

NEVADA COUNTY TRANSPORTATION COMMISSION
REQUEST FOR PROPOSAL
TO PREPARE
FISCAL AND COMPLIANCE AUDITS
FOR FISCAL YEARS 2022/23, 2023/24, 2024/25

I. PURPOSE OF REQUEST FOR PROPOSAL

The Nevada County Transportation Commission invites qualified auditors to submit proposals for Fiscal and Compliance Audits for Fiscal Years ending June 30, 2023, June 30, 2024, and June 30, 2025, with an option of two one-year extensions for fiscal years ending June 30, 2026 and June 30, 2027. These audits must be completed and submitted to NCTC and the State of California Controller's Office as required by applicable law.

The objective of the audits is to meet and/or exceed the requirements of Section 99245 of the Public Utilities Code and Sections 6661, 6662, 6663, 6664, 6666, 6667, and 6751 of the California Code of Regulations (Title 21, Chapter 3, Subchapters 2 and 2.5); applicable auditing standards set forth in Government Auditing Standards, issued by the Comptroller General of the United States; Statements on Auditing Standards published by the American Institute of Certified Public Accounts; 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and any amendments; and California State Controller's Office, California Local Agencies Internal Control Guidelines.

2. BACKGROUND

Nevada County Transportation Commission (NCTC) is a designated Regional Transportation Planning Agency (RTPA) created pursuant to Title 7.88, of the State of California Government Code, Section 67920. The mission of NCTC is to plan, communicate, and coordinate with the citizens and decision makers of Grass Valley, Nevada City, Nevada County, Town of Truckee, and with Caltrans to identify transportation needs, propose solutions, and assist in implementing projects to create a balanced regional transportation system, while protecting the rural qualities and historic character of Nevada County.

As part of the regional transportation planning process, NCTC is responsible for ensuring that an annual fiscal and compliance audit is done for all claimants who receive an allocation of funds pursuant to the Transportation Development Act Statutes and California Code of Regulations. In accordance with generally accepted accounting principles, NCTC requires claimants of funds from federal, state, and local sources to be audited annually.

3. SCOPE OF WORK/SERVICES REQUESTED

NCTC is seeking a firm or individual (consultant) to provide the required fiscal and compliance audits for the agencies, funds, and claimants as indicated in the Scope of Audits, Section 4.

The consultant will prepare an annual report of the financial transactions of NCTC in accordance with PUC Sections 99406, California Code of Regulations Section 6660, and notifications from the State Controller's office.

NCTC expects the consultant to be available throughout the year to respond to financial questions that could impact the audit, without incurring additional charges. The Consultant will utilize electronic data to prepare for the audit and financial statements. The cost proposal should include yearly costs for each fiscal year.

4. SCOPE OF AUDITS

- A. The following agencies, funds, and claimants will be audited:
1. Town of Truckee, Local Transportation Fund 6317-000-5805.
 2. Pedestrian and Bicycle Fund, Local Transportation Fund 6317-000-5806.
 3. County of Nevada, Local Transportation Fund 6317-000-5807.
 4. City of Grass Valley, Local Transportation Fund 6317-000-5808.
 5. City of Nevada City, Local Transportation Fund 6317-000-5809.
 6. Consolidated Transportation Services, Local Transportation Fund 6317-000-5810 (Nevada County Transit Services, Town of Truckee).
 7. Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Fund 6318 (NCTC, Nevada County and Town of Truckee). The PTMISEA program is ending on June 30, 2023, so the audit for FY 2022/23 will be the last to include PTMISEA.
 8. Nevada County Transportation Commission Planning and Administration, Local Transportation Fund 6327.
 9. Regional Transportation Mitigation Fee Program Fund 6328.
 10. State Transit Assistance Fund 6357.
 11. Regional Surface Transportation Program Fund 6492.
 12. SB 1, State of Good Repair Funds.
 13. FTA Section 5311, LCTOP, and other Federal or State transit/transportation funds that are required to be administered or monitored by NCTC.
- B. The Consultant will perform sufficient examination of the financial transactions, accounts, reports, and supporting documentation of the claimants, agencies, and funds as described above, to determine whether:
1. The costs incurred are fairly presented in accordance with generally accepted accounting principles and the requirements of the Transportation Development Act (Act) and the California Code of Regulations, and the allocation instructions of NCTC.
 2. The Local Transportation Fund and the State Transit Assistance Fund are accounted for in accordance with the Transportation Development Act and the California Code of Regulations.
 3. The State Rural Planning Assistance Funds and any federally funded programs are accounted for in compliance with applicable federal and state laws and regulations relating to the use of those funds.
 4. The claimants and NCTC are in compliance with the requirements of the Transportation Development Act (Act), the California Code of Regulations, and as applicable, the requirements of 2 CFR 200 Subpart E, Cost Principles, Special Considerations for States, Local Government and Indian Tribes for federally funded projects.
 5. The Regional Transportation Mitigation Fee Program is accounted for in compliance with California Government Code Chapter 5, Fees for Development

