

STAFF REPORT

SUBJECT: Transportation Development Act (TDA) Performance Audits

MEETING DATE: December 21, 2006

AGENDA ITEM: 6A

STAFF CONTACT: Michael Powers, Sarkes Khachek

RECOMMENDATION:

Authorize release of Request for Proposal for Triennial TDA Performance Audits

DISCUSSION:

In accordance with state law, SBCAG is required every three years to contract for performance audits of its activities and those of the transit operators to which SBCAG allocates TDA funds. This task was included in the SBCAG FY 2006-07 Overall Work Program. A performance audit will be conducted of SBCAG and of each of eight transit operators: City of Lompoc Transit (COLT), Easy Lift Transportation, Santa Barbara County Transit (Cuyama Valley), Santa Barbara Metropolitan Transit District (SBMTD), Santa Maria Area Transit (SMAT), Santa Maria Organization of Transportation Helpers (SMOOTH), City of Guadalupe (Guadalupe Flyer and transit), and Santa Ynez Valley Transit (SYVT). The period covered for this audit is FY 2003-04 through FY 2005-06.

The audits will examine compliance with statutory and regulatory requirements, assess implementation of prior recommendations, verify transit performance indicators, and review operator and SBCAG functions. The RFP is based on the state guidelines for preparing transit performance audits.

Sufficient funds were reserved in the Transit Work Element of the 2006-07 OWP and the Professional and Special Services account of the SBCAG FY 06-07 budget, therefore, no budget appropriation increase is required. Since this is a mandated requirement of state TDA law, TDA funds are used for this work. The estimated cost for these performance audits is \$80,000.

The proposed schedule for the audit follows:

Activity	Date
RFP Approved and Distributed	December 21, 2007
Proposal Submittal Deadline	January 18, 2007
Oral Interviews (optional)	February 1, 2007
SBCAG Board Approves Contract	February 15, 2007
Begin work	February 15, 2007
Submit draft reports	May 4, 2007
Submit final reports incorporating comments from SBCAG and operators	June 1, 2007
Presentation to SBCAG Board	June 21, 2007

Local transit providers have been asked to assist SBCAG in contractor selection and also serve on a technical review committee.

COMMITTEE REVIEW

At its meeting on December 7, 2006 TTAC recommended that the board authorize release of this RFP.

Attachment: Final Draft RFP



Request for Proposal

TRIENNIAL PERFORMANCE AUDIT SERVICES

DRAFT

December 21, 2006

260 N. San Antonio Rd., Ste. B
Santa Barbara, CA 93110-1315
www.sbcag.org

TABLE OF CONTENTS

INTRODUCTION	1
BACKGROUND	1
A.1.1. City of Lompoc Transit (COLT).....	1
A.1.2. Easy Lift Transportation.....	2
A.1.3. Guadalupe Flyer and Shuttle	2
A.1.4. Santa Barbara County Transit (Cuyama Valley).....	2
A.1.5. Santa Barbara Metropolitan Transit District (SBMTD).....	3
A.1.6. Santa Maria Area Transit (SMAT)	3
A.1.7. Santa Maria Organization of Transportation Helpers (SMOOTH)	3
A.1.8. Santa Ynez Valley Transit	4
SCOPE OF WORK	3
B.1.1. Determine Compliance with Statutory and Regulatory Requirements.....	4
B.1.2. Follow-up on Prior Performance Audit Recommendations	4
B.1.3. Verify Performance Indicators	5
B.1.4. Review Operator Functions	5
B.1.5. Determine Compliance with Legal and Regulatory Requirements	6
B.1.6. Follow-up on Prior Performance Audit Recommendations	6
B.1.7. Review SBCAG Functions	6
PROPOSAL CONTENT AND ORGANIZATION	6
C.1.1. Transmittal Letter.....	7
C.1.2 Table of Contents	7
C.1.3. Introduction.....	7
C.1.4. Audit Plan and Technical Approach	7
C.1.5. Project Management	7
C.1.6. Consultant and Subcontractor Staff.....	8
C.1.7. Consultant Qualifications and References	8
C.1.8. Cost Proposal	8
DELIVERABLES, TIMELINE, BUDGET, AND PAYMENT SCHEDULE.....	9
D.1.1 Required Deliverables	9
D.1.2. Performance Audit Timeline	9
D.1.3. Performance Audit Budget	9
D.1.4. Payment Schedule	9
PPROPOSAL SUBMISSION AND EVALUATION.....	8
E.1.1. Proposal Submission.....	10
E.1.2. Proposal Evaluation and Consultant Selection.....	10
E.1.3.Contract	10
E.1.4. Proposal Submittal	10

Introduction

SBCAG is the designated Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Agency (RTPA) for the County of Santa Barbara. Under federal and state law, SBCAG is responsible for developing transportation plans and programs for the region. SBCAG also serves as the County's Congestion Management Agency (CMA), Local Transportation Authority (LTA), Airport Land Use Commission (ALUC), and Service Authority for Freeway Emergencies (SAFE). SBCAG administers the regional Transportation Demand Management (TDM) Program through its Traffic Solutions Division. Member agencies include Santa Barbara County and the cities of Buellton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria, and Solvang. A thirteen-member board comprised of the five county supervisors and one representative from each of the eight cities governs SBCAG.

