

Brawley
Calipatria
Holtville
Westmorland



Calexico
El Centro
Imperial
County of Imperial

REVISED AGENDA

WEDNESDAY, SEPTEMBER 26, 2012
6:00 PM or immediately after the ICTC meeting

County Administration Building, 2nd Floor
Board of Supervisors Chambers
940 W. Main St.
El Centro, CA 92243

CHAIRPERSON: Sedalia Sanders

EXECUTIVE DIRECTOR: Mark Baza

Individuals wishing accessibility accommodations at this meeting, under the Americans with Disabilities Act (ADA), may request such accommodations to aid hearing, visual, or mobility impairment by contacting ICTC offices at (760) 592-4494. Please note that 48 hours advance notice will be necessary to honor your request.

I. CALL TO ORDER AND ROLL CALL

II. EMERGENCY ITEMS

A. Discussion/Action of emergency items, if necessary.

III. PUBLIC COMMENTS

Any member of the public may address the Commission for a period not to exceed three minutes on any item of interest not on the agenda within the jurisdiction of the Commission. The Commission will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.

IV. CONSENT CALENDAR

A. Approval of Minutes for June 27, 2012

V. REPORTS

A. LTA Executive Director

VI. ACTION CALENDAR

A. Audits and Accountancy Agreement FY 2010-11, 2011-12 and 2012-13 for the Local Transportation Authority (LTA)

LTA staff recommends that the Local Transportation Authority:

1405 N. Imperial Ave., Suite 1, El Centro, CA 92243
Phone: (760) 592-4494, Fax: (760) 592-4497

1. Authorize the Chairman to sign the agreement for financial audit services effective July, 1 2012, for the audit period FY 2011-12 through FY 2015-16, with the firm of Hutchinson and Bloodgood for the not to exceed fees as listed:
 - a. For the audit period July 1, 2010 through June 30, 2011, the annual fee set at \$51,404.
 - b. For the audit period July 1, 2011 through June 30, 2012, the annual fee set at \$51,404.
 - c. For the audit period July 1, 2012 through June 30, 2013, the annual fee set at \$68,220

VII. ADJOURNMENT

- A. Motion to Adjourn



Local Transportation Authority

DRAFT MINUTES FOR JUNE 27, 2012

VOTING MEMBERS PRESENT:

City of Brawley	George Nava
City of Calexico	Bill Hodge
City of Calipatria	Maria Nava-Froelich
City of El Centro	Sedalia Sanders (Chairperson)
City of Holtville	David Bradshaw
City of Imperial	Mark Gran
City of Westmorland	Larry Ritchie
County of Imperial	Jack Terrazas
Executive Director	Mark Baza (non-voting)

OTHERS PRESENT: Cristi Lerma (clerk), Kathi Williams (staff), David Salgado (staff), Virginia Mendoza (staff), Sam Amen (Caltrans), Marv Balin (First Transit)

I. CALL TO ORDER AND ROLL CALL

Meeting was called to order by Chair Sedalia Sanders at 6:01 p.m. and roll call was taken.

II. EMERGENCY ITEMS

None

III. PUBLIC COMMENTS

No public comment

IV. CONSENT CALENDAR

- A. A motion was made by [Terrazas](#) and seconded by [Ritchie](#) to approve the minutes for May 23, 2012, **Motion Carried** unanimously.
- B. Legal Services Agreement – County of Imperial –Local Transportation Authority (LTA) – FY 2012-13

It was requested that the LTA take the Following actions:

- 1. Authorized the Chairperson to sign the agreement for legal services between the County of Imperial and the Local Transportation Authority for an annual cost not to exceed \$5,000 effective July, 1 2012 through June 30, 2013.
- 2. Directed staff to forward the agreement to the County of Imperial.

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V. REPORTS**A. Executive Director Reports**

- Mr. Baza stated that the Bond Financing efforts are finalizing and will be following up with City finance teams and staff for future steps.

VI. ACTION CALENDAR**A. West Shores Dial-A-Ride Operational Funding for FY 2012-13**

Ms. Williams presented this item.

At an LTA meeting in May of 2010, the Board directed staff to utilize the 2% of the LTA revenues available for transit, on the local public transit services. This was a new source of revenue for transit and had been a separate section for disbursement within the new ordinance.

For the first two years FY 2010-11 and FY 2011-12, the disbursements were made to the local agencies for Dial-A-Rides, with the agencies receiving an equal share to offset the operational costs. This revenue was in addition to the regular Transportation Development Act/ Local Transportation Fund (TDA/LTF) funding.

