



**Request for Proposal
Financial Audit Services
RFP #F-20-002
March 11, 2020**

Chesapeake Bay Bridge and Tunnel District
32386 Lankford Highway
Cape Charles, VA 23310
(757) 331-2960

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DISCLAIMER

The contents and information provided in this Request for Proposal are meant to provide general information to interested parties. The successful responders may be required to execute an Agreement with the Chesapeake Bay Bridge and Tunnel District (“the District”) that will govern the rights, duties and obligations between the District and the successful Responders. ACCORDINGLY, THE TERMS SET FORTH WITHIN THIS REQUEST FOR PROPOSAL DO NOT CONSTITUTE ANY CONTRACT BETWEEN THE DISTRICT AND THE SUCCESSFUL RESPONDER(S). MOREOVER, THE DISTRICT ACCEPTS NO RESPONSIBILITY FOR ANY OMISSIONS OR DELETIONS TO THIS REQUEST FOR PROPOSAL.

**CHESAPEAKE BAY BRIDGE AND TUNNEL DISTRICT
REQUEST FOR PROPOSAL
FINANCIAL AUDIT SERVICES
RFP #F-20-002**

I. Purpose

The purpose and intent of this Request for Proposal (RFP) is to solicit sealed proposals to establish the services of a qualified Certified Public Accounting Firm to provide independent financial audit services to the Chesapeake Bay Bridge and Tunnel District, a political subdivision of the Commonwealth of Virginia, hereinafter referred to as “the District” for the 2020 through 2024 fiscal years ending June 30 in accordance with the Virginia Public Procurement Act. The selected accounting firm shall provide to the District a proposal for normal annual audit services based on the specifications provided herein not later than Tuesday, April 14, 2020. This engagement request is the result of a normal rotation of CPA firms, and is in no way the result of a disagreement on the scope, performance or technical issues with the District’s previous accounting firm. All proposers are free to contact and make any inquires of the District’s previous Auditors to the extent allowable under confidentiality standards.

II. Organization and Summary of Operations

The Chesapeake Bay Bridge and Tunnel District was created as a political subdivision of the Commonwealth of Virginia by Chapter 693 of the Acts of Virginia of 1954. Chapter 693 was subsequently amended by the following Chapters of the Acts of Virginia: Chapters 462 and 714 of the 1956 Session, Chapter 24 of the 1959 Extra Session, Chapters 228 and 605 of the 1962 Session, Chapter 348 of the 1964 Session, Chapter 203 of the 1990 Session, Chapter 548 of the 1998 Session, Chapters 238 and 705 of the 2000 Session, Chapters 270 and 297 of the 2005 Session and Chapter 896 of the 2007 Session (collectively, the “Acts”). All such acts have been codified into Title 33.2 Code of Virginia, Chapter 22. The District comprises the area, all within the Commonwealth of Virginia, in Accomack and Northampton Counties, the Cities of Virginia Beach, Hampton, Newport News, Chesapeake, Norfolk and Portsmouth, and the area of the Chesapeake Bay between these subdivisions.

By the Acts, the Chesapeake Bay Bridge and Tunnel Commission (the “Commission”) was created as the governing body of the District. These Acts authorized the Commission to acquire, establish, construct, maintain, repair, and operate a project comprising public ferry service over and across the waters between any two points within the boundaries of the District, where such public ferry services would form a connecting link in the system of state highways.

Under the Acts, the Commission was also authorized to establish, construct, maintain, repair, and operate a bridge or tunnel or a bridge and tunnel project from any point within the boundaries of the District to a point in the County of Northampton, including such approaches and approach highways as the Commission deemed necessary to facilitate the flow of traffic in the vicinity of such project or to connect such project with the highway system or other facilities in the state.

The Chesapeake Bay Bridge and Tunnel (the “Bridge-Tunnel”) is a 20-mile, four-lane trestle and bridge and two-lane tunnel crossing at the mouth of the Chesapeake Bay between the City of Virginia Beach and Northampton County on the Eastern Shore of Virginia. The Bridge-Tunnel consists principally of low-level trestles, four bridges, two tunnels, approach highways, and an earth fill causeway. The Bridge-Tunnel is designated as part of U.S. Route 13, the main north south highway on Virginia’s Eastern Shore and the only direct link between Virginia’s Eastern Shore and the metropolitan area of south Hampton Roads, Virginia.