Projects, Section 66000 et.seq. and applicable agreements, resolutions, and ordinances, and is fairly presented in accordance with generally accepted accounting principles.

6. The Regional Surface Transportation Program is accounted for in compliance with California Streets and Highways Code Section 182.6 and the annual Federal Apportionment Exchange Agreement between NCTC and the State of California, and is fairly presented in accordance with generally accepted accounting principles.
7. The Public Transportation Modernization, Improvement, and Service Enhancement Account Fund (Proposition 1B) is accounted for in compliance with Senate Bill 88, Statutes of 2007 and any amendments, and allocated under the State Transit Assistance pursuant to PUC Section 99313 and/or 99314.
8. Funds received through the State Transit Assistance Program that are attributable to subdivision (a) of Section 11053 of the Revenue and Taxation Code have been expended in conformance with the requirements of Public Utilities Code Section 99312.1.
9. "Local Participation" funds paid from NCTC Account 6327, received and expended by local agencies will be identified by expenditure purpose.
10. Audit firm will prepare and submit NCTC's Financial Transactions Report to the California State Controller in accordance with Government Code Section 53891.

5. TDA AUDITING PROCEDURES AND REPORTS

As directed in Section 6664 of the California Code of Regulations: "The audit shall be conducted in accordance with generally accepted auditing standards of the claimant's financial statements for the fiscal year which shall be prepared in accordance with generally accepted accounting principles. The audit shall also be directed toward obtaining knowledge of the claimant's compliance or noncompliance with the Act, and the auditor shall perform the tasks specified in Section 6666 or 6667, whichever is appropriate.

The audit report shall include, with the financial statements for the fiscal year that is the subject of the audit, the corresponding amounts from the claimant's audited financial statements for the fiscal year prior to the year that is the subject of the audit.

The audit report shall include a certification of compliance with the Act. The certification shall take the form of a statement that the funds allocated to and received by the claimant pursuant to the Act were, with any exceptions specifically noted, expended in conformance with the applicable statutes, rules and regulations of the Act and the allocation instructions and resolutions of the transportation planning agency and, where applicable, the county transportation commission or metropolitan transit development board. An unqualified negative statement (e.g., "no violation of the law was brought to our attention") shall not be accepted. The certification may take the form of negative assurance, however, if it makes reference to the performance by the independent auditor of each of the tasks specified in Section 6666 or 6667."

NON-TRANSIT CLAIMANTS

As set forth in the California Code of Regulations, Section 6666: "In conducting the compliance portion of the audit specified in Section 6664 for a non-transit claimant, the independent auditor shall perform at least the following tasks:

- (a) Determine whether the funds received by the claimant pursuant to the Act were expended in conformance with those sections of the Act specifying the qualifying purposes, including Public Utilities Code Section 99402 for streets and road claimants and Section 99233.3 for claimants under that section for pedestrian and bicycle facilities and bicycle safety education programs.
- (b) Determine whether the funds received by the claimant pursuant to the Act were expended in conformance with the applicable rules, regulations, and procedures of the transportation planning agency and in compliance with the allocation instructions.
- (c) Determine whether interest earned on funds received by the claimant pursuant to the Act were expended only for those purposes for which the funds were allocated, in accordance with Public Utilities Code Section 99301 and 99301.5.”

