performance audit of GCTC for the three years ended June 30, 2021. In the event the contract is extended, an additional performance audit covering the three years ended June 30, 2024 may be added. This performance audit shall be conducted pursuant to the provisions of Sections 6662.5 and 6664.5 of the California Code of Regulations, Title 21, Chapter 3, Subchapter 2, Article 5.5, and Section 99246 of the Public Utilities Code, Division 10, Part 11, Chapter 4, Article 3.
- C. CONTRACTOR shall prepare for and submit on behalf of GCTC the Annual Report of Financial Transactions of Transit Operators, to be submitted to the State Controller within 90 days after the close of each fiscal year ending June 30, 2019, 2020, 2021, pursuant to the provisions of Public Utilities Code Section 99243 (a), Article 3. In the even the contract is extended, fiscal years ending June 30, 2022, 2023, and 2024 will be added.
- D. CONTRACTOR shall prepare for and submit on behalf of GCTC the Annual Report of Financial Transactions of Transportation Planning Agencies, pursuant to Section 99406 of the Public Utilities Code, Article 8.
- E. CONTRACTOR shall appear in person before the COMMISSION at any time during the performance of this contract, and to consult with and report as to the progress of the audit and all other matters pertaining thereto, when requested to do so.
- F. CONTRACTOR may consult with the Legal Counsel on behalf GCTC on legal issues arising during the course of the audit.
- G. CONTRACTOR shall commence the required audits immediately upon the signing of this contract, and shall prosecute the audits diligently until completed. The audits shall be conducted according to those generally accepted auditing standards as recognized by the American Institute of Certified Public Accountants and as set forth by the State of California Business, Transportation and Housing Agency, Department of Transportation, Division of Rail and Mass Transportation, in the Transportation Development Auditing, and Financial Reporting.
- H. The examinations, findings, and reports of CONTRACTOR shall be held as confidential by him and reported only to the GCTC and the responsible State of California Business Transportation and Housing Agency, Department of Transportation office.

## **2. RESPONSIBILITIES OF GCTC**

During the term of the AGREEMENT, GCTC shall provide access to all figures, tabulations, statistical schedules, and other data already assembled or prepared by the County Auditor and the County Treasurer or the personnel of the respective offices for County purposes, but such statements shall not be copied verbatim and used as a representation of results of services for the final report of audit by CONTRACTOR. This does not preclude the use of these statements in the audit report where acknowledgment is made that they were prepared by the County Auditor or the County Treasurer nor shall any member of their respective staffs be employed by

CONTRACTOR in connection with the within audit, nor shall the County Auditor or the County Treasurer nor any personnel in their respective departments be called upon to perform any service other than the performance of the regular duties of their respective offices.

### **3. COMPENSATION**

#### **3.1 BASIS OF COMPENSATION:**

Compensation for all work completed by CONTRACTOR will be paid in accordance with the price proposal attached hereto as "Exhibit B" and incorporated by this reference. CONTRACTOR shall submit to GCTC an invoice upon completion of the annual audit or triennial performance audit together with a statement of services rendered.

#### **3.2 TRAVEL EXPENSE:**

To the extent that CONTRACTOR is entitled to reimbursement for travel, meals, and lodging, such reimbursement shall be subject to the prior approval of the GCTC EXECUTIVE DIRECTOR or authorized DESIGNEE and shall be reimbursed in accordance with the Glenn County's Reimbursement for Expenses policy contained in Title 7 of the Glenn County Administrative Manual.

#### **3.2 LITIGATION:**

CONTRACTOR agrees to testify at GCTC's request if litigation is brought against GCTC in connection with CONTRACTOR's work. Unless the action is brought by CONTRACTOR or is based upon CONTRACTOR's negligence or intentional tortious conduct, GCTC will compensate CONTRACTOR for the testimony at CONSULTANT's hourly rate as provided in Exhibit "B".

### **4. TERM OF AGREEMENT**

This AGREEMENT shall become effective on the date first written above and shall terminate on January 31, 2022. CONTRACTOR shall commence performance under the terms of this AGREEMENT upon notice from Staff of GCTC and shall complete the duties described herein on or before January 31, 2022. This AGREEMENT shall be automatically extended for an additional three years or until January 31, 2025 unless GCTC or CONTRACTOR provide notice in writing, to the other, 60 days prior to January 31, 2022, their desire to terminate the AGREEMENT.