For several years, the West Shores Dial-A-Ride previously administered by the County and now administered by ICTC, has been unable to meet its LTF performance measure requirements for the farebox ratio of 10%. ICTC staff approached the Imperial County Transportation Commission in December 2011 with a recommendation to retire the service due to low ridership.

The ICTC Board directed staff to find alternatives to retain the service. ICTC staff have been unable to solicit donations or find another means of maintaining the service with the use of LTF funds. However should the LTF funds be removed as a revenue source and the service be funded entirely with LTA funds, the LTA Board can at its own discretion assign its own farebox ratio for management of the service. ICTC staff would recommend a farebox ratio be set at 5%.

The net effect on the LTA revenue source is such so that it reduces the 2% transit funds available to the other member agencies' Dial-A-Ride services. However the LTF funds used on the West Shores Dial-A-Ride would then be used for the operational costs of the member agencies services.

There is no change in the total amount available for each agency and all services remain fully funded.

It was requested that the LTA review and approve the following:

1. An LTA subsidy amount of \$80,000 for the West Shores Dial-a-Ride service for FY 2012-13 in order to continue to provide the demand response transit service within the West Shores communities.
2. Assigned a farebox ratio of 5% for the West Shores Dial-a-Ride service.

A motion was made by [Terrazas](#) and seconded by [Ritchie](#), **Motion Carried** unanimously.

VII. ADJOURNMENT

Meeting Adjourned at 6:16 p.m.

Brawley

Calipatria

Holtville

Westmorland



Local Transportation Authority

Calexico

El Centro

Imperial

County of Imperial

September 20, 2012

Sedalia Sanders, Chairperson
Local Transportation Authority
1405 N. Imperial Ave., Suite 1
El Centro, CA 92243

SUBJECT: Audits and Accountancy Agreement FY 2010-11, 2011-12 and 2012-13 for the Local Transportation Authority (LTA)

Dear Members of the Authority:

The professional services agreement for audit service recently concluded. As a result, LTA staff completed a competitive bid process for the solicitation of independent financial audit services. A request for proposal was circulated for a three year period in order to maximize pricing reductions and reduce the level of effort for LTA staff. The audit agreement is for work associated with fiscal years FY 2010-11, 2011-12 and 2012-13.

There is audit work in addition to the level of effort from the previous years, associated with this project now that Bonds have been issued. In addition, there are several reports that were previously completed by the County of Imperial Auditors Controller's office on behalf of the ICTC, that now are included in this audit agreement. These reports include:

- Transportation Planning Agencies Financial Transactions and Compensation Report
- The Government Compensation Report

There were two proposals received for the work. An evaluation committee reviewed and scored the proposals. The scoring process utilized standard categories including but not limited to; relevant experience, references, and cost. The firm of Hutchinson and Bloodgood was identified as the most responsive for the project.

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LTA staff recommends that the Local Transportation Authority:

1. Authorize the Chairman to sign the agreement for financial audit services effective July, 1 2012, for the audit period FY 2011-12 through FY 2015-16, with the firm of Hutchinson and Bloodgood for the not to exceed fees as listed:
 - a. For the audit period July 1, 2010 through June 30, 2011, the annual fee set at \$51,404.
 - b. For the audit period July 1, 2011 through June 30, 2012, the annual fee set at \$51,404.
 - c. For the audit period July 1, 2012 through June 30, 2013, the annual fee set at \$68,220

Sincerely yours,



MARK BAZA
Executive Director

Attachment

MB/cl

1 **2.2** The audits will be conducted in accordance with auditing standards generally accepted
2 in the United States of America, the standards for financial audits contained in
3 *Government Auditing Standards*, issued by the Controller General of the United States
4 for applicable audits, and will include tests of the accounting records and other
5 procedures considered necessary to express an opinion.

6 **2.3** If requested by the LTA, or CalTrans, or the Federal Transit Administration,
7 AUDITOR will appear before the requesting body and explain any audit report or
8 opinion.

9 **3. RETENTION AND AVAILABILITY OF WORK PAPERS.**

10 All supporting papers and work papers prepared by AUDITOR in connection with the Audit
11 shall be retained for a minimum of four (4) fiscal years following the close of the Audit for the fiscal
12 year and shall be available for inspection and examination during AUDITOR'S normal business
13 hours upon request from the LTA or representatives of the LTA, the State Controller and/or ICTC.

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15 **4. TIME FOR COMPLETION.**

16 Audits shall be completed per the schedule listed. Upon completion of the Audit, AUDITOR will
17 furnish ten (10) copies of the audit report to LTA and an electronic version in PDF format.