TRANSIT CLAIMANTS

As set forth in the California Code of Regulations, Section 6667: “In conducting the compliance portion of the audit specified in Section 6664 for an operator or transit service claimant, the independent auditor shall perform at least the following tasks:

- (a) Determine whether the claimant was an entity eligible to receive the funds allocated to it. This determination should be made with reference to the section of the Act under which the funds were allocated and the definitions in Article 1 of the Act.
- (b) Determine whether the claimant is maintaining its accounts and records on an enterprise fund basis and is otherwise in compliance with the uniform system of accounts and records adopted by the State Controller pursuant to Public Utilities Code Section 99243.
- (c) Determine whether the funds received by the claimant pursuant to the Act were expended in conformance with those sections of the Act specifying the qualifying purposes, including Public Utilities Code Sections 99262 and 92263 for operators receiving funds under Article 4, Sections 99275, 99275.5, and 99277 and 92278 for Article 4.5 claimants; and Section 99400 (c), (d) and (e) for Article 8 claimants for service provided under contract, and Section 99405(d) for transportation services provided by cities and counties with populations of less than 5,000.
- (d) Determine whether the funds received by the claimant pursuant to the Act were expended in conformance with the applicable rules, regulations and procedures of the transportation planning agency and in compliance with the allocation instructions and resolutions.
- (e) Determine whether interest earned on funds received by the claimant pursuant to the Act were expended only for those purposes for which the funds were allocated, in accordance with Public Utilities Code Section 99301.
- (f) Verify the amount of the claimant's operating cost (as defined by Section 6611.1) for the fiscal year, the amount of fare revenues required to meet the ratios specified in Sections 6633.2, 6633.5 and 6633.9, and the amount of the sum of fare revenues and local support required to meet the ratios specified in Sections 6633.2 and 6633.9.
- (g) Verify the amount of the claimant's actual fare revenues (as defined by Section 6611.2 and by Public Utilities Code Section 99205.7) for the fiscal year.
- (h) Verify the amount of the claimant's actual local support (as defined by Section 6611.3) for the fiscal year.

- (i) Verify the maximum amount the claimant was eligible to receive under the Act during the fiscal year in accordance with Sections 6634 and 6649.
- (j) Verify, if applicable, the amount of the operator's expenditure limitation in accordance with Section 6633.1.
- (k) In the case of an operator, determine whether the operator's employee retirement system or private pension plan is in conformance with the provisions of Public Utilities Code Sections 99271, 99272 and 99273.
- (l) In the case of an operator, determine whether the operator has had a certification by the Department of the California Highway Patrol verifying that the operator is in compliance with section 1808.1 of the Vehicle Code, as required in Public Utilities Code Section 99251.
- (m) In the case of an operator, verify, if applicable, its State Transit Assistance eligibility pursuant to Public Utilities Code Section 99314.6 or 99314.7.
- (n) In the case of a claimant for community transit services, determine whether it is in compliance with Public Utilities Code Sections 99155 and 99155.5.

LOCAL TRANSPORTATION FUNDS

As directed in the California Code of Regulations, Section 6661: "The financial statements shall be prepared in accordance with the generally accepted accounting principles. The statements shall include, but not be limited to, (a) a balance sheet, (b) a statement of the revenues and expenditures during the fiscal year, (c) a statement of changes in the fund balance, and (d) supplementary schedules as necessary to list or identify (1) the net amounts allocated and the net amounts disbursed during the fiscal year for each of the allocation purposes specified in the Act, (2) any amounts included in the fund balance that are allocated or payable to or receivable from the state or any claimant or other entity, and (3) any interest or other income earned by investment of the fund during the fiscal year. In the financial statements, the Local Transportation Fund shall not be commingled with State Transit Assistance Fund, nor with Planning Subventions from the Transportation Planning and Development Account, nor with any other revenues or funds of the transportation planning agency or of any city, county, or other agency."