The District sold a revenue bond issue of \$200,000,000 (1960 Bonds) under a Trust Indenture dated July 1, 1960, and constructed the two lane bridge and tunnel project. The project was opened to traffic on April 15, 1964. The Commission discontinued ferry service following the opening of the two lane bridge and tunnel project.

A three-staged parallel crossing project began in 1995. Stage 1 of this project was completed in April 1999. This stage included construction of parallel trestles, bridges, roadways, and rehabilitation of the original two- lane facility. Stage 2, which is currently underway, will consist of construction of an additional two-lane tunnel under Thimble Channel. In the future, Stage 3 will complete the parallel crossing with construction of an additional two-lane tunnel under Chesapeake Channel.

III. Audit Engagement

Selection of the Independent Auditor must be approved by the District's Commission. The term of the audit engagement shall be for five (5) years subject to the satisfactory negotiation of terms between the District and the selected firm. The District will also have two (2) additional two (2) year options to renew the agreement for four (4) additional years, at the discretion of the District. The District may exercise these options at any time prior to the commencement of the applicable option period.

IV. Licensure/Independence Standards

Only Certified Public Accounting firms licensed in Virginia with sufficient governmental accounting and auditing experience will be considered for this RFP. The proposer(s) must also meet the independence standards as set forth in Government Auditing Standards and the proposer(s) must have no record of substandard work.

V. Audit Standards

To meet the requirements of this request for proposal, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards (July 2018 Revision), the provisions of the Single Audit Act of 1984, as amended in 1996, and the provisions of the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. The Auditor will also be required to comply with all applicable Federal and state laws.

VI. Scope of Services

The Chesapeake Bay Bridge and Tunnel District desires that the auditor express an opinion on the fair presentation of the District's Basic Financial Statements and Schedules in a format similar to the audited financial statements for the fiscal year ending June 30, 2019 and are included as part of this RFP document. The District's general purpose financial statements (including footnotes) will be drafted by the District's staff.

The services to be provided under this contract are professional services customarily provided by an Independent Auditor to a public entity the size and scope commensurate to that of the District and shall include, but not be limited to, the following:

- A. Preparation and submission of an Annual Audit of the District's Basic Financial Statements and Schedules in conformity with GAAP, the standards applicable to financial audits contained in the most recent version of the Government Auditing Standards, issued by the Comptroller General of the United States and all applicable Federal and state laws.
- B. The following reports are required (subject to changes by regulatory agencies, GASB, FASB, applicable Federal and state laws, etc.):
 - 1. Independent Auditor's Report as an expression of an audit opinion in conjunction with full-scope audit of annual financial statements, stating the scope of examination and that the audit was conducted in accordance with generally accepted government auditing standards as well as applicable Federal and state laws and provisions.
 - 2. Basic Financial Statements and accompanying footnotes to include:
 - a. Statement of Net Position
 - b. Statement of Revenues, Expenses and Changes in Net Position
 - c. Statement of Cash Flows (Direct Method); and
 - d. Notes to the Financial Statements – additional disclosure requirements
 - 3. Management's Discussion and Analysis ("MD&A") of the District's financial activity as prepared by District staff.
 - 4. Required Supplemental Information (RSI) including, but not limited to:
 - a. Schedule of Pension Contributions
 - b. Schedule of Changes in Net Pension Liability and Related Ratios
 - c. Schedule of Changes in Net Retiree Health Insurance Program OPEB Liability and Related Ratios
 - d. Schedule of Group Life Insurance OPEB Contributions
 - e. Schedule of District's Share of Net Group Life Insurance OPEB Liability
 - f. Modified Approach for Infrastructure Reporting – Capital Asset Activity
 - 5. Supplementary Information including, but not limited to:
 - a. Budgetary Comparison Schedule
 - b. Schedule of Insurance Policies
 - c. Schedule of Comparative Traffic and Revenue Statistics
 - d. Schedule of Investments
 - e. Schedule of Expenditures of Federal Awards
 - 6. Accompanying the financial statements, the Auditor will submit to management a Letter of Comments and Recommendations on internal control over financial reporting based on the Auditor's assessment of the internal control structure and risk: (i) indicating deficiencies or opportunities for accounting and reporting improvements; (ii) identifying any reportable condition or material weakness; and (iii) recommending the areas where operations can be improved or control enhanced.
 - 7. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.
 - 8. Internal control procedures for various functions (cash management, purchasing, payroll, etc.) are presently documented each year for various District functions. The District expects that