### **5. TERMINATION**

GCTC or CONTRACTOR may terminate this AGREEMENT for one or several of the following reasons:

5.1 BASIS FOR TERMINATION:

FOR CONVENIENCE: GCTC may terminate this AGREEMENT at any time in whole or in part for its convenience and any reason, and without cause, by giving CONTRACTOR sixty (60) days written notice thereof.

FOR MATERIAL BREACH: GCTC may terminate this AGREEMENT upon thirty (30) days (hereinafter "cure period") written notice by mail or by personal service of a material default or breach in performance of any of the terms and conditions of this AGREEMENT to be kept, done or performed by CONTRACTOR, and CONTRACTOR fails, neglects or refuses for the stated cure period to remedy said defaults or to initiate remedy of said faults should the cure thereof require a period in excess of the cure period. Should the cure period expire without remedy of said defaults or initiation of such remedy by CONTRACTOR, GCTC may without further notice and without suit or other proceedings cancel this AGREEMENT.

FOR BANKRUPTCY: Either (a) the appointment of a receiver to take possession of all or substantially all of the assets of CONTRACTOR or (b) a general assignment by CONTRACTOR for the benefit of creditors, or (c) any action taken by or suffered by CONTRACTOR under any insolvency or bankruptcy act shall constitute a breach of the AGREEMENT by CONTRACTOR and shall at the option of GCTC terminate this AGREEMENT.

BY MUTUAL AGREEMENT: This AGREEMENT may also be terminated at any time upon mutual agreement of both parties.

5.2 COMPENSATION UPON TERMINATION:

Should either party terminate this AGREEMENT, compensation to CONTRACTOR shall be limited to amounts accrued to the date of termination as specified under Paragraph 3 – Compensation.

5.3 TRANSITION TO FUTURE CONTRACTOR

For up to sixty (60) days prior to and following the effective date of the termination or expiration of this agreement, CONTRACTOR shall provide to either the GCTC or any future CONTRACTOR selected by GCTC, CONTRACTOR'S full cooperation in the transition to GCTC or the successor CONTRACTOR.

**6. COMPLETE AGREEMENT**

This AGREEMENT and the attachments and documents incorporated herein constitute the complete and exclusive statement of the terms of the AGREEMENT between the GCTC and CONTRACTOR and it supersedes all prior representations, understanding and communications. The invalidity in whole or in part of any provision of this AGREEMENT shall not affect the validity of other provisions. GCTC'S failure to insist in one or more instances upon the performance of



any term or terms of this AGREEMENT shall not be construed as a waiver or relinquishment of GCTC's right to such performance by CONTRACTOR.

**7. GCTC DESIGNEE**

The EXECUTIVE DIRECTOR of the GCTC or his/her DESIGNEE, shall have the authority to act for and exercise any of the rights of GCTC as set forth in the herein AGREEMENT, subsequent to the authorization by the GCTC.

**8. CHANGES IN SCOPE OF WORK**

It is understood and agreed by GCTC and CONTRACTOR that it may be necessary, from time to time during the term of this AGREEMENT, to modify its provisions or to revise the scope. In each such instance, GCTC and CONTRACTOR shall consult with each other and shall come to a mutually acceptable agreement as to the nature of the required modification or revision desired. Each modification or revision required shall be reduced to writing, and when appropriately executed by both parties, shall constitute an amendment to this AGREEMENT. Each amendment will be identified and sequentially numbered as "Amendment No. 1" and so forth, shall be subject to all of the other applicable provisions of this AGREEMENT, and shall be attached to EXHIBIT "C", entitled "APPROVED AMENDMENTS - GCTC AGREEMENT". Until an amendment has been approved in the foregoing manner, it shall have no force or effect.

**9. INDEPENDENT CONTRACTOR**

CONTRACTOR'S relationship to GCTC in performance of this agreement is that of an independent contractor. The personnel performing services under this AGREEMENT shall at all times be under CONTRACTOR'S exclusive direction and control and shall be employees of CONTRACTOR and not employees of GCTC. CONTRACTOR shall pay all wages, salaries and other amounts due its employees in connection with this AGREEMENT and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers compensation insurance, and similar matters. CONTRACTOR shall notify its employees by written notice that any and all obligations in connection with their employment are those of the CONTRACTOR and not of the GCTC.