In accordance with California Public Utilities Code §99246, Santa Barbara County Association of Governments (SBCAG) plans to contract for performance audits of its activities and those of the transit operators to which SBCAG allocates Transportation Development Act (TDA) funds.

The Santa Barbara County Association of Governments, herein referred to as "SBCAG", is soliciting proposals from qualified consultants to develop and deliver Triennial Performance Audits for Fiscal years 2003-04 through 2005-2006 for the following agencies:

- SBCAG
- City of Lompoc Transit (COLT)
- Easy Lift Transportation
- Guadalupe Flyer & Shuttle
- Santa Barbara County Transit
- Santa Barbara Metropolitan Transit District (SBMTD)
- Santa Maria Area Transit (SMAT)
- Santa Maria Organization of Transportation Helpers (SMOOTH)
- Santa Ynez Valley Transit (SYVT)

Background

Transit Operators

An overview of each of the transit operators in Santa Barbara County to be audited follows:

A.1.1. City of Lompoc Transit (COLT)

COLT provides both fixed-route and demand-response service in the Lompoc area, including the unincorporated areas of Mission Hills and Vandenberg Village, utilizing a fleet of 12 vehicles. The fixed route service is comprised of four routes. COLT provides service Monday through Friday, between the hours of 6:30 AM and 8:00 PM, and on Saturdays between the hours of 9:00 AM and 5:00 PM. The transit system is managed by the City of Lompoc and operated under contract with a private carrier, which has a two-year contract with the city. Hospitality House, a nonprofit social service agency, operates the transit service to the U.S. Penitentiary, funded by the City of Lompoc. Hospitality House owns its own vehicle and is not

considered a part of COLT.

Demand-responsive service is provided on Mondays, Thursdays, and Fridays between Lompoc and the penitentiary.

The City of Lompoc operates the Santa Barbara Shuttle on Tuesdays and Thursdays departing at 8:30AM from the Mission Plaza Transit Center to the SBMTD Bus Depot.

COLT had 286,080 boarding's in Fiscal Year 2005, resulting in a 15.1% increase in ridership from FY 2004. Currently, COLT maintains a 14.5% farebox ratio (up from 13.8% in 2004), which is supplemented by Measure D funds for a total farebox recovery of 20% of operating costs.

A.1.2. Easy Lift Transportation

Easy Lift, a non-profit organization, serves as the Consolidated Transportation Service Agency (CTSA) for the South Coast region and is contracted by SBMTD to provide ADA complementary paratransit service to the South Coast. The agency provides demand-response service utilizing a fleet of 17 vehicles. Demand response service is provided through Easy Lift Transportation, which provides service Monday through Friday 5:30 AM through midnight, Saturday 6:00 AM to 11:30 PM, and Sunday 6:30 AM through 10:00 PM.

Easy Lift provided 24,820 one way passenger trips, 21,269 service hours, and, 281,511 miles traveled in CTSA and ADA complementary paratransit service in FY 05-06.

A.1.3. Guadalupe Flyer & Shuttle

The Guadalupe Flyer provides intercommunity service between the cities of Guadalupe and Santa Maria utilizing one bus on one route. The Guadalupe Flyer provides service between the cities of Guadalupe and Santa Maria, Monday through Friday, between the hours of 6:15 AM and 6:15 PM, and on Saturdays between the hours of 8:15 AM and 5:00 PM. Ridership on the Flyer for 2004–2005 was 66,579. This reflects an increase of 5% over the 2003-2004 ridership.

The Guadalupe Shuttle provides one fixed route (service) within the City of Guadalupe utilizing one bus. This service is provided by the City of Guadalupe, which contracts with SMOOTH for the operation of the service. The Guadalupe Shuttle provides fixed route in-town circulator service, Monday through Friday between the hours of 10:00 AM and 3:50 PM. The Shuttle had a ridership of 22,992 in 2004-2005, reflecting a 40% increase over the 2003-2004 ridership.

Combined with the Guadalupe Flyer, the Guadalupe Shuttle had a farebox ratio of 21.7% for 2004-2005. Due to its rural status, the Guadalupe Shuttle must maintain a 10% farebox ratio

A.1.4. Santa Barbara County Transit

Santa Barbara County Transit provides demand-response service throughout the Cuyama Valley area and to Santa Maria and Bakersfield upon request. Cuyama Transit provides demand response service to all Cuyama residents on Tuesday and Thursdays between the hours of 8:30 AM to 4:00 PM. As this small community is isolated in the north-east region of Santa Barbara County, this is inter-regional service with trips provided to Santa Maria, Taft and Bakersfield.

Cuyama Transit had a ridership of 2,525 in 2005, a decrease of 2% from 2004, and maintained a 16.8% farebox ratio. Due to its rural status, Cuyama is required to maintain only a 10% FBR.

Transit service in Los Alamos was inaugurated April 2004. This is a pilot program, providing service on Tuesday and Saturday with an 8:00 AM and 11:00 AM pick up from Los Alamos and a pick up from Santa Maria to return to Los Alamos at 10:00 AM and 3:00 PM.