revised or newly created internal control procedures will be presented to the appropriate personnel for review prior to, or shortly after, the start of the annual audit so they can be reviewed and updated/revised as appropriate.

- C. During the course of this engagement, the District anticipates it may prepare one or more official statements related to the sale of debt securities which will contain the combined financial statements and the auditor's report thereon at no additional cost to the District. The annual audits of the District accounts shall meet the basic requirements of the current bond indentures. In addition, the auditor shall be required, if requested by the District's financial advisor and/or underwriter, to issue a "comfort letter" if necessary.
- D. A pre-audit conference is required with the District, regarding the timing of the audit, the personnel, the supervision, the documents required and respective responsibilities.
- E. A post-audit conference with the District will be conducted by the Auditor in charge. At the exit conference, findings and recommendations regarding compliance and internal control shall be discussed. The District's management shall have the opportunity to respond, orally or in writing, to the findings, and the Auditor will revise the audit documents in accordance with the District's comments, at no additional cost to the District.
- F. The Auditor will provide copies of all reports to the District, in sufficient number for the required distribution with a minimum of twenty bound, twenty stapled and one master original of the Basic Financial Statements and Schedules. Additionally, a PDF copy will be provided for the District to distribute electronically.
- G. As part of the overall audit contract, the District expects to receive from the audit firm technical assistance throughout the fiscal year, which is considered within the Auditor's areas of expertise and responsibilities. This assistance could include, but may not be limited to the consultation with the District staff on an individual or group basis regarding accounting, reporting, technical and internal control issues.
- H. Attendance at one District Commission meeting and one Finance Committee meeting to present Annual Audit or whenever required.
- I. The audit fieldwork should be completed by September 15 of each year. The statements must be ready for publication by October 31 of each calendar year following the fiscal year (as per the District's outstanding bond resolutions).
- J. Upon completion of the audit, the Auditor will be required to furnish the District with a copy of adjusting trial balance with account grouping and all adjusting and reclassifying entries using the District's General Ledger Account Number.
- K. Responsibilities of the District Management:

At the conclusion of the audit, the Auditor will request that the District management make certain written representations regarding the District's financial statements and matters related thereto. Specifically, the District management will represent in a management representation letter that it is responsible for:

- 1. Providing the source to financial statements to enable the preparation of the District's financial statements;

2. Establishing and maintaining effective internal control over financial reporting, and compliance by means that include the monitoring of ongoing activities, the safeguarding of assets and informing the Auditor of all significant deficiencies in the design or operation of such controls of which the District management has knowledge;
3. Properly recording transactions;
4. Identifying laws and regulations applicable to the District activities, ensuring that the District complies with the laws and regulations applicable to its activities and informing the Auditor about all known material violations of such laws or regulations;
5. Designing and implementing programs and controls to prevent and detect fraud and informing the Auditor about all known or suspected fraud affecting the District involving management, employees who have significant roles in internal control and others where the fraud could have a material effect on the financial statements;
6. Informing the Auditor of the District management's knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, regulators, or others;
7. Making the Auditor aware of significant vendor relationships where the vendor is responsible for program compliance;
8. Making all financial records and related information available to the Auditor, and;
9. Adjusting the financial statements to correct material misstatements. In addition, at the conclusion of the audit, the Auditor will also require that the District management affirm to the Auditor that the effects of any uncorrected misstatements aggregated by the Auditor during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the District's financial statements taken as a whole.

