

Brushy Creek Regional Utility Authority

**REQUEST FOR QUOTES
INDEPENDENT AUDIT SERVICES**

1. PURPOSE:

1.1. The Brushy Creek Regional Utility Authority (BCRUA) is requesting quotes to obtain independent audit services for performance of the annual financial audit for the fiscal year ending September 30, 2009. Responders shall be qualified and experienced public accounting firms whose principal officers are independent certified public accountants. Selected firm may have the option of auditing BCRUA financial statements for one additional fiscal year, based upon satisfactory performance. These audits are to be performed in accordance with generally accepted auditing standards; the standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards (1994); the provisions of the federal Single Audit Act of 1984 (as amended in 1996); and U.S. Office of Management and Budget (OMB) Circular A-133 Audits of States, Local Governments and Non-Profit Organizations.

2. BACKGROUND:

2.1. The Brushy Creek Regional Utility Authority (BCRUA) is Governmental Corporation formed to assist and act on behalf of the Cities; a joint venture between the cities of Cedar Park, Leander, and Round Rock. The BCRUA was established on July 30, 2007. The Board of Directors is comprised of one representative from each of the member cities. The joint venture's purpose is to create and operate a regional water treatment and transmission system that will ultimately provide an additional 105.8 million gallons per day of potable water supply. In July, 2009, Contract Revenue Bonds of \$182,020,000 were issued by the Texas Water Development Board for the construction of the project. Each City's proportionate share of the debt proceeds were deposited in separate escrow accounts. Each City is responsible for bond payments related to its bond series.

2.2. It is anticipated that the BCRUA activities will be accounted for in an Enterprise Fund. In July, 2009, the BCRUA contracted with the accounting firm of Peña Swayze & Co., LLP for accounting services. In addition, a Request for Proposals for Investment Advisory Services is currently in process.

3. SERVICES REQUIRED

3.1. Scope of Work to be performed:

3.1.1. Express an opinion on the fair presentation of the BCRUA's financial statements and schedules in conformity with generally accepted accounting principles. The auditor is not required to audit the supporting schedules contained in the annual financial report (AFR). However, the auditor shall provide an "in-relation-to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and the combining and individual fund financial statements and schedules. The auditor is not required to audit the introductory section.

3.1.2. Prepare a draft of the financial statements, schedule of expenditures of

federal awards, and related notes. It is understood that the BCRUA is responsible for making all management decisions and performing all management functions relating to the financial statements, schedule of expenditures of federal awards, and related notes and for accepting full responsibility for such decisions.

- 3.1.3. Perform certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.
- 3.1.4. Perform certain limited procedures on management controls on investments and adherence to the established investment policies, as required by state law.
- 3.1.5. Provide an annual independent review to assure compliance with state law, policies, and procedures, to include but not limited to single audit requirements of Texas Water Development Board.

4. **CONFLICT OF INTEREST:**

- 4.1. Effective March 1, 2006, Chapter 176 of the Texas Local Government Code (House Bill 914) requires that any vendor or person considering doing business with a local government entity disclose the vendor or person's affiliation or business relationship that might cause a conflict of interest. The Conflict of Interest Questionnaire form is available from the Texas Ethics Commission at www.ethics.state.tx.us.
- 4.2. Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest may automatically result in the disqualification of the Respondent's proposal.

5. **BCRUA CONTACT:**

All questions, clarifications or requests for general information are to be directed to:

Randy Barker
City of Round Rock
221 E Main St
Round Rock, TX 78664
Fax: 512-218-7028
Phone: 512-218-3295
rbarker@round-rock.tx.us

6. **RESPONSE SCHEDULE:**

- 6.1 It is the BCRUA's intent to comply with the following timeline:
 - 6.1.1 Request for Quotes released **September 15, 2009**
 - 6.1.2 Deadline for questions **September 18, 2009**
 - 6.1.3 BCRUA response to all questions/addendums **September 22, 2009**
 - 6.1.4 All Responses due by **3:00 p.m.** **September 25, 2009**

- 6.2 All questions shall be submitted in writing by 5:00 p.m. on September 18, 2009.** A copy of all the questions submitted and the BCRUA's response to the questions shall be posted on our webpage, www.bcrua.org. Questions shall be submitted to the contact named above.