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LTA Audit	Start Date	Completion Date
Fiscal Year 2010-11	November 5, 2012	February 8, 2013
Fiscal Year 2011-12	February 12, 2013	May 25, 2013
Fiscal Year 2012-13	August 12, 2013	December 31, 2013

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RTPA/GCR	Start Date	Completion Date
Fiscal Year 2011-12	September 4, 2012	October 15, 2012
Fiscal Year 2012-13	September 4, 2013	October 15, 2013

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1 **5. COMPENSATION OF AUDITOR.**

2 **5.1** In consideration for the services to be performed by AUDITOR, LTA agrees to pay
3 AUDITOR at the hourly rates indicated on the Fee Schedule as described in **Exhibit**
4 **“C”**, attached and incorporated by this reference as though fully set forth herein.

5 **5.2** LTA agrees to compensate AUDITOR for all services provided under this contract, for
6 both audits and reports, in an amount not to exceed one hundred seventy-one thousand
7 twenty-eight dollars (\$171,028.00), including all out-of-pocket expenses. The total
8 amount that cannot be exceeded in each fiscal year, including all out-of-pocket
9 expenses, is:

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Fiscal Year in which work is performed	Fiscal Year audited and reported	Amount
Fiscal Year 2012-2013	Fiscal Year 2010-2011	\$51,404.00
Fiscal Year 2012-2013	Fiscal Year 2011-2012	\$51,404.00
Fiscal Year 2013-2014	Fiscal Year 2012-2013	\$68,220.00

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16 **5.3** Except as provided under Paragraphs 5.1 and 5.2, LTA shall not be responsible to pay
17 CONSULTANT any other compensation, out-of-pocket expenses, fees or other
18 remuneration.

19 **5.4** Said payment shall not be due and payable until such time as AUDITOR has provided
20 LTA with a monthly service statement which shall itemize all out-of-pocket expenses
21 and work performed for each said period. Said statements must meet with the
22 approval of LTA and be received by LTA no later than the 10th day of every month
23 following that for which the subject work was performed.

24 **5.5** Invoices, clearly indicating the period for which the bill is made, shall be submitted to:

25 Imperial County Local Transportation Authority
26 ATTN: Executive Director
27 1405 N. Imperial Ave., Suite 1
28 El Centro, CA 92243

1 5.6 AUDITOR acknowledges LTA is under no obligation to compensate AUDITOR for
2 services rendered or expenses accrued under this AGREEMENT not authorized by
3 LTA.

4 5.7 If LTA requires work in addition to that defined in the “Services to be Performed By
5 Auditor,” Paragraph 2, AUDITOR shall provide a cost estimate and written
6 description of the additional work needed to perform such services. Compensation
7 and the time for completing such additional services must be negotiated and approved
8 in writing by LTA prior to the commencement of any such services.

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10 6. **INDEMNIFICATION.**

11 As between LTA and AUDITOR, AUDITOR is deemed to assume responsibility and liability
12 for, and AUDITOR shall indemnify and hold harmless and defend LTA and any and all of its
13 officers, agents, servants or employees against any and all claims, loss damage, charge or expense,
14 including attorneys’ fees, whether direct or indirect, to which LTA or such officers, agents, servants
15 or employees may be put or subject, by reason of any damage, loss or injury or any kind or nature
16 whatever to person or property caused by or resulting from or in connection with any negligent act or
17 action, or any neglect, omission or failure to act when under a duty to act on the part of AUDITOR,
18 or any to its or their performance hereunder. In addition to any other remedy authorized by law, so
19 much of the money due AUDITOR under this AGREEMENT as shall be considered necessary by
20 LTA may be retained until disposition has been made of any claims for damages.

21 7. **INSURANCE.**

22 7.1. AUDITOR hereby agrees at its sole cost and expense to obtain and maintain in full
23 force during the entire term of this AGREEMENT and any extended term thereof the
24 following types of insurance:

25 7.1.1. Professional Liability coverage in a minimum amount of one million dollars
26 (\$1,000,000);

27 7.1.2. Commercial General Liability insurance, naming LTA as an additional insured
28 of one million dollars (\$1,000,000) per occurrence and two million dollars
 (\$2,000,000) in the aggregate;

1 7.1.3. Automobile Liability coverage in a minimum amount of one million dollars
2 (\$1,000,000), combined single limit, including non-owned and hired vehicles;
3 and

4 7.1.4. To the extent required by law, Workers' Compensation coverage in full
5 compliance with California law for all employees of AUDITOR, and
6 Employer's Liability in the minimum amount of one million dollars
7 (\$1,000,000).