In its second year of service (FY04/05), Los Alamos Transit had a ridership of 655 and a farebox recovery ratio of 4.1%. It should be noted that as a pilot program, there is a three year time frame to meet a 10% farebox ratio.

A.1.5. Santa Barbara Metropolitan Transit District (SBMTD)

The Santa Barbara Metropolitan Transit District (MTD) is an independent special district empowered under the California Public Utilities Code to provide public transit service in the South Coast of Santa Barbara County. SBMTD provides fixed-route service in the South Coast (including the cities of Carpinteria and Goleta and the unincorporated areas of Isla Vista, Montecito and Summerland) utilizing a fleet of 96 buses (71 diesel buses, 20 electric buses, and 5 over the road coaches). MTD's transit service consists of 26 individual routes operating on a fixed-route, fixed-schedule basis.

Currently, SBMTD provides fixed route service Monday through Friday 5:00 AM through midnight, Saturday 6:00 AM through 11:00 PM, and Sunday 6:00 AM through 10:00 PM (limited routes).

In 2005 SBMTD ridership was 7,169,752 (an increase of 2.4% from 2003-04) and the transit operator maintained a farebox ratio of 38.2%.

A.1.6. Santa Maria Area Transit (SMAT)

SMAT provides both fixed-route and demand-response service in the Santa Maria area, including Orcutt, utilizing a fleet of 11 fixed-route and 10 demand response vehicles. SMAT's fixed-route service consists of seven routes. Service is provide Monday through Friday, between the hours of 6:00 AM and 7:30 PM, Saturday between the hours of 7:30 AM and 6:25 PM, and Sunday service between the hours of 9:15 AM and 3:45 PM.

In 2004-05, SMAT had 773,469 fixed route boarding's and 23,818 demand response boarding's. This represented an increase in fixed route ridership of 19%, and a decrease in demand response ridership of 13% from 2003-04. SMAT fixed route service maintains a 20% farebox ratio (up from 19% in 2004).

A.1.7. Santa Maria Organization of Transportation Helpers (SMOOTH)

SMOOTH, a non-profit organization, services as the Consolidated Transportation Service Agency (CTSA) for the Santa Maria region and is contracted by SMAT to provide demand response service in Santa Maria. SMOOTH operates a fleet of 16 vehicles and provided 258,948 passenger miles and 13,751 passenger hours of service in FY 02-03. Ridership (FY 05-06): 46,369. SMOOTH also operates the Guadalupe Transit and Guadalupe Flyer system under contract to the City of Guadalupe.

A.1.8. Santa Ynez Valley Transit

Santa Ynez Valley Transit provides fixed-route and demand-response service in the Santa Ynez Valley utilizing a fleet of five vehicles. The service area includes the Cities of Buellton and Solvang, and the unincorporated communities of Ballard, Los Olivos, and Santa Ynez. The City of Solvang is the service administrator for the JPA and contracts with a private operator for the operation of the service. Santa Ynez Valley Transit provides fixed route and demand response service Monday through Saturday, between the hours of 7:00 AM and 6:30 PM.

In 2005 ridership was 32,660 fixed route passengers and 5,001 demand response passengers. This reflects a 1.3% increase in the fixed route ridership and a 10.6% increase in the demand response ridership from the previous reporting year. The 2004-05 farebox was 10.3%, showing a decrease from the previous year of 15%.

Scope of Work

Public Utilities Code Section 99246(b) states that the performance audit shall evaluate the efficiency, effectiveness, and economy of the operation of the entity being audited. In addition, the audits must be conducted in conformance with *the Performance Audit Guidebook for Transit Operators and Regional Planning Entities* published by the California Department of Transportation.

Performance Audits of Transit Operators

The consultant will be required to perform the following tasks in conducting the performance audits of the transit operators. As discussed above, a separate performance audit is required of each of eight transit operators: City of Lompoc Transit (COLT), Easy Lift Transportation, Guadalupe Flyer and Shuttle, Santa Barbara County Transit (Cuyama Valley), Santa Barbara Metropolitan Transit District (SBMTD), Santa Maria Area Transit (SMAT), Santa Maria Organization of Transportation Helpers (SMOOTH), and, Santa Ynez Valley Transit (SYVT).

B.1.1. Determine Compliance with Statutory and Regulatory Requirements

The consultant will be required to review and determine the operators' compliance with the Transportation Development Act and related sections of the California Code of Regulations. At a minimum, the Code Sections for which compliance is to be verified are those specified within the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*. Should the consultant identify instances of non-compliance, a finding regarding non-compliance should be made in the audit report.

B.1.2. Follow-up on Prior Performance Audit Recommendations

The consultant will review the most recent prior performance audits for the operators, and assess the operators' implementation of audit recommendations. The auditor will need to make determinations as to whether recommendations that have not been implemented are (a) no longer applicable, (b) infeasible, or (c) should still be implemented. If a prior audit recommendation has not been implemented but still has merit, the consultant should include the prior audit recommendation in the current audit report. The consultant will evaluate recommendations that have been implemented or are being implemented. For these

recommendations, the consultant should assess the benefits provided (or likely to be provided) by the recommendation. Significant accomplishments in implementing prior recommendations should be recognized.