L. Responsibilities of the Commission Finance Committee:

1. The Commission Finance Committee is responsible for informing the Auditor of the Finance Committee's views about the risks of fraud within the District and the Finance Committee's knowledge of any fraud or suspected fraud affecting the District.
2. The Auditor shall communicate directly with the Finance Committee when required by pertinent laws, rules and regulations and the Auditor shall communicate directly with the Finance Committee about any governance or other issues as set forth in the Statements on Auditing Standards including, but not limited to, Statement on Auditing Standards No. 114. The Auditor will also determine that certain matters related to the conduct of the audit are communicated directly to the Finance Committee, including: (1) fraud involving the District senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the District's financial statements, (2) illegal acts or abuse that come to Consultant's attention, (3) Consultant's disagreements with the District management and other serious difficulties encountered in performing the audit, and (4) various matters related to the District's accounting policies and financial statements.

VII. Proposal Preparation and Submission Requirements

The Proposer shall submit in separate sealed envelopes, five (5) copies each of their Technical and Fee Proposal, as more fully described below, to be received by 4:30 pm local time on April 14, 2020. In order for a Proposal to be considered, it must include the following:

A. Technical Proposal should include:

1. Signed Letter of Transmittal stating the following:
 - a. Identification of Proposer that will have the authorization to commit to the contractual terms and conditions. Identification shall include legal company name, corporate address, telephone, fax number and e-mail address. Include name, title, address, telephone number and e-mail address of the contact person during the proposal evaluation phase.
 - b. The commitment to perform the work within the time period, and a statement why the firm believes itself to be best qualified to perform the engagement.
 - c. The proposal is a firm and irrevocable offer and shall remain valid for a period of not less than 90 days from the date of submittal.
 - d. The person signing the letter is authorized to bind the Proposer.
 - e. By signing the letter of transmittal, Proposer is attesting that all information submitted with the proposal is true and correct.
2. Understanding of the scope of services and the District's needs. Please highlight experience auditing special purpose governments engaged only in business type activities that fall under enterprise fund reporting.
3. Approach to the Assignment.
4. The Proposer should fully and in detail describe, by task, the methodology that it intends to utilize to accomplish the scope of services described in this RFP. In this approach, the Proposer should demonstrate the degree to which it will show a commitment to work cooperatively with the District staff.
5. Proposed segmentation of the engagement by outlining sequentially the activities that would be undertaken in completing the tasks and specifying the level of staff that would perform them.
6. Sample size and the extent to which statistical sampling is to be used in the engagement.
7. Type and extent of analytical procedures to be used in the engagement.
8. Approach to be taken to gain and document an understanding of the internal control structure.
9. Approach to be taken in determining laws and regulations that will be subject to audit test work.

10. Approach to be taken in drawing audit samples for purposes of tests of compliance.
11. Identify methods that Proposer will use to ensure quality control as well as budget and schedule control for the audit.
12. Identify any special issues or problems that are likely to be encountered with the services identified herein and how the Proposer would address them.
13. A brief description of the firm's profile, including the year founded, the form of organization, the types of services offered, size and location of offices, the number of employees, along with a statement of the firm's qualification for performing the subject audit services.
14. Describe firm past experience and performance on comparable government engagements and highlight the participation in such work by the key personnel proposed for assignment to this project.
15. List five most significant governmental clients served in the last three years that are similar to the engagement described in the scope of service, with detailed description of type(s) of services performed, years of engagement, clients' key person contact information (name/address/telephone number) who is most knowledgeable about the work performed, clients' operating budget, size of clients' organization, number of clients' employees.
16. Describe firm past experience with firms who utilize the modified approach to infrastructure reporting. Provide example financial statements of such audits, if publicly available.
17. Proposers should indicate experience with regard to the preparation of financial information related to the issuance of bonds. Additionally, the proposing firm should identify any engagement projects involving the audit of agencies/authorities involved in transportation facilities and processing E-ZPass transactions.
18. Credentials of the Audit Team – Provide a one (1) page, single-sided resume for all individuals who will oversee and perform the work. Resumes should describe professional qualifications, and relevant experience including dates of assignments. State the names of the partner assigned to this engagement and, also, the partner assigned the responsibility for the quality of the financial reports and working papers. Identify the person whom will serve as Audit Manager. All members of the audit team must be employees of the accounting firm unless otherwise authorized by the District.

