

THIRD AMENDMENT TO AGREEMENT NO. 855
BETWEEN
THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY
AND
MOSS ADAMS LLP

THIS THIRD AMENDMENT to Agreement No. 855 is made and entered into by the Alameda Corridor Transportation Authority (“AUTHORITY”), acting by and through its Governing Board, and MOSS ADAMS LLP (“AUDITOR”).

WHEREAS, an Agreement between AUTHORITY and AUDITOR was entered into commencing May 1, 2015 for a term of five years, through April 30, 2020, providing financial statement audits and single audits for fiscal years ending June 30, 2015 through June, 30, 2019; and

WHEREAS, two amendments were subsequently issued in February 2016 and March 2017, increasing the consideration and authorizing additional services; and

WHEREAS at its December 12, 2019 meeting, ACTA’s Governing Board approved this Third Amendment which extends the term for three years, increases the compensation amount by \$298,585 and adds additional services;

NOW, THEREFORE IT IS MUTUALLY AGREED AS FOLLOWS:

1. Section II. TERM OF AGREEMENT is amended to read:

“Section II. TERM OF AGREEMENT.

The term of this Agreement shall be deemed to have commenced as of May 1, 2015 and, subject to the provisions of Section IX, shall be for a term of eight years, expiring on April 30, 2023.”

2. Section III. SERVICES TO BE PERFORMED BY AUDITOR is amended to add Subparagraph E to read:

“E. ACCOUNTING SOFTWARE SYSTEM SELECTION SERVICES.

On an as-needed basis and upon written direction of the AUTHORITY’s Chief Executive Officer or his designee, AUDITOR shall provide the services set forth in Exhibit C to assist the AUTHORITY in the review, evaluation and potential selection of a new accounting software system. AUDITOR shall charge the AUTHORITY for these services at the hourly billing rates set forth in Exhibit A-2.”

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3. Section VI. PAYMENT OF FEES, Subparagraph A is amended to read:

“A. AUDITOR shall be paid for the services rendered to AUTHORITY pursuant to Section III of this Agreement at the rates and in the amounts set forth in Exhibit A, Exhibit A-1 and Exhibit A-2. The maximum payable under this Agreement, including reimbursable expenses, shall be Seven Hundred Eighty-Six Thousand Seven Hundred Thirty-Five Dollars (\$786,735).”

4. Exhibit A-1, attached hereto, is incorporated and made a part of the Agreement.

5. Exhibit A-2, attached hereto, is incorporated and made a part of the Agreement.

6. Exhibit C, attached hereto, is incorporated and made a part of the Agreement.

Except as amended herein all remaining terms and conditions of Agreement No. 855 shall remain in full force and effect.

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**Amendment No. 3
Agreement No. 855
MOSS ADAMS LLP**

The effective date of this amendment shall be the date of its execution by ACTA's Interim Chief Executive Officer.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to Agreement No. 855 on the date to the left of their signatures.

ALAMEDA CORRIDORY
TRANSPORTATION AUTHORITY, by
its Governing Board

Dated: _____, 2019

By: _____
JAMES P. PREUSCH
Interim Chief Executive Officer

Attest: _____
MARIA MELENDRES
Board Secretary

MOSS ADAMS LLP

Dated: _____, 2019

By: _____

(Print/type name and title)

Attest: _____

(Print/type name and title)

APPROVED AS TO FORM

_____, 2019
MICHAEL N. FEUER, Los Angeles City Attorney

By: _____
Heather M. McCloskey, Deputy
ACTA Co-General Counsel

EXHIBIT A-1
 AUTHORITY AGREEMENT NO. C0855
 AGREEMENT BETWEEN THE ALAMEDA CORRIDOR
 TRANSPORTATION AUTHORITY
 AND
 MOSS ADAM LLP
 Detail of Annual Audit Fees
 FY2020-FY2022 Audits

Fee Proposal

2020

Service Description	Fee
Financial statement audit for Alameda Corridor Transportation Authority for the year ending June 30, 2020	\$70,180
Single audit	\$11,440
Attendance at your audit committee meetings, including: <ul style="list-style-type: none"> • Presentation of audit results • Communication of internal control issues • Management letter 	Included
Estimated reimbursable expenses for travel, meals, and mileage	\$1,500
5% administrative and technology fee which includes use of technology and equipment, report processing, printing, mailing, and out-of-pocket confirmation request expenses	\$4,080
Total	\$87,200