**10. INDEMNIFICATION**

CONTRACTOR shall defend, indemnify and hold harmless the GCTC and all of its officers, agents, employees, volunteers and assigns, from any and all claims, demands, damages, costs, expenses, judgments, and liability, including attorneys fees and other costs of defense incurred by GCTC, whether for damage to or loss of property, or injury to or death of person, including properties of GCTC, and injury to or death of any GCTC officers, employees, volunteers, agents and assigns, arising out of or alleging to arise out of, or resulting from or in any way connected with this contract or attempted performance of the provisions hereof, unless such damage, loss, injury or death is caused solely by the negligence of GCTC. This indemnity and hold harmless

provision, insofar as it may be adjudged to be against public policy, shall be void and unenforceable only to the minimum extent necessary so that the remaining terms of this indemnity and hold harmless provision may be within public policy and enforceable.

## **11. INSURANCE; BONDS; PERFORMANCE GUARANTEE**

### 11.1 INSURANCE

Without limiting CONTRACTOR's indemnification of the GCTC, CONTRACTOR shall procure and maintain for the duration of AGREEMENT, insurance against claims for injuries to persons or damage to property that may arise from, or be in connection with, the performance of the work hereunder by CONTRACTOR, CONTRACTOR's agents, representatives, employees, and sub-consultants. At the very least, CONTRACTOR shall maintain the insurance coverage, limits of coverage and other insurance requirements as described below.

Any deductibles or self-insured retention must be declared on certificates of insurance and approved by GCTC. At the option of the GCTC, either CONTRACTOR shall reduce or eliminate such deductibles or self-insured retentions, with respect to the GCTC, its officers, officials, employees and volunteers, or CONTRACTOR shall procure a bond guaranteeing payment of losses and related investigations, claims administration and defense expenses. Insurance is to be placed with insurers who are licensed to sell insurance and who possess a Best rating of A or higher. However, Workers' Compensation coverage issued by the State Compensation Insurance Fund (SCIF) shall be acceptable.

11.1.1 GENERAL LIABILITY: At least \$1,000,000 combined single limit per occurrence coverage for bodily injury, personal injury and property damage. If a general aggregate limit is used, then either the general aggregate limit shall apply separately to this project/location, or the general aggregate limit shall be twice the required per occurrence limit. The CONTRACTOR or CONTRACTOR's insurance carrier shall notify GCTC if incurred losses covered by the policy exceed 50% of the annual aggregate limit.

11.1.2 AUTOMOBILE LIABILITY: At least \$100,000 to cover bodily injury for one person and \$300,000 for two or more persons, and \$50,000 to cover property damages. However, policy limits for construction projects shall be at least \$1,000,000 combined single limit per accident for bodily injury and property damage for autos used by the CONTRACTOR to fulfill the requirements of AGREEMENT, and coverage shall be provided for "any auto", code 1 as listed on the Acord form "Certificate of Insurance."

11.1.3 WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY: Workers' Compensation insurance up to statutory limits and Employer Liability insurance with policy limits of at least \$1,000,000 for bodily injury or disease.

**11.1.4 PROFESSIONAL LIABILITY INSURANCE:** Professional liability insurance covering professional services shall be provided in an amount of at least \$1,000,000 per occurrence or \$1,000,000 on a claims-made basis. However, if coverage is written on a claims-made basis, the policy shall be endorsed to provide at least a two-year extended reporting provision.

Such insurance shall include GCTC, its appointed officials, officers, and employees as an additional insured, and shall not be reduced or canceled without 30 days written prior notice delivered to GCTC. CONTRACTOR shall provide GCTC with a certificate of insurance as evidence of insurance protection provided. Insurance certificates provided by any insurance company or underwriter shall not contain the language “endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon the company,” or similar language. If Consultant has employees, he/she shall obtain and maintain continuously Workers’ Compensation Insurance to cover Consultant and Consultant’s employees and partners.

CONTRACTOR shall furnish properly executed Certificates of Insurance from insurance companies acceptable to GCTC and signed copies of the specified endorsements for each policy prior to commencement of work under this AGREEMENT. Such documentation shall clearly evidence all coverage required above, including specific evidence of separate endorsements naming the GCTC and shall provide that such insurance shall not be materially changed, terminated or allowed to expire except after 30 days written notice by certified mail, return receipt requested, has been given to GCTC. The GCTC reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

Such insurance shall be maintained from the time work first commences until completion of the work under this AGREEMENT. CONTRACTOR shall replace such certificates for policies expiring prior to completion of work under this AGREEMENT.