STATE TRANSIT ASSISTANCE FUND

As set forth in the California Code of Regulations, Section 6751: "The financial statements shall be prepared in accordance with generally accepted accounting principles. The statements shall include, but not be limited to (a) a balance sheet, (b) a statement of revenues and expenditures during the fiscal year, (c) a statement of changes in the fund balance, and (d) supplemental schedules as necessary to list or identify (1) the net amounts allocated and net amounts disbursed during the fiscal year for each of the allocation purposes specified in Sections 6730 and 6731, (2) any amounts included in the fund balance that are allocated or payable to or receivable from the state or a claimant or other entity, (3) any interest or other income earned by investment of the fund during the fiscal year, (4) any amounts included in the fund balance that are apportioned to an operator pursuant to Section 6721 and (5) any amounts that have been transferred or that have been received as a result of a transfer as authorized by Section 99313.1."

REGIONAL TRANSPORTATION PLANNING AGENCY (NCTC)

An audit report of the Nevada County Transportation Commission's fiscal and accounting records pursuant to Section 6505 and 26909 of the Government Code is requested: "The audit shall be

performed in accordance with the Basic Audit Program and Reporting Guidelines for California Special Districts prescribed by the State Controller pursuant to Section 26909 of the Government Code and shall include a determination of compliance with the Act and the Administrative Rules and Regulations. In the financial statements of the Transportation Planning Agency, County Transportation Commission and Metropolitan Transit District Development Board, the Local Transportation Fund, the State Transit Assistance Fund, and other revenues or funds of any city, county or other agency shall not be commingled.”

NCTC utilizes Quick Books as its financial accounting system. As a result of the audit, adjusting journal entries, both those considered material and immaterial will be provided. The audit report will provide the Overall Work Program revenues and expenditures by funding source and schedules of allocations and expenditures.

FEDERAL FUNDS

1. The audits will be performed in accordance with the Single Audit Act of 1984, Public Law 98-502 (31 USC 7501-7), and amendments. In past years a single audit has not been required for federal expenditures in excess of \$750,000, 2 CFR 200.501(a), and none are anticipated at this time. However, if federal expenditures exceed \$750,000, the provisions of the Single Audit would apply.
2. The audits will determine compliance with all applicable federal and state laws and regulations, including but not limited to: (A) 2 CFR 200 Subpart E, Cost Principles, Special Considerations for States, Local Government and Indian Tribes; (B) 49 CFR Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments; and (C) 48 CFR Part 31, , Contract Cost Principles and Procedures, which will be used to determine the allowability of individual items of costs.

6. NON-TDA AUDITS AND REPORTS

REGIONAL TRANSPORTATION MITIGATION FEE PROGRAM

An audit of the Regional Transportation Mitigation Fee Program is required to determine compliance with:

1. California Government Code Chapter 5, Fees for Development Projects, Section 66000 et. seq.
2. The Regional Transportation Mitigation Agreements between NCTC and the City of Grass Valley, the City of Nevada City, and the County of Nevada.
3. Grass Valley Ordinance 697, Nevada City Ordinance 2008-11, and the County of Nevada Resolution 08-479.

REGIONAL SURFACE TRANSPORTATION PROGRAM

An audit of the Regional Surface Transportation Program is required to determine compliance with:

1. California Streets and Highways Code Section 182.6.
2. Annual Federal Apportionment Exchange Agreement between NCTC and the State of California.

PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT (PTMISEA) ACCOUNT FUND (PROPOSITION 1B FUND)

An audit of the PTMISEA is required to determine compliance with Senate Bill 88, Statutes of 2007.