B.1.3. Verify Performance Indicators

As part of the performance audit, Section 99246 of the Public Utilities Code requires verification of five performance indicators: operating cost per passenger, operating cost per vehicle service hour, passengers per vehicle service hour, passengers per vehicle service mile, and vehicle service hours per employee. The consultant will review and validate the operators' collection of basic data needed to calculate these indicators for each fiscal year in the triennium. The consultant will be expected to analyze performance indicators with the intent of identifying potential issues or concerns that may need further examination during the functional review.

As part of the functional review described below, the consultant will be expected to select, calculate, and analyze additional performance indicators that are appropriate to identify, quantify, and/or resolve performance problems and potential areas for improvement.

B.1.4. Review Operator Functions

The consultant will review each operator function, consistent with the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*. The functional review is expected to include interviews with the operators' management, staff, and governing board, as well as with selected SBCAG staff. Concerns over inefficient or ineffective operator performance may be raised by:

- Operator and SBCAG interviews concerning operator functions;
- Documents, such as productivity committee reports, user surveys, or short range transit plans;
- Review and analysis of TDA-required performance indicators;
- Follow up of prior performance audits; and
- Review of operator compliance with statutory and regulatory requirements.

Such concerns of inefficient or ineffective performance should lead to further investigation, which may include the verification and calculation of additional performance indicators. The detailed investigation of functional concerns, problems, and potential improvements should form the basis of most findings in the audit report.

Performance Audit of SBCAG

The consultant will also be required to conduct a performance audit of SBCAG. The consultant must perform the following tasks as part of the audit of SBCAG:

B.1.5. Determine Compliance with Legal and Regulatory Requirements

The consultant will be required to review and determine SBCAG's compliance with the Transportation Development Act and related sections of the California Administrative Code. The specific Code Sections for which compliance is to be verified are those specified within the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*. Should the consultant identify instances of non-compliance, a finding regarding the non-compliance should be made in the audit report.

B.1.6. Follow-up on Prior Performance Audit Recommendations

The consultant will review the most recent prior performance audit for SBCAG, and assess SBCAG's implementation of audit recommendations. The auditor will need to make determinations as to whether recommendations that have not been implemented are (a) no longer applicable, (b) infeasible, or (c) should still be implemented. If a prior audit recommendation has not been implemented but still has merit, the consultant should include the prior audit recommendation in the current audit report. The consultant will evaluate recommendations that have been implemented or are being implemented. For these recommendations, the consultant should assess the benefits provided (or likely to be provided) by the recommendation. Significant accomplishments in implementing prior recommendations should be recognized.

B.1.7. Review SBCAG Functions

The consultant will review each SBCAG TDA-related function, consistent with the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*. The functional review is expected to include interviews with SBCAG management, staff, and governing board, as well as with operators under SBCAG's jurisdiction. Concerns over inefficient or ineffective SBCAG performance may be raised by:

- SBCAG and operator interviews concerning SBCAG functions;
- Documents, such as the Regional Transportation Plan, and adopted policies and procedures for evaluating TDA claims;
- Follow up of prior performance audits; and
- Review of SBCAG compliance with statutory and regulatory requirements.

Proposal Content and Organization

Proposals should be limited to specific discussions of the elements outlined in this RFP. The intent of this RFP is to encourage responses which meet the stated requirements, and which propose the best methods to accomplish the work within the stated budget. The organization of proposals should follow the outline below.

C.1.1 Transmittal Letter

Must include the name, title, address, telephone number, and original signature of an individual with authority to negotiate on behalf of and to contractually bind the consultant, and who may be contacted during the period of proposal evaluation.

C.1.2. Table of Contents

This section will include a listing of the major sections in the proposal and the associated page numbers.

C.1.3. Introduction

The consultant should demonstrate an adequate understanding of the roles and relationships of SBCAG and the operators, and of conditions within the SBCAG area.

C.1.4. Audit Plan and Technical Approach

This section should include:

- A description of the overall audit program being submitted, including an explanation of the basic purpose and general focus of this audit.
- An explanation of the consultant's intended role as auditor, as related to the role of SBCAG and the operators, including the division of work between SBCAG staff and the consultant.
- A thorough explanation of the consultant's proposed course of action. References should be made to RFP requirements and the consultant's plans for meeting the requirements. If the consultant proposes major changes in the RFP approach, those changes should be specified clearly. The consultant should specify techniques, including data elements to be sampled, staff to be interviewed, and documents to be reviewed.
- A detailed and itemized description of the proposed project schedule, calendar time requirements, and the end products to be produced.

C.1.5. Project Management

The consultant must prepare an explanation of the project management system and practices to be used to assure that the project is completed within the scheduled time frame and that the quality of the required products will meet SBCAG's requirements.