2021–2022

Service Description	2021	2022
Financial statement audit for Alameda Corridor Transportation Authority for the years ending June 30	\$73,370	\$76,560
Single audit	\$11,960	\$12,480
Attendance at your audit committee meetings, including: <ul style="list-style-type: none"> • Presentation of audit results • Communication of internal control issues • Management letter 	Included	
Estimated reimbursable expenses for travel, meals, and mileage	\$1,600	\$1,700
5% administrative and technology fee which includes use of technology and equipment, report processing, printing, mailing, and out-of-pocket confirmation request expenses	\$4,265	\$4,450
Total	\$91,195	\$95,190

Billing Rates Standard Compared to Discounted Blended Rates by Year

Our standard hourly rates are reflected below; however, our fees will be fixed as noted above and reflect a discount from our standard rates as shown in the “discounted blended rates” section in the table below.

Staff Level	Standard Hourly Rates	Discounted Blended Rates		
		2020	2021	2022
Partner	\$500–\$575	\$220	\$230	\$240
Senior Manager	\$350–\$500	\$220	\$230	\$240
Manager	\$250–\$350	\$220	\$230	\$240
Senior	\$200–\$250	\$220	\$230	\$240
Staff	\$150–\$200	\$220	\$230	\$240

Schedule of Hours by Staff Level and Scope of Work

Staff Level	Planning and Controls	Substantive Procedures	Reporting	Single Audit	Total
Partner	8	4	8	4	24
Senior Manager /Manager	14	30	15	8	67
Senior	21	95	8	20	144
Staff	17	95	4	20	136
Total	60	224	35	52	371

FEE DETAILS

Subject	The Details
Progress Billing	Progress billings are based on hours and expenses completed at the time of billing. Bills are due upon receipt. We reserve the right to charge interest on accounts over 30 days past due.
Expenses	Our engagement letter will provide an estimate of the expenses for the services to be provided. Direct travel expenses will be billed monthly as incurred. As noted in the fee estimate above, Moss Adams will include a standard 5% administrative and technology fee as part of standard expenses on all engagements. This fee covers certain costs that some firms bill separately, including report processing charges, confirmation fees, filing fees, technology fees, and administrative billable time.

Subject	The Details
Cost Overruns	During the course of the audit, we'll measure our progress against our planned budget. If situations arise that are significantly different than our expectations, we'll bring them to your attention immediately and discuss various options before we proceed. We'll meet weekly during the course of fieldwork with the appropriate parties to ensure there are open lines of communication between our organizations.
Future New Audit, Review, and Accounting Standards	Our fee estimate discussed herein is based on accounting and professional standards that exist and are applicable as of the date of this proposal. To the extent that future rulemaking activities require modification to our audit approach, procedures, scope of work, etc., we'll advise you of such changes and the impact on our fee proposal. If we're unable to agree on the additional fees, if any, that may be required to implement any new accounting, auditing, and review standards that are required to be adopted and applied as part of our engagement, we reserve the right to withdraw from the engagement, regardless of the stage of completion.
Routine Phone Calls and Emails	Our policy is to not charge for short telephone calls seeking miscellaneous advice unless those consultations require significant additional work or research. If a matter requires further follow-up, we'll discuss a fee estimate with you before incurring significant time.
Research and Consultation	If we're requested to provide significant research or consultation service, we'll estimate the number of hours necessary to provide the requested services. We'll then provide a fee quote for your approval before commencing any work. Our fees for these services are generally at our standard billing rates.
Single Audit	Our fee estimate for the single audit is based on the assumption that you'll have one major program for fiscal year ending June 30, 2020 and that there may be more major programs in each subsequent fiscal year. If additional major programs are required to be audited, we estimate the additional cost at \$6,000 to \$8,000 per major program.
Audit Preparation	Our proposed fees are based on the presumption that your books and records will be ready for audit and minimal audit adjustments will be required. If accounting assistance is required to reconcile accounts, we'll discuss the issues with you, and additional fees will be billed separately, at our standard rates. Additionally, our fee quote assumes that we won't identify any audit findings, including significant deficiencies or material weaknesses. If potential audit findings are identified, costs for investigating and reporting them will be in addition to our audit fees.