NOTE: These dates represent a tentative schedule of events. The BCRUA reserves the right to modify these dates at any time, with appropriate notice to prospective Respondents through notification on BCRUA webpage and/or by email.

7. RESPONSE DUE DATE:

- 7.1** All responses are due no later than **3:00 p.m., September 25, 2009**, to the Purchasing Department of the City of Round Rock. Mail or carry submittals to:

Purchasing Office
221 E. Main Street
Round Rock, Texas 78664-5299
Fax: 512-218-7028
Email: rbarker@round-rock.tx.us

- 7.2** Proposals received after this time and date will not be considered.

- 7.3** Facsimile or electronically transmitted proposals **are acceptable**.

8. INFORMATION REQUIRED IN RESPONSE:

- 8.1** The following information shall be submitted in each response:

8.1.1 Title page showing the request for submittals subject; the firm's name; the name, address and telephone number of the contact person; and the date of the submittal;

8.1.2 Transmittal letter, signed, briefly stating the Proposer's understanding of the work to be done, the commitment to perform the work to be done, a statement why the firm believes itself to best qualified to perform the engagement and a statement that the submittal is a firm offer for period stated.

8.1.3 Schedule of Professional Fees and Expenses (Attachment A).

9. CLARIFICATION OF RESPONSE:

- 9.1** The BCRUA reserves the right to request clarification or additional information specific to any response after all responses have been received and the closing date has passed.

10. NON-APPROPRIATION:

- 10.1.** The resulting Agreement is a commitment of the BCRUA's current revenues only. It is understood and agreed the BCRUA shall have the right to terminate the Agreement at the end of any BCRUA fiscal year if the governing body of the BCRUA does not appropriate funds sufficient to purchase the estimated yearly service, as determined by the BCRUA's

budget for the fiscal year in question. The BCRUA may effect such termination by giving Vendor a written notice of termination at the end of its then current fiscal year.

11. SELLING, TRANSFERRING OR ASSIGNING RESPONSIBILITIES:

- 11.1.** The Vendor shall not sell, transfer or assign the service required by this agreement without the prior written consent of the BCRUA. The agreement and the monies which may become due are not assignable, except with prior written approval of the BCRUA.

12. RIGHT TO REPRODUCE DOCUMENTATION AND OTHER INFORMATION:

- 12.1.** The BCRUA shall have the right to reproduce any and all manuals, documentation, software or other information stored on electronic media supplied pursuant to the agreement at no additional cost to the BCRUA, regardless of whether the same be copyrighted or otherwise restricted as proprietary information; provided, however, that such reproductions shall be subject to the same restrictions on use and disclosure as are set forth in the agreement.

The awarded proposer agrees to execute any non-exclusive copyright assignments or reproduction authorizations that may be necessary for the BCRUA to utilize the rights granted in this subparagraph.

13. COMPLIANCE WITH LAWS:

- 13.1.** The Vendor shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any court or administrative bodies or tribunals in any matter affecting the performance of the resulting agreement, including without limitation, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When requested, the Vendor shall furnish the BCRUA with satisfactory proof of its compliance.

14. INDEMNIFICATION:

- 14.1.** The Vendor shall indemnify, save harmless and exempt the BCRUA, its officers, agents, servants, and employees from and against any and all suits, actions, legal proceedings, claims, demands, damages, costs, expenses, attorney fees and any and all other costs or fees incident to any work done as a result of this quote and arising out of a willful or negligent act or omission of the successful Respondent, its officers, agents, servants, and employees; provided, however, that the successful Respondent shall not be liable for any suits, actions, legal proceedings, claims, demands, damages, costs, expenses and attorney fees arising out of a willful or negligent act or omission of the BCRUA, its officers, agents, servants and employees, or third parties.

15. INDEPENDENT CONTRACTOR:

- 15.1.** It is understood and agreed that the Vendor shall not be considered an employee of the BCRUA.
- 15.2.** The Vendor shall not be within protection or coverage of the BCRUA's Worker Compensation insurance, Health Insurance, Liability Insurance or any other insurance that the BCRUA from time to time may have in force and effect.

ATTACHMENT A

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

	<u>Amount</u>
Annual Financial Statements	\$
Audit Services	\$
Total for Services	\$
Other Expenses:	
Meals and lodging	\$
Transportation	\$
Other (Specify)	\$
Total for Other Expenses	\$