7. PROPOSAL FORMAT

A qualifying proposal must address all of the following points, in the order shown below:

- A. **Introduction:** A brief description (maximum 3 pages) of the consultant's firm, including the year established, type of organization (partnership, corporation, etc.), and any variation in size over the last five years. Include a narrative showing understanding of the project requirements and a description of experience with similar projects.
- B. **Technical Approach:** Describe the overall approach and processes that will be used to meet the requirements described in the scope of work. Identify the types of information and data that will be needed to complete tasks.
- C. **Project Team:** Provide a summary of the qualifications and experience of each principal and staff member proposed to work on the project. Include an organizational chart showing the Project Manager and all project staff along with a matrix indicating the hours to be contributed by each. **Reassignment of and/or substitution of any member of the designated project team shall have prior approval by NCTC's Executive Director.**
- D. **Project Schedule and Costs:** The proposed project schedule and cost, including the hourly rate for principals and employees assigned to this project, and a summary of any other related costs that are to be billed directly. A detailed schedule of proposed costs should include yearly costs for the first three years and additional yearly costs for two potential one-year option years, to be awarded in NCTC's discretion via an amendment to the agreement.
- E. **Subconsultants:** That portion, if any, of the total project for which the firm will require the services of a subcontracting firm.
- F. **References:** A list of references for similar projects, including contact person, phone numbers, and the professional staff who performed the work.

8. PROPOSAL SUBMITTAL

Proposals are to be received at the NCTC office no later than **4:00 p.m. Thursday, May 18, 2023**. The transmittal letter should include the name, title, address, phone number, and original signature of an individual with authority to negotiate on behalf of and to contractually bind the consulting firm, and who may be contacted during the period of proposal evaluation. The letter must also include a statement acknowledging that the consulting firm has reviewed and accepted **NCTC's Standard Agreement** (attached as Part A) with or without qualifications.

Email the proposal and attachments to **Dan Landon, Executive Advisor**, dlandon@nccn.net. Deliver five (5) bound copies of the proposal and an electronic copy on Flash Drive to the Nevada County Transportation Commission, 101 Providence Mine Road, Suite 102, Nevada City, CA 95959. **Late proposals will not be accepted.**

9. QUESTIONS

Questions regarding this RFP must be emailed to **Dan Landon, Executive Advisor**, dlandon@nccn.net by **4:00 p.m. Thursday May 4, 2023**. No response will be given to verbal questions. NCTC reserves the right to decline a response to any question if, in NCTC's assessment, the information cannot be obtained and shared with all potential organizations in a timely manner. A summary of the questions submitted, including responses deemed relevant and appropriate by NCTC, will be available on **Tuesday, May 9, 2023** on www.nctc.ca.gov.

Consultants may not contact members or employees of Nevada County Transportation Commission to discuss anything related to the proposal. Failure to comply with this requirement may cause the proposal to be denied without review.

10. SCHEDULE OF ACTIVITIES

ACTIVITIES	DATE
Distribute RFP	Monday, April 24, 2023
Questions re: RFP	Thursday May 4, 2023
Response to Questions	Tuesday May 9, 2023
Proposals Due	Thursday, May 18, 2023
Selection Committee Review of Proposals	M-F, May 22-26, 2023
Interviews if Needed	Wednesday, May 31, 2023
Consultant Selection	Friday, June 2, 2023
Scope of Work Finalized/Contract Execution	Wednesday, July 19, 2023
Consultant Work to Begin	TBD
Draft Audits for Circulation and Comment	Last Monday in November each year TBD
Present Final Audits to NCTC	3rd Wednesday in January each year TBD

The proposed project schedule may be adjusted to meet the needs of NCTC or the consultant.

11. EVALUATION AND SELECTION PROCESS

PROPOSAL EVALUATION CRITERIA

A Selection Committee will perform an in-depth analysis of all proposals, carefully evaluating each one with the following criteria:

	Relative Weight/Maximum Points
1. Understanding of project requirements, issues, and challenges.	15
2. Approach to be followed and tasks to be performed, including detailed steps, resources required, and proposed project schedule.	20
3. Specialized experience and technical competence of personnel to be assigned to project.	20
4. Relative allocation of resources to key tasks, including the time and skills of personnel assigned to the task and the consultant's approach to managing resources and project output.	20
5. Qualifications of the project leader and assurance of involvement in the project.	15
6. Proposed cost to accomplish the RFP scope of work.	<u>10</u>
Total Points Possible	100

The Selection Committee may recommend selection of a consultant based on evaluation of the proposals, or may conduct interviews via zoom of those on the final short list of proposers. Evaluation of interviews will determine consultant selection.