Include a statement that key personnel will be available to the extent proposed for the duration of the project acknowledging that no person designated as "key" to the project shall be removed or replaced without the prior written concurrence of the District.
19. One page, single-sided organizational chart showing key personnel names, position and reporting relationships.
20. One page, single-sided proposed schedule for completion of assignment, where applicable. Ability to adhere to the District schedule, where given.
21. Set forth any additional information that may assist the District in evaluating your firm's qualifications, including peer reviews within the last three years and any disciplinary action

received within the past three years. Also describe any regulatory action taken by any oversight body against the proposing audit organization or local office.

22. Clearly state any exceptions with the scope of services or the District's standard Contract terms as provided within this RFP.

If the Proposal submitted is not in accordance with the specific provisions defined above, it may be considered incomplete and rejected.

B. Fee Proposal (separate envelope)

1. The sealed Letter of Transmittal (not to exceed one page) stipulating a Lump Sum Fee to perform the scope of services as described in this RFP. Also provide fee escalation for four subsequent fiscal years.
2. The sealed proposed Lump Sum Fee shall include payment for all direct and indirect professional, technical and clerical salaries, overhead and profit, and all out-of-pocket expenses including, but not limited to, mileage, printing, photocopying, materials, etc.
3. The sealed proposal should include a schedule of professional fees and expenses that supports the total all-inclusive maximum price to include rates by Partner/Shareholder, Supervisory and Staff Level Times Hours Anticipated for Each.
4. The District will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost proposal. Such costs should not be included in the proposal.
5. If it should become necessary for the District to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work (e.g. audit work related to bond issuance), then such additional work shall be performed only if set forth in an addendum to the contract between the District and the firm. Any such additional work agreed to between the District and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost proposal.
6. Progress Payments will be made during the completion of the audit.

C. Proposal Preparation:

RFP Response: In order to be considered for selection, Proposers must submit a complete response to the District as follows:

One (1) original and four (4) copies of the proposal must be submitted to the Chesapeake Bay Bridge and Tunnel District:

If by US Mail:

CHESAPEAKE BAY BRIDGE and TUNNEL DISTRICT
Attn: THOMAS R. ANDERSON, III
DEPUTY EXECUTIVE DIRECTOR, FINANCE & OPERATIONS
32386 LANKFORD HIGHWAY
CAPE CHARLES, VA 23310

If by courier service or by hand:

CHESAPEAKE BAY BRIDGE and TUNNEL DISTRICT
Attn: THOMAS R. ANDERSON, III
DEPUTY EXECUTIVE DIRECTOR, FINANCE & OPERATIONS
2400 NORTHAMPTON BLVD
VIRGINIA BEACH, VA 23455
(757) 331-2960

If by hand alternative (no courier service available at this location):

CHESAPEAKE BAY BRIDGE and TUNNEL DISTRICT
Attn: THOMAS R. ANDERSON, III
DEPUTY EXECUTIVE DIRECTOR, FINANCE & OPERATIONS
32386 LANKFORD HIGHWAY
CAPE CHARLES, VA 23310

Identify on outside of submittal envelope: RFP #F-20-002.

Deadline for submittal: 4:30 PM EDT, Tuesday, April 14, 2020.

In the event the District determines that additional clarification or information to this RFP is necessary; the District reserves the right to issue an addendum to this RFP.

1. Proposal should be prepared simply and economically, providing a straight forward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
2. Proposals should be organized in the order in which the requirements are presented in the RFP. Each response to the "Proposal Preparation and Submission Requirements" in Section VIII should repeat the text of the requirement as it appears in the RFP. All pages of the proposal should be numbered. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed. Information which the Proposer desires to present that does not fall within any of the requirements of the RFP should be attached at the end of the proposal and designated as additional material.
3. Each copy of the proposal should be bound or contained in a single volume where practical.
4. Ownership of all data, materials and documentation originated and prepared for the District pursuant to the RFP shall belong exclusively to the District and may be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by a Proposer shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Proposer must invoke the protections of §2.2-4342.F of the Code of Virginia, in writing, either before or at the time the data or other materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or a trade secret is not acceptable and will result in rejection of the proposal.