The proposal shall include brief resume summaries of each of the key project personnel. Resume summaries should focus on experience and qualifications relevant to the project. The proposal shall also identify and describe a management approach for implementation of the Triennial Performance Audits, which shall include, but is not limited to, the following:

- A narrative Management Plan that describes how the team will be organized and managed to ensure that the required work is of high quality and completed within the schedule and budget.
- A Project Delivery Schedule, which describes the work to be performed to complete the Triennial Performance Audits. The schedule shall contain sufficient activities and milestones to adequately describe the services required to complete the project. The schedule should be in a bar chart format.
- SBCAG has a 10% Disadvantage Business Enterprise (DBE) usage goal for fiscal year 2006-07. The consultant is encouraged to solicit and use DBE services to the maximum extent feasible. Consultants are not required, nor will they be penalized if they do not meet the established goal. Furthermore, the consultant will be given no additional credit for use of DBE firms, but must show in the management approach a good faith effort in soliciting DBE services. The consultant shall identify any sub consultant and the capacity they will serve on the project.

C.1.6. Consultant and Subcontractor Staff

The proposal must describe the qualifications and experience of each professional who will participate in the project, including a resume for each member of the project team. A Project Manager must be designated, and an organizational chart showing the manager and all project staff must be included. A matrix must be presented indicating the effort in person-hours that will be contributed by each professional, during each phase or task making up the project. If a subcontractor will be used, the consultant must include a letter from the subcontractor committing to perform at least the work shown for subcontractor professionals in the above-described matrix.

C.1.7. Consultant Qualifications and References

The proposal must describe the nature and outcome of projects, previously conducted by the consultant, that are related to the work described within this RFP. Descriptions should include a client contact name, address, and phone number, a description of the type of work performed, the approximate date on which the work was completed, and professional staff who performed the work. If a subcontractor is proposed, two or three similar qualifications and references should be provided for the subcontractor.

C.1.8. Cost Proposal

SBCAG is offering this work on a Cost Plus Fixed Fee basis with a total not-to-exceed dollar cost for the total work effort. The budget for this project is \$ 80,000. The cost proposal shall be fully inclusive of all services required to complete the Triennial Performance Audits scope of services, and shall include the consultant's overhead rate and an itemized list for direct costs.

The prospective contractor shall prepare a detailed cost proposal for the work to be performed. The cost proposal shall itemize all items to be charged, including travel charges that will be involved in the project and included in the bid amount. Costs shall be segregated to show staff hours, rates, and classifications, and administrative overhead. As described above, a matrix must be presented indicating the effort in person-hours that will be contributed by each professional (including any subcontractor staff) during each phase or task making up the

project. Also, estimate consultant printing and other production costs for technical memorandums and the final summary report.

If subcontractors are to be used, the prospective contractor must indicate any markup that the prospective contractor plans to take on subcontracts. The same breakdown of subcontractor costs shall be provided as is required for contractor costs above.

Failure to provide detailed cost breakdowns will be cause for rejection of the proposal.

The proposal shall be signed by an individual authorized to bind the offer of said proposal. The proposal shall be a firm offer for a minimum of 90 days, and shall contain a statement to that effect. The proposal should contain a statement that all work will be performed at a not-to-exceed price.

Deliverables, Timeline, Budget, and Payment Schedule

D.1.1. Required Deliverables

The consultant must provide five copies of each draft report to the SBCAG Executive Director for review and comment prior to finalization. After SBCAG and the transit operator's review and comment upon the draft reports, the consultant must deliver five copies of each final report to the SBCAG Executive Director. The reports must address each of the performance audit project requirements outlined above, and must be delivered no later than June 2, 2004. In addition, the consultant will be required to make an oral presentation of the summary report to the SBCAG governing board.

D.1.2. Performance Audit Timeline

Activity	Date
Begin work	February 15, 2007
Submit draft reports	May 4, 2007
Submit final reports incorporating comments from SBCAG and operators	June 1, 2007
Presentation to SBCAG Board	June 21, 2007

D.1.3. Performance Audit Budget

The budget for all triennial performance audits is not to exceed \$ 80,000.

D.1.4. Payment Schedule

The consultant will be paid monthly based on work actually performed during the preceding month. The consultant should forward a copy of all invoices for payment for work performed and associated expenses by the 10th day of the following month. Ten percent of the total budget will be withheld until approval of the final report.

Proposal Submission and Evaluation

E.1.1. Proposal Submission

All proposals must be submitted according to the specifications set forth in this RFP. Failure to adhere to these specifications may be cause for rejection of the proposal. Any correction or resubmission done by the consultant or his authorized representative will not extend the submittal period. SBCAG reserves the right to reject any or all proposals.

All proposals become the property of SBCAG. Although SBCAG intends to keep all proposals confidential (with the exception of the successful proposal, which becomes public information upon acceptance by the SBCAG Board), SBCAG will not be responsible for materials obtained by other parties without written consent of the consultant.

All proposals shall constitute firm offers and may not be withdrawn for a period of ninety days following the final day to accept proposals.

Once submitted, proposals, including the composition of the consulting staff, cannot be altered without the prior consent of SBCAG.

E.1.2. Proposal Evaluation and Consultant Selection

An Evaluation and Selection Committee (ESC) consisting of representatives of the transit operators being audited in the project and/or SBCAG staff will evaluate all proposals submitted. All proposals will be evaluated on the following criteria:

Category	Weight	Description
Technical Approach	40%	Responsiveness to RFP; understanding purpose and requirements of the audit, comprehension of scope; approach, and identification of deliverables, discussion of alternatives, potential problems, critical path activities; and schedule.
Management Approach	10%	Presentation of organization, responsibilities, management approach, and budget and schedule adherence.
Experience of Firm and Personnel, and Innovation	30%	Experience in public transit, performance auditing, and the issues to be analyzed technical capabilities, client satisfaction, innovative ideas and processes, number, level, and experience of personnel to be assigned to the project
Resources	20%	Staff workload, resource allocation, accessibility of project team.