Unless otherwise agreed by the parties, CONTRACTOR shall cause all of its Subcontractors to maintain the insurance coverages specified in this Insurance section and name CONTRACTOR as an additional insured on all such coverages. Evidence thereof shall be furnished as GCTC may reasonably request.

If CONTRACTOR, for any reason, fails to maintain insurance coverage that is required pursuant to this AGREEMENT, the same shall be deemed a material breach of contract. GCTC, at its sole option, may terminate this AGREEMENT and obtain damages from the CONTRACTOR resulting from said breach.

## **12. ADMINISTRATION**

### 12.1 CONTROL

CONTRACTOR shall render all services under this Agreement in a manner consistent with the policies of the GCTC. Modification of existing policies or adoption of new policies during the term of this AGREEMENT, which affect CONTRACTOR'S performance of services, shall be treated as changes pursuant to Section 5 - Changes in Scope of Work herein.

Notwithstanding this provision, CONTRACTOR remains responsible for any consequences resulting from CONTRACTOR'S actions or inaction as provided in this agreement or otherwise provided by law.

### 12.2 FORCE MAJEURE:

Neither party shall be held responsible for losses, delays, failure to perform, or excess costs caused by events beyond the control of such party. Such events may include, but are not restricted to, the following: Acts of God, fire, epidemics, earthquake, flood or other natural disaster; strikes, war or civil disorder, road closures; unavailability of fuel.

## **13. GENERAL PROVISIONS**

### 13.1 CONFLICT OF INTEREST

The CONTRACTOR covenants that he/she presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of service required to be performed under this AGREEMENT. The CONTRACTOR further covenants that in the performance of this AGREEMENT, no person having such interest shall be employed.

### 13.2 AUDIT; RETENTION OF RECORDS

CONTRACTOR shall allow the authorized representatives of GCTC, the U.S. Department of Transportation, the Comptroller General of the United States, and the California State Controller's Office to inspect and audit all data and records of the CONTRACTOR relating to performance under this AGREEMENT. Such audit shall be allowed upon reasonable notice of any aforementioned agency. Further, CONTRACTOR shall maintain all required records for five years after final payment under this AGREEMENT and until all other pending matters are closed.

### 13.3 CIVIL RIGHTS

During the performance of this AGREEMENT, CONTRACTOR, for itself, its assignees and successors in interest (hereinafter referred to as the "CONTRACTOR") agrees as follows:

- (1) Nondiscrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C.

§ 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. §12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

(2) Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

(a) Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity," as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

(b) Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § 623 and Federal transit law at 49 U.S.C. §5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age.

(c) Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities.

13.4 HEADINGS:

The headings or titles to sections of the AGREEMENT are not part of the AGREEMENT and shall have no effect upon the construction or interpretation of any part of the AGREEMENT.

13.5 SALE OR TRANSFER

CONTRACTOR agrees that it will not sell, assign or transfer in whole or in part any right, title or interest it possesses by reason of this AGREEMENT to any other person or entity without first obtaining the written consent of the GCTC to such sale, assignment, or transfer. In the event of any violation of this Section, GCTC may immediately terminate this AGREEMENT.

13.6 BINDING

This AGREEMENT shall be binding on the assigns, transferees, successors, heirs, trustees, executors and administrators of the parties hereto.

13.7 NOTICE

All notices hereunder and communications with respect to this AGREEMENT shall be effected upon the mailing thereof by registered or certified mail return receipt requested and addressed as follows:

If to GCTC:

Glenn County Transportation Commission  
c/o Mohammad Qureshi, Executive Director  
P.O. Box 1070  
Willows, CA 95988

If to CONTRACTOR:

**IN WITNESS WHEREOF**, GCTC and CONTRACTOR have executed this AGREEMENT on the day and year first written above.

**CONTRACTOR**

**GLENN COUNTY**  
**TRANSPORTATION COMMISSION**

By: \_\_\_\_\_

\_\_\_\_\_  
IRS W-9 Tax ID on file

By \_\_\_\_\_

Mohammad Qureshi, Executive Director  
Glenn County Transportation Commission

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Gregory P. Einhorn, Legal Counsel

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# **Exhibit A**

## **Contractor Proposal**

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**Exhibit B**  
**Contractor Price Proposal**

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# **Exhibit C**

## **Approved Amendments – GCTC Agreement**

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