During the interview, each consultant is expected to provide a 20-minute presentation, followed by a 20-minute question and answer period.

INTERVIEW EVALUATION CRITERIA

The Selection Committee will carefully evaluate the interview based on the following criteria:

	Relative Weight/Maximum Points
1. Presentation by Consultant Team (Overview of Team and Approach to Scope)	25
2. Responses to Q&A Session	<u>25</u>
	Total Points Possible 50

The consultant will be selected by NCTC staff on or before **June 2, 2023**, based on the Selection Committee evaluation process described above.

NCTC reserves the right to award a contract to the firm or individual that presents the proposal, which, in the sole judgment of the Commission, best accomplishes the desired results and provides the best value to NCTC. Selected finalists may be asked to submit cost, technical, or other revisions to their proposals as may result from negotiations. It is recommended that all initial proposal should be submitted on the most favorable terms from both a service and cost perspective. NCTC reserves the right to reject any or all proposals or to waive minor irregularities in said proposal, and reserves the right to negotiate minor deviations to the proposal with the successful consultant.

The RFP does not commit NCTC to award a contract, to pay any costs incurred in the preparation of the contract in response to this request, or to procure or contract for services or supplies. NCTC reserves the right to withdraw this RFP at any time without prior notice.

All proposals, whether selected or rejected, shall become the property of NCTC and will be public record following selection and award of the contract.

12. PAYMENTS AND FINANCIAL CONDITIONS

At the time of contract negotiations, a payment schedule and amount will be agreed upon between NCTC and the consultant. Payment will be tied to the completion of the project.

NCTC will not provide financial assistance to the consultant beyond negotiated fees, but will collaborate with the consultant and give reasonable cooperation in the collection of information and facilitation of meetings with appropriate agencies.

The contract that results from this Request for Proposal will specify a maximum cost. All applicable costs may be charged to the contract within the fixed price limit. Appropriate charges may include wages and salaries, overhead, travel, materials, and subcontractor costs.

Consultant shall bill NCTC for services performed under this Agreement on a monthly basis. Invoices will show hours performed by each member of the audit team. Payment by NCTC to Consultant shall be made within 30 days after receipt of Consultant's invoice and acceptance of the work to date. NCTC shall withhold ten percent (10%) of each invoice until the successful completion of the scope of work and the delivery and acceptance by NCTC of all final products. Consultant is expected to receive payment by electronic deposit.

13. LIMITATIONS ON CONSULTANT

- A. All reports and pertinent data or materials are the sole property of NCTC and may not be used, reproduced or released in any form without the explicit, written permission of NCTC.
- B. Consultant should expect to have access only to the public reports and public files of local governmental agencies in preparing the proposal or reports. No compilation, tabulation, or analysis of data, definition of opinion, etc., should be anticipated by the consultant from the agencies, unless volunteered by a responsible official in those agencies.

14. CONFLICT OF INTEREST

No Consultant, subcontractor, or member of any firm proposed to be employed in the preparation of this audit may have a past, ongoing, or potential involvement which could be deemed a conflict of interest under the Fair Political Practices Act or other law. During the term of this Agreement, the Consultant shall not accept any employment or engage in any consulting work that would create a conflict of interest with NCTC or in any way compromise the services to be performed under this Agreement. The Consultant will immediately notify NCTC of any and all potential violations of this paragraph upon becoming aware of the potential violation.

15. EQUAL EMPLOYMENT OPPORTUNITY/TITLE VI COMPLIANCE

The Consultant shall comply with Title VI of the Civil Rights Act of 1964, as amended, and with the provisions contained in 49 CFR Part 21 through Appendix C and 23 CFR 710.405 (b).