EXHIBIT A-2
AUTHORITY AGREEMENT NO. C0855
AGREEMENT BETWEEN THE ALAMEDA CORRIDOR TRANSPORTATION
AUTHORITY
AND
MOSS ADAM LLP
Detail of Consulting Service Fees

Services provided to AUTHORITY, related to the selection and procurement of new accounting software, as outlined in Exhibit C, will be on a time and materials basis. The hourly rates for the services are provided below:

Partner/Engagement reviewer	\$360
Director	\$300
Project Manager	\$275
Functional Consultants	\$250
Technical Lead	\$250

EXHIBIT C
AUTHORITY AGREEMENT NO. C0855
Alameda Corridor Transportation Authority
Software Selection Services
Scope of Work



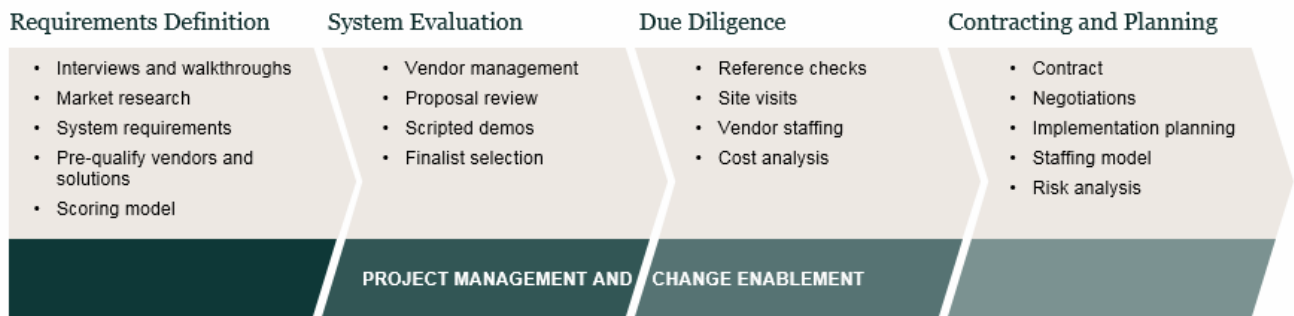
SYSTEM SELECTION SERVICE OVERVIEW

The Moss Adams Approach

We provide system selection assistance to organizations who have challenges with their legacy system and are looking to evaluate system options for a more robust solution capable of supporting their business processes and future growth.

Our team of accomplished consultants combines extensive knowledge of business processes with an outstanding track record of providing system selection services. Our project approach is guided by standard methodologies that, while tailored to each client's unique circumstances, have proven successful in hundreds of engagements. This approach will help you manage the system acquisition process in a structured manner and provide all the information you need to make a rational, fact-, and risk-based decision.

Our System Selection Process



System Selection Best Practices

- Tie business objectives to technology objectives
- Focus on present and future business processes and associated technical requirements
 - Universal clarity, understanding, and agreement on what is “working well” or “can/should be improved”
 - Identify gaps and plan to close them
 - Prioritize solutions (e.g., impact and timing: pre-implementation, during implementation, post-implementation) for any sources of “pain” or inefficiency, and avoid “automating inefficiency”
- Leverage a cross-functional team, including senior management
- Provide strong project management
- Develop an approach that is vendor agnostic, yet vendor aware
- Deliver adequate change management through planning, communication, and knowledge transfer
- Achieve timely results with thoroughness, accuracy, and objectivity

System Selection services for ACTA

Coaching Assistance During System Selection

We will participate in a coaching role starting with fact-finding and review of the system requirements gathered. We will help you pre-qualify relevant vendors to target in the evaluation process. This information will be used to determine which vendor systems will be shortlisted for evaluation.

For the vendor evaluation phase, the RFP package for the vendors and the vendor demo script will be prepared by you with guidance and review by our team. We will provide our templates towards this end, attend all demos, and convene the project team to select a finalist based on the information obtained from the RFP responses and software demonstrations. As part of this process, we will coach you through the tasks necessary to obtain reference checks for prospective vendors.

Any additional professional services will be provided as requested by ACTA in order to select and implement a new system.