8 7.1.5. If legally required, AUDITOR shall maintain, at its sole expense,
9 unemployment, disability, and any other required insurance reasonable to
10 compensate for injuries or damages related to the activities of this Agreement.

11 7.2. Special Insurance Requirements. All insurance required under paragraph 7.1 shall:

12 7.2.1. Be procured from an insurer authorized to do business in California.

13 7.2.2. Not be canceled, non-renewed or reduced in scope of coverage until after thirty
14 (30) days written notice has been given to LTA. However, AUDITOR may
15 not terminate such coverage until it provides LTA with proof that equal or
16 better insurance has been secured and is in place. Cancellation or change
17 without the prior written consent of LTA shall, at the option of ICT, be
18 grounds for termination of this Agreement.

19 7.3. Additional Insurance Requirements.

20 7.3.1. LTA is to be notified immediately of all insurance claims related to this
21 Agreement. LTA is also to be notified if any aggregate insurance limit is
22 exceeded.

23 7.3.2. Deposit of Insurance Policy. Promptly on issuance, re-issuance, or renewal of
24 any insurance policy required by this Agreement, AUDITOR shall, if
25 requested by LTA, cause to be given to LTA satisfactory evidence that
26 insurance policy premiums have been paid together with a duplicate copy of
27 the policy or a certificate evidencing the policy and executed by the insurance
28 company issuing the policy or its authorized agent.

1 7.3.3. AUDITOR agrees to provide LTA with the following insurance documents on
2 or before the effective date of this Agreement:

3 (1) Complete copies of certificates of insurance for all required coverages
4 including and 30 days Notice of Cancellation Clause endorsements.

5 (2) The documents enumerated in Paragraph 7.1 shall be sent to the
6 following:

7 Imperial County Local Transportation Authority
8 ATTN: Executive Director
9 1405 N. Imperial Ave., Suite 1
 El Centro, CA. 92243

10 7.3.4. Nothing in this, or any other provision of this Agreement, shall be construed to
11 preclude AUDITOR from obtaining and maintaining any additional insurance
12 policies in addition to those required pursuant to this Agreement.

13 8. **TERMINATION.**

14 8.1. **Termination by Either Party.** This AGREEMENT may be terminated, without
15 cause, by either party upon thirty (30) days prior written notice to the other party.

16 8.2. **Compensation in Early Termination.** In the event that this AGREEMENT is
17 terminated prior to the completion of the term of contract as specified herein,
18 AUDITOR shall be entitled to the compensation earned prior to the date of
19 termination as provided for in this Agreement, computed pro rata up to and including
20 that date. The compensation earned and unpaid at the time of termination shall be
21 paid without abatement or reduction immediately upon termination of this Agreement.
22 AUDITOR shall be entitled to no further compensation as of the date of termination.

23 9. **INDEPENDENT CONTRACTOR.**

24 9.1. AUDITOR shall be responsible to LTA only for the requirements and results specified
25 by this Agreement. AUDITOR shall not be subject to LTA'S control with respect to
26 the physical actions or activities of AUDITOR or of AUDITOR'S employees or
27 agents in connection with the operation of the business or AUDITOR'S fulfillment of
28 the requirements of the Agreement, except as specifically provided in this Agreement.

1 **9.2.** AUDITOR is, and at all times during the term of this Agreement shall represent and
2 conduct itself as, an independent contractor and not as an agent or employee of LTA.
3 AUDITOR shall not have the authority, express or implied, to bind or obligate LTA in
4 any way.

5 **10. ASSIGNMENT.**

6 Neither this Agreement nor any duties or obligations hereunder shall be assignable by
7 AUDITOR without the prior, written, consent of LTA.

8 **11. NON-DISCRIMINATION.**

9 **11.1.** During the performance of this Agreement, AUDITOR and its subcontractors shall not
10 unlawfully discriminate against any employee or applicant for employment or member
11 of the public because of race, religion, color, national origin, ancestry, physical or
12 mental disability, medical condition, marital status, age or gender. AUDITOR shall
13 insure that the evaluation and treatment of their employees and applicants for
14 employment and members of the public are free of such discrimination. AUDITOR
15 shall comply with the provisions of the Fair Employment and Housing Act (California
16 Government Code §12900 *et seq.*). The applicable regulations of the Fair
17 Employment and Housing Commission implementing Government Code §12900, set
18 forth in Chapter 5 of Division 4 of Title 1 of the California Administrative Code, are
19 incorporated into this Agreement by reference and made a part thereof as if set forth in
20 full. AUDITOR shall also abide by the Federal Civil Rights Act of 1964 and all
21 amendments thereto, and all administrative rules and regulations issued pursuant to
22 said Act. AUDITOR shall give written notice of its obligations under this clause to
23 labor organizations with which it has a collective bargain or other agreement.