The ESC will make a recommendation to SBCAG of the top-ranked consultant for consideration by SBCAG's Executive Director. A recommendation will then be submitted to the SBCAG Board for final approval. Based upon its review of the proposals, the ESC may request oral interviews in the Santa Barbara area with selected firms prior to making a final recommendation. SBCAG reserves the right to select a consultant based solely on written proposals and not convene oral interviews. The evaluation and selection committee will recommend a firm to the SBCAG Board for final approval and subsequent negotiation of the contract and final statement of work.

General Information

E.1.3.1 Contract

SBCAG and the consultant will negotiate a final scope of services that will be part of the executed agreement. A copy of SBCAG's standard form contract for professional and technical services is included in Exhibit A.

E.1.3.2 Proposal Submittal

Each consultant shall submit seven (7) copies of their proposal to SBCAG. Proposals must be submitted in a sealed envelope in response to this RFP. Proposals must be received no later than 5:00 PM, Thursday, January 18, 2007 at the following address:

Santa Barbara County Association of Governments
260 N. San Antonio Rd., Ste. B
Santa Barbara, CA 93110-1315
Attention: Michael Powers, Deputy Director

SBCAG shall deem a proposal is late if received at any time after 5:00 PM on Thursday, January 18, 2007 (according to the date stamp at the SBCAG reception desk). Proposals received after this time on this date will be marked "LATE PROPOSAL", will not be considered and will be returned to the CONSULTANT unopened.

All proposals become the property of SBCAG upon submission. SBCAG shall keep all proposals confidential (with the exception of the proposal of the top-ranked consultant, which becomes public information upon acceptance and award by SBCAG).

SBCAG reserves the right to amend the RFP by addendum or to waive minor irregularities. If necessary, the proposal submittal deadline will be extended to allow consultants additional time to respond to the RFP addendum.

This RFP does not commit SBCAG to award an Agreement, to pay any costs incurred in the preparation of a proposal for this request, or to procure or contract for services. SBCAG reserves the right to accept or reject any or all proposals received as a result of this request, waive any irregularities, or to modify or cancel in part or in its entirety the RFP, if SBCAG determines it is in the best interest of the SBCAG to do so.

SBCAG shall not be liable for any pre-contractual expenses incurred by any consultant, whether selected or not. Each consultant shall protect, defend, indemnify, and hold harmless the SBCAG from any and all liability, claims, or expenses whosoever incurred by, or on behalf of the

entity participating in the preparation of its response to this RFP. Pre-contractual expenses include any of the following:

- Preparing proposal and related information in response to this RFP
- Negotiations with the SBCAG on any matter related to this procurement
- Costs associated with interviews, meetings, travel or presentations
- All other expenses incurred by the consultant prior to the date of award and a formal notice to proceed

Schedule:

Activity	Date
RFP Distributed	December 21, 2007
Proposal Submittal Deadline	January 18, 2007
Oral Interviews (optional)	February 1, 2007
SBCAG Board Approves Contract	February 15, 2007

Inquiries concerning this RFP should be directed to:

Santa Barbara County Association of Governments
Michael Powers, Deputy Director
(805) 961-8900

EXHIBIT A
Draft Contract

AGREEMENT BETWEEN
THE SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS
AND

FOR
PROFESSIONAL AND TECHNICAL SERVICES

THIS AGREEMENT, entered into by the Santa Barbara County Association of Governments (hereinafter referred to as SBCAG) and _____ (hereinafter referred to as CONTRACTOR).

WITNESSETH THAT:

WHEREAS, SBCAG desires to engage CONTRACTOR to render professional and technical services to prepare Triennial Performance Audits;

WHEREAS, CONTRACTOR has demonstrated its qualifications and willingness to provide the services and undertake the work hereinafter described:

NOW, THEREFORE, the parties do mutually agree as follows:

Article 1 - Statement of Work

CONTRACTOR shall do, perform and conduct in a satisfactory manner, as determined by SBCAG, the services set forth in Appendix A, Scope of Services, of this agreement and in accordance with CONTRACTOR'S proposal dated _____. Appendix A is attached hereto and by reference incorporated herein and made part of this Agreement. CONTRACTOR'S proposal is incorporated by reference.

Article 2 - Time of Performance

The services of CONTRACTOR are to commence after this Agreement has been executed and notice to proceed has been issued to CONTRACTOR by SBCAG. All work described herein shall be completed within _____ months from the date of the notice to proceed.

Article 3 - Personnel

CONTRACTOR represents that it employs, or will employ at its own expense, the personnel required to perform the services under this Agreement. CONTRACTOR specifies that the Principal in charge and Project Manager shall be _____ and CONTRACTOR staff assignments listed in the CONTRACTOR'S proposal dated _____ shall not be changed without the prior written consent of SBCAG.