- A. During the performance of contract, the Consultant and its subcontractors shall not unlawfully discriminate, harass, or allow harassment, against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religion, national origin, physical disability, mental disability, medical condition, age or marital status.
- B. The Consultant and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- C. The Consultant shall comply with Executive Order 11246, entitled "Equal Employment Opportunity" as amended by Executive Order 11375, and as supplemented in the Department of Labor Regulation (41 CFR Part 60), the California Fair Employment and Housing Act, and any other applicable federal and state laws and regulations relating to equal employment opportunity, including the provisions of the Fair Employment and Housing Act (Government Code § 12900, et seq.) and the applicable regulations promulgated thereunder (California Code

of Regulations, Title 2, § 7285.0, et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code §§ 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into the contract by reference and made a part hereof as if set forth in full. The consultant and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

- D. Solicitations for Subcontractors, including procurement of materials and equipment: In all solicitations either by competitive bidding or negotiations made by the consultant for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Consultant of the Consultant's obligations under the contract and the Regulations relative to nondiscrimination on the grounds of race, religion, color, sex, age, or national origin.
- E. Information and Reports: The Consultant 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 NCTC or the Federal Transit Administration to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information is required of the Consultant which is in the exclusive possession of another who fails or refuses to furnish this information, the Consultant shall so certify to NCTC or the Federal Transit Administration as appropriate, and shall set forth what efforts it has made to obtain the information.
- F. Sanctions for Noncompliance: In the event of the Consultant's noncompliance with the nondiscrimination provisions of the contract, NCTC shall impose such contract sanctions as it or the Federal Transit Administration may determine to be appropriate, including but not limited to:
 - 1. Withholding of payments to the Consultant under the contract until the Consultant complies, and/or,
 - 2. Cancellation, termination or suspension of the contract, in whole or in part.
- G. Incorporation of Provisions: The Consultant shall include the provision of this section in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The Consultant shall take such action with respect to any subcontract of procurement as NCTC or the Federal Transit Administration may direct as a means of enforcing such provisions including sanctions for noncompliance: provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the consultant may request that NCTC enter into such litigation to protect the interests of NCTC. In addition, the consultant may request the United States to enter into such litigation to protect the interests of the United States.
- H. Subcontracts: All subcontracts awarded shall contain provisions requiring compliance with Title VI of the Civil Rights Act of 1964, as amended. Accordingly, 49 CFR Part 21 through Appendix C and 23 CFR 710.405 (b) shall be made applicable by reference in all subcontracts.

16. CONTRACT ARRANGEMENTS

The Consultant is expected to execute a contract similar to the enclosed NCTC's Professional Services Agreement, which meets the requirements of Federal law and Federal regulations:

A. Title VI of the Civil Rights Act of 1964:

The consulting firm and NCTC shall comply with the nondiscrimination program requirements of Title VI of the Civil Rights Act of 1964 as amended and the regulations of the U.S. Department of Transportation issued thereunder in 49 CFR Part 21.

B. Equal Employment Opportunity:

NCTC will not exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract on the basis of race, religion, creed, medical condition, color, marital status, ancestry, sex, age, national origin, or disability. In addition, NCTC requires that any consulting firm hired to perform any work activity does not discriminate against any employee or applicant for employment because of race, religion, creed, medical condition, color, marital status, ancestry, sex, age, national origin, or disability.

17. INSURANCE

The successful consultant shall provide evidence of insurance as stated in the contract prior to execution of the contract. Evidence of annual renewal must be submitted during the contract period.

18. TERMINATION OF CONTRACT

Upon failure of performance by the other party, or at NCTC's convenience, either party may terminate the contract upon ten (10) days written notice to the other party. If the contract is to be terminated, the Consultant shall be paid the amount due for work properly completed and approved by NCTC, up to the date of the notice of termination, based on the actual costs to the Consultant attributable to the project, less any compensation to NCTC for damages suffered as a result of Consultant's failure to comply with the terms of the contract.

ATTACHMENTS

Part A – NCTC Standard Agreement

CONTACT PERSON

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