24 **11.2.** AUDITOR shall include the non-discrimination and compliance provision of this
25 paragraph in all subcontracts to perform work under this Agreement.

26 **12. NOTICES.**

27 All notices under this Agreement shall be in writing and may be given by personal delivery or
28 by sending through the U.S. Post Office, certified mail, return receipt requested, addressed to LTA,

1 ATTN: Executive Director, 1405 N. Imperial Ave., Suite 1, El Centro, CA 92243 and to AUDITOR
2 at P.O. Box 518, El Centro, CA 92243 or at such other address as either party may designate in a
3 notice to the other party given in such manner. Any notice sent by mail shall be considered given
4 when received.

5 **13. ENTIRE AGREEMENT.**

6 This Agreement contains the entire agreement between LTA and AUDITOR relating to the
7 transactions contemplated hereby and supersedes all prior or contemporaneous agreements,
8 understanding, provisions, negotiations, representations or statements, either written or verbal.

9 **14. MODIFICATION.**

10 No modification, waiver, amendment, discharge or change of this Agreement shall be valid
11 unless the same is in writing and signed by both parties.

12 **15. PARTIAL INVALIDITY.**

13 If any of the provisions in this Agreement is held by a court of competent jurisdiction to be
14 invalid, void or unenforceable, the remaining provisions will continue to be in full force and effect.

15 **16. GENDER AND INTERPRETATION OF TERMS AND PROVISIONS.**

16 As used in this Agreement and whenever required by the context thereof, each number, both
17 singular and plural, shall include all numbers, and each gender shall include both genders.
18 AUDITOR as used in this Agreement or in any other document referred to in or made a part of this
19 Agreement shall likewise include both singular and plural, a corporation, a partnership, individual,
20 firm or person acting in any fiduciary capacity as executor, administrator, trustee or in any other
21 representative capacity or any other entity. All covenants herein contained on the part of AUDITOR
22 shall be joint and several if more than one person, firm or entity executes this Agreement.

23 **17. WAIVER.**

24 No waiver of any breach or of any of the covenants or conditions of this Agreement shall be
25 construed to be a waiver of any other breach or to be a consent to any further or succeeding breach of
26 the same or any other covenant or condition.

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1 **18. CHOICE OF LAW.**

2 The laws of the State of California shall govern this Agreement. This Agreement is made and
3 entered into in Imperial County, California. To the extent permitted by law, any action brought by
4 either party with respect to this Agreement shall be brought in a court of competent jurisdiction
5 within said County.

6 **19. ATTORNEYS' FEES.**

7 If either party herein brings an action to enforce the terms thereof or declare rights hereunder,
8 the prevailing party in any such action, on trial or appeal, shall be entitled to its reasonable attorneys'
9 fees to be paid by the losing party as fixed by the court.

10 **20. AUTHORITY.**

11 Each of the individuals executing this Agreement on behalf of AUDITOR and LTA represent
12 and warrant that:

13 **20.1** He or she is duly authorized to execute and deliver this Agreement on behalf of
14 AUDITOR or LTA as applicable;

15 **20.2** Such execution and delivery on behalf of AUDITOR is in accordance with the terms
16 of the Articles of Incorporation or Partnership, any By-Laws or Resolutions of
17 AUDITOR; and

18 **20.3** Such execution and delivery on behalf of LTA is duly authorized by the Board of
19 Supervisors and within the authority of the signatory identified below.

20 **21. COUNTERPARTS.**

21 This Agreement may be executed in counterparts.

22 **22. REVIEW OF AGREEMENT TERMS.**

23 This Agreement has been reviewed and revised by legal counsel for both LTA and
24 AUDITOR, and no presumption or rule that ambiguities shall be construed against the drafting party
25 shall apply to the interpretation or enforcement of the same or any subsequent amendments thereto.

26 **IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed
27 the day and year first above written and shall be effective as of said date.

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IMPERIAL COUNTY TRANSPORTATION COMMISSION:

By: _____

Chairman

ATTEST:

By: _____
CRISTI LERMA
Secretary to the Commission

AUDITOR:

By:  _____

APPROVED AS TO FORM:

MICHAEL L. ROOD
COUNTY COUNSEL

By:  _____
GEOFFREY P. HOLBROOK
Senior Deputy County Counsel