Article 4 - Compensation

CONTRACTOR agrees to perform for the benefit of SBCAG all of the services set forth and described in Appendix "A" "Scope of Work" for this Agreement. For the performance of the services, SBCAG agrees to pay CONTRACTOR in accordance with the compensation set forth in Appendix "B", Compensation attached hereto and by reference incorporated herein and made part of this Agreement. Total compensation for direct costs paid by SBCAG to CONTRACTOR shall not exceed \$_____. Said compensation includes all costs for direct and indirect labor charges, expenses, overhead, fee and profit, as well as any work that is subcontracted. Costs will be reimbursed on a time and materials basis.

Article 5 - Payment

Payments made under this agreement shall be in arrears and invoices may be submitted at such intervals as CONTRACTOR deems practical, but no more frequently than once a month. Invoice amounts shall not exceed actual costs incurred by CONTRACTOR and shall be in proportion to the amount of work completed. Invoices submitted by CONTRACTOR shall include a brief progress report. SBCAG shall reimburse CONTRACTOR within thirty (30) days of receipt of an acceptable invoice. No more than 90% of the proposed price shall be paid until completion of the entire study.

Article 6 - Reports

Upon completion of all services, CONTRACTOR shall submit to SBCAG a final report in the form of a letter certifying completion of all the tasks set forth and described in Appendix A of this Agreement.

Article 7 - Subcontractors

Subcontractors eligible to work on this project include only those subcontractors listed in the CONTRACTOR'S proposal dated _____ and shall not be changed without the prior written consent of SBCAG.

Article 8 - Insurance

CONTRACTOR shall procure and maintain the following required insurance coverage during performance of this agreement:

- a. Workers' Compensation Insurance with an insurance company acceptable to SBCAG. Statutory Workers' Compensation and employer's Liability Insurance, with limits of at least One Million (\$1,000,000), shall cover all employees while performing any work incidental to the performance of this agreement.
- b. General and Automobile Liability Insurance with an insurance company or companies acceptable to SBCAG. General Liability Insurance shall include personal injury liability with employee exclusion (c) deleted and shall afford coverage for all premises and operations of the CONTRACTOR and/or agents or subcontractors of CONTRACTOR. Automobile Liability Insurance shall cover all non-owned motor vehicles, which are operated on behalf of CONTRACTOR pursuant to activities hereunder. SBCAG, its officers, employees and agents shall be named as additional insured. The limit of liability of said policy or policies for general and automobile liability shall be at least Five

Hundred Thousand Dollars (\$500,000) per occurrence combined single limit for bodily injury and property damage. Personal injury coverage shall also be in the amount of at least Five Hundred Thousand Dollars (\$500,000) per person aggregate. Said policy or policies shall contain a provision or endorsement that the insurance as is afforded by this policy shall be primary and contributory to the full limits stated in the declarations, and if SBCAG has other valid and collectible insurance for a loss covered by the policy, that other insurance shall be excess only.

Current certificates for required insurance shall be maintained at all times during performance of this Agreement in the SBCAG office as a condition precedent to payment by SBCAG under this Agreement. Failure to comply with the insurance requirements shall place CONTRACTOR in default. Upon request by SBCAG, CONTRACTOR shall provide certified copies of any insurance policies to SBCAG within ten (10) working days. The policies of insurance shall provide that no cancellation, major change in coverage, or expiration shall be effective or occur until at least THIRTY (30) days after receipt of such notice by SBCAG.

Article 9 - Responsibility for Claims and Liabilities

CONTRACTOR shall defend, at its sole expense, any claim or suit against the SBCAG, their subsidiaries, and their officials alleging injury or loss (including without limitation bodily injury, death, personal injury or property damage) directly resulting from the negligent acts or omissions of CONTRACTOR, its employees or SUBCONTRACTORS in the course of CONTRACTOR'S performance hereunder (and without any contributory or collateral negligence on the part of the above named entities, their subsidiaries, officials, contractors, agents or volunteers) and CONTRACTOR shall pay all costs (including reasonable legal costs) and damages finally awarded; provided that CONTRACTOR is given prompt written notice of such claim or suit and, further, that CONTRACTOR shall be given necessary information, reasonable assistance, and the sole authority to defend or settle such claim or suit.

Article 10 - Assignability

Without the written consent of SBCAG, this agreement is not assignable by CONTRACTOR, either in whole or in part.

Article 11 - Termination of Contract for Cause

If, through any cause, CONTRACTOR shall fail to fulfill in a timely and proper manner its obligations under this contract, or if CONTRACTOR violates any of the covenants, agreements, or stipulations of this Agreement and fails to cure or correct such failure or violation within 15 days of written notice of the same, SBCAG shall thereupon have the right to terminate this contract by giving written notice to CONTRACTOR of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In that event, all finished and unfinished documents, data, studies, and reports prepared by CONTRACTOR shall, at the option of SBCAG, become its property, and CONTRACTOR shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials.

Notwithstanding the above, CONTRACTOR shall not be relieved of liability to SBCAG for damages sustained by SBCAG by virtue of any breach of the contract by CONTRACTOR.

