

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 6/22/2022

Staff Report No. 21-360a

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: Contra Costa Sheriff Contract Extension

ACTION ITEM

RECOMMENDED ACTION(S):

Consider extending the current contract with the Contra Costa Sheriff for six months from July 1 to December 31, 2022.

STRATEGIC IMPORTANCE:

Goal - Safe and Secure Operations
Initiative - Service Quality

Extending the contract six months will allow for completion of the Contra Costa Sheriff contract audit, currently underway. The audit should provide a clearer understanding of expenses charged under the Contra Costa Sheriff contract and will allow the District to make more informed decisions about security services.

BUDGETARY/FISCAL IMPACT:

The contract extension is necessary to allow for completion and deliberation of options for Contra Costa security services, the extension is estimated to cost approximately \$1.5 million for six months.

BACKGROUND/RATIONALE:

In July 2021, the Board requested an outside audit of the Contra Costa Sheriff contract and approved a six-month extension, to June 30, 2022, to give additional time for the procurement of an auditor and completion of the audit, along with consideration of the audit findings/recommendations. Unfortunately, the auditor procurement process experienced unforeseen delays and when it closed on April 28, 2022, there were no bids received to perform the audit services. After reaching out to parties that expressed interest, staff received feedback from one firm that they did not have the internal resources available to submit a bid at this time.

In consideration of timelines, staff moved to utilize the services of the existing auditor, Crowe LLP, under the terms of their current contract. Crowe has conducted similar audits for AC Transit in the past (i.e. East Bay Paratransit and accounts payable) and after agreeing to the scope of the project, an engagement letter was signed in May 2022. The audit is currently underway with an estimated completion and final report issued in early August 2022. It is recommended that the Board approve a six-month contract extension with the Contra Costa County Sheriff's Office to allow for the completion of the audit and review/consideration of its results.

ADVANTAGES/DISADVANTAGES:

Advantages - A six-month extension of the Contra Costa Sheriff's contract will allow for the completion of the audit and will help inform the District of the Sheriff's compliance with the terms of the current contract and assist with future contracting.

Disadvantages - There are no notable disadvantages to approving the six-month extension.

ALTERNATIVES ANALYSIS:

There are no other recommended alternatives than those considered in the report.

PRIOR RELEVANT BOARD ACTION/POLICIES:

SR 21-360 - Contra Costa Sheriff Contract Audit
Board Policy 465 - Procurement Policy

ATTACHMENTS:

None

Prepared by:

Alan Parello, Internal Audit Manager

Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer
Jill A. Sprague, General Counsel