

**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 November 15, 2019 meeting, ACTA’s Governing Board approved an extension of the term of Agreement No. C0855 by five years, from May 1, 2020 through April 30, 2025, to provide the financial statement audits and single audits for fiscal years ending June 30, 2020 through June 30, 2024 and the addition of \$475,960 to the contract value.

NOW, THEREFORE, in consideration of the terms, covenants and conditions hereinafter provided, IT IS MUTUALLY AGREED AS FOLLOWS:

1. Section II. TERM OF AGREEMENT is hereby amended extending the term five years from May 1, 2020 to April 30, 2025.
2. Section VI. PAYMENT OF FEES – A. is hereby amended by increasing the compensation amount by \$475,960 for a total not-to-exceed payment amount of \$964,110.
3. Exhibit A, DETAIL OF ANNUAL AUDIT FEES is hereby amended and “Exhibit A-1” is added for the additional five-year period from May 1, 2020 through April 30, 2025.
4. Except as amended herein all remaining terms and conditions of Agreement No. 855 shall remain in full force and effect.
5. The effective date of this amendment shall be the date of its execution by ACTA’s Chief Executive Officer.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to Agreement No. 855 as provided below:

**ALAMEDA CORRIDOR
TRANSPORTATION AUTHORITY**

Date _____ By _____

Title _____

ATTEST

Date _____ By _____

Title _____

MOSS ADAMS LLP

Date _____ By _____

(Print/Type Name & Title)

ATTEST

Date _____ By _____

Title _____

APPROVED AS TO FORM

Michael N. Feuer, City of Los Angeles City Attorney

By: _____
Deputy City Attorney

Date: _____

EXHIBIT A-1
 AUTHORITY AGREEMENT NO. C0855
 AGREEMENT BETWEEN THE ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY
 AND
 MOSS ADAM LLP
 Detail of Annual Audit Fees
 FY2020-FY2024 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

2023–2024

Service Description	2023	2024
Financial statement audit for Alameda Corridor Transportation Authority for the years ending June 30	\$79,750	\$82,940
Single audit	\$13,000	\$13,520
Transition meetings, review of predecessor auditor's workpapers, and getting up to speed 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	\$1,800	\$1,900
5% administrative and technology fee which includes use of technology and equipment, report processing, printing, mailing, and out-of-pocket confirmation request expenses	\$4,640	\$4,825
Total	\$99,190	\$103,185

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	2023	2024
Partner	\$500–\$575	\$220	\$230	\$240	\$250	\$260
Senior Manager	\$350–\$500	\$220	\$230	\$240	\$250	\$260
Manager	\$250–\$350	\$220	\$230	\$240	\$250	\$260
Senior	\$200–\$250	\$220	\$230	\$240	\$250	\$260
Staff	\$150–\$200	\$220	\$230	\$240	\$250	\$260

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 tax and report processing charges, confirmation fees, filing fees, technology fees, and administrative billable time.
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.

Subject	The Details
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.