Article 12 - Termination of Contract for Convenience

SBCAG may terminate this contract at any time by giving written notice to CONTRACTOR of such termination. The date of termination shall be the date of notice of termination. In that event, all finished or unfinished documents and other materials shall, at the option of SBCAG, become its property. If the contract is terminated by SBCAG as provided herein, CONTRACTOR shall be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of CONTRACTOR covered by this contract, less payments of compensation previously made.

Article 13 - Contract Changes

SBCAG may, from time to time, require changes in the scope of the services CONTRACTOR is to perform or changes in other Articles of this Agreement, including any increases or decreases in the amount of CONTRACTOR'S compensation. Such changes which are mutually agreed upon by and between SBCAG and CONTRACTOR shall be incorporated in written amendments to this contract. No oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto. Amendments inconsistent with the provisions and intent of this Agreement may not be utilized.

Article 14 - Access to Records

CONTRACTOR agrees to maintain all books, documents, papers, accounting records, and other evidence pertaining to costs incurred including support data for cost proposals and to make such material available at their respective offices at all reasonable times during the contract period, and for four (4) years from the date of final payment under the contract, for inspection by any authorized representative of SBCAG. Copies of such material shall be furnished if requested.

Article 15 - Contractor Warranty

CONTRACTOR warrants that he has not employed or retained any company or persons, other than a bona fide employee working solely for CONTRACTOR, to solicit or secure this contract, and that he has not paid or agreed to pay any company or person, other than a bona fide employee working solely for CONTRACTOR, any fee, commission, percentage, brokerage fee, gifts, or other consideration, contingent upon or resulting from the award or making of this contract. For breach or violation of this warranty, SBCAG shall have the right to annul this contract without liability, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, and gift or contingent fee.

Article 16 - Equal Employment Opportunity and Nondiscrimination

CONTRACTOR shall comply with Title VI of the Civil Rights Act of 1964, as amended, and with the provisions contained in 49 CFR 21 through Appendix C and 23 CFR 710.405(b). During the performance of this Agreement, the CONTRACTOR, for itself, its assignees and successors in interest agrees as follows:

- A. Compliance with Regulations: CONTRACTOR shall comply with the regulations relative

to nondiscrimination in federally-assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

- B. Nondiscrimination: The CONTRACTOR or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The CONTRACTOR shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as recipient deems appropriate. CONTRACTOR, with regard to the work performed by it during the agreement, shall not discriminate on the grounds of race, religion, color, sex, age or national origin in the selection or retention of subcontractors, including procurement of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the regulations.
- C. Solicitations for Subcontractors, including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by CONTRACTOR for work to be performed under the subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by CONTRACTOR of CONTRACTOR'S obligations under this agreement, and the Regulations relative to nondiscrimination on the grounds of race, religion, color, sex, age or national origin.
- D. Information and Reports: CONTRACTOR shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by SBCAG to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to SBCAG, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of CONTRACTOR's noncompliance with the nondiscrimination provisions of this Agreement, SBCAG shall impose such contract sanctions as it may determine to be appropriate, including, but not limited to:
 - 1. Withholding of payments to CONTRACTOR under this Agreement until CONTRACTOR complies, and/or
 - 2. Cancellation, termination or suspension of the Agreement in whole or in part.
- F. Satisfactory Performance: The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 10 days from the receipt of each payment the prime contractor receives from SBCAG. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of SBCAG. This clause applies to both DBE and non-DBE subcontractors

- G. Release of Retainage: The prime contractor agrees further to release retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of SBCAG. This clause applies to both DBE and non-DBE subcontractors.
- H. Incorporation of Provisions: The Consultant shall include the provisions of Article 16 (A) through (G) of this Agreement term in every subcontract, including procurement of materials and leases of equipment, unless exempt from the regulations, or directives issued pursuant thereto. CONTRACTOR shall take such action with respect to any subcontract or procurement as SBCAG may direct as a means of enforcing such provisions including sanctions for noncompliance. However, in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, CONTRACTOR may request SBCAG to enter into such litigation to protect the interests of SBCAG, and in addition, CONTRACTOR may request the United States to enter into such litigation to protect the interests of the United States.

Article 17 – Ownership of Documents and Data

All documents, a record, software, reports, or other data developed by CONTRACTOR shall become the property of SBCAG when prepared, whether delivered to SBCAG or not.

Article 18 – Severability

In the event that any of the provisions, or portions or applications thereof of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, SBCAG and CONSULTANT shall negotiate an equitable adjustment in the provisions of this Agreement, and the validity and enforceability of the remaining provisions or portions or applications thereof shall not be affected thereby.

Article 19 – Notices

Any notices required or permitted to be given pursuant to this agreement shall be given to the following:

To SBCAG: Santa Barbara County Association of Governments
 260 N. San Antonio Rd., Ste. B
 Santa Barbara, CA 93110-1315
 Attention: Jim Kemp, Executive Director

To CONTRACTOR: _____

IN WITNESS WHEREOF, SBCAG and CONTRACTOR have executed this agreement.

**SANTA BARBARA COUNTY
ASSOCIATION OF GOVERNMENTS**

CONTRACTOR

Chair, SBCAG

Date: _____

Date: _____

Jim Kemp
Executive Director

APPROVED AS TO FORM:

Date: _____

Kevin Ready, Sr.,
Deputy County Counsel