5. All proposal preparation costs incurred are the responsibility of the Proposer. There is no expressed or implied obligation for the District to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

D. Oral Presentations:

Proposers who submit a proposal in response to this RFP may be requested to give an oral presentation of their proposal to the District. This provides an opportunity for the Proposer to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiations. The District will schedule a time and location of these presentations. Oral presentations are an option of the District and may not be conducted.

VIII. Evaluation and Award of Contract

- A. Award: Selection shall be made of two or more Proposers deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the RFP. Negotiations may be conducted with the Proposers so selected. The District shall select the Proposer or Proposers which, in its opinion, has made the best proposal, and shall award the contract to that Proposer or those Proposers. The District may cancel this RFP or reject proposals at any time prior to an award.

Selection of the Independent Auditor must be approved by the District's Commission. The term of the audit engagement shall be for five (5) years subject to the satisfactory negotiation of terms between the District and the selected firm. The District will also have two (2) additional two (2) year options to renew the agreement for four (4) additional years, at the discretion of the District. The District may exercise these options at any time prior to the commencement of the applicable option period.

- B. Evaluation Criteria: Proposals shall be evaluated by the District using the following criteria:

1. The Audit firm is independent and licensed to practice in Virginia.
2. The firm has no conflict of interest with regard to any other work performed by the firm for the District.
3. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.
4. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.
5. The firm indicates experience in preparing financial statements for use in bond issuance transactions.
6. The auditing firm must have experience in the compilation of Official Statements for at least (3) bond issues of a governmental entity.
7. Expertise, experience, and qualifications of the Proposer's personnel to be assigned to the District including staff/individual certifications.
8. The firm's past experience and performance on comparable government engagements.

9. The overall cost to the District based on the proposed fee for the engagement for the initial year and the proposed fee escalation for the subsequent four fiscal years.
10. Adequacy of proposed staffing plan for various segments of the engagement.

C. Final Selection: The Chesapeake Bay Bridge and Tunnel Commission will select a firm after hearing the recommendation of the Finance Committee.

It is anticipated that a firm will be selected by the May 12, 2020 Commission meeting. Following notification of the firm selected, it is expected a contract will be executed by both parties by May 31, 2020.

D. Right to Reject Proposals: Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the District and the firm selected.

The District reserves the right without prejudice to reject any and all proposals.

E. Termination:

It is understood and agreed that the District hereby reserves unto itself the right to terminate or modify any agreement with the selected firm at any time, for any reason whatsoever, upon giving not less than sixty (60) days prior written notice to the Independent Auditor. In the event of the District's exercising such right of termination, the District shall be without further liability whatsoever to the Independent Auditor, except that the District will reimburse the Independent Auditor for services rendered and costs expended, and pay to the Independent Auditor the amount of fee earned by the Independent Auditor to the date of said termination. In the event that the District exercises its right to modify any future agreement, Independent Auditor shall have only such rights as may be stated in the Modified Agreement and shall retain no other rights. The Independent Auditor agrees that it shall not be entitled to any damages of any nature whatsoever in the event of such termination or modification other than the aforesaid referenced payments.

IX. General Terms and Conditions

By submitting a signed response to this RFP # F-20-002, the Proposer certifies that they will comply or are in compliance with all applicable United States and Virginia statutes, rules and regulations related to procurement and employment practices.

X. Special Terms and Conditions

A. Insurance:

Prior to the start of any work under the contract, the Proposer shall provide to the District Certificate of Insurance Forms approved by the District and maintain such insurance until the completion of all project orders issued under the contract. The minimum limits of liability shall be:

1. Workers' Compensation--Standard Virginia Workers Compensation Policy
2. Broad Form Comprehensive General Liability --\$1,000,000 Combined Single Limit coverage to include:

- a. Premises-Operations; Products/Completed Operations; Contractual; Personal Injury (Libel, Slander, Defamation of Character, etc.);
3. Automobile Liability--\$1,000,000 Combined Single Limit
4. Professional Liability Coverage (errors and omissions), \$10,000,000 minimum
- B. Audit: The Proposer agrees to retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the District. The District shall have full access to and the right to examine any of said materials during said period.
- C. Termination of Contract: It is understood and agreed that the District hereby reserves unto itself the right to terminate or modify any agreement with the selected firm at any time, for any reason whatsoever, upon giving not less than sixty (60) days prior written notice to the Independent Auditor. In the event of the District's exercising such right of termination, the District shall be without further liability whatsoever to the Independent Auditor, except that the District will reimburse the Independent Auditor for services rendered and costs expended, and pay to the Independent Auditor the amount of fee earned by the Independent Auditor to the date of said termination. In the event that the District exercises its right to modify any future agreement, Independent Auditor shall have only such rights as may be stated in the Modified Agreement and shall retain no other rights. The Independent Auditor agrees that it shall not be entitled to any damages of any nature whatsoever in the event of such termination or modification other than the aforesaid referenced payments.
- D. Subcontracts: No portion of work shall be subcontracted without prior written consent of the District. In the event the Proposer desires to subcontract some or part of the work specified herein, the Proposer shall furnish the District the names, qualifications and experience of their proposed subcontractors. The Proposer shall, however, remain fully liable and responsible for the work done by the sub-Proposer(s) and shall assure compliance with all contract requirements.
- E. The Proposer agrees to be responsible for, indemnify, defend and hold harmless the District, its Commission, agents and employees from the payment of all sums of money by reason of any claim against them arising out of any and all occurrences resulting in bodily or mental injury or property damage that may happen to occur in connection with and during the performance of the contract, including but not limited to claims under the Workers' Compensation Act. The Proposer agrees that it will, at all times, after the completion of the work, be responsible for, indemnify, defend and hold harmless the District, its Commission, agents and employees from all liabilities resulting from bodily or mental injury or property damage directly or indirectly arising out of the performance or nonperformance of the Proposer.
- F. Proposal Acceptance Period: Any proposal resulting from this solicitation shall be valid for 90 days. At the end of the 90 days, the proposal may be withdrawn at the "written" request of the Proposer. If the proposal is not withdrawn at that time, it remains in effect until an award is made or the solicitation is canceled.
- G. Late proposals: To be considered for award, proposals must be received by the District (see Section XIX.), by the designated opening date and hour. The official time used in the receipt of proposals is that time on the clock located in the District Administration Office. Proposals received after the designated opening date and hour are automatically disqualified and will not be considered. The District is not responsible for delays in the delivery of mail by the U.S. Postal

Service, private couriers, or another means of delivery. It is the sole responsibility of the Proposer to insure that its proposal reaches the District by the designated date and hour.

XI. Work Products

All materials, calculations, computations, specifications and drawings developed and prepared by and equipment required by the Independent Auditor, in the performance of its services herein, shall become the property of the District and shall be turned over to the District at or prior to final payment or other termination of this Agreement, or upon written request thereof by the District.

XII. Application of Laws and Regulations

By entering into this Agreement, the District does not consent, either expressly or implicitly, to the jurisdiction or application of any laws, regulations, procedures or requirements of any governmental, quasi- governmental or other political entity which would otherwise not be applicable to the District.

XIII. Independent Auditor – Independent Contractor

The Independent Auditor is an independent contractor, and under no circumstances shall it, its servants, agents or employees be or become employees of the District during conduct of the work under this Agreement.

XIV. Confidentiality

The Independent Auditor acknowledges that it may have access to the District’s confidential and proprietary information. It is understood and agreed that any such information learned through the course of working for the District is confidential and shall not be revealed by Independent Auditor to any third party or upon receipt of a valid Subpoena or Court Order. In the event that the Independent Auditor is served with a Subpoena or Court Order, Independent Auditor shall immediately submit a copy to the General Counsel of the District, and allow reasonable time for the District to respond in an appropriate fashion to the validity of the document, prior to Independent Auditors compliance with the Subpoena or Court Order. Confidential and proprietary information, including details of the awarded contract, shall only be used in the performance of work authorized by the District. Within thirty (30) days of the expiration or termination of this Agreement, Independent Auditor shall return to the District all documents received from the District.

XV. Assignment

This Agreement and the obligations created hereunder may not be assigned by the Independent Auditor without the express written consent of the District.

XVI. Waiver

A waiver by any party of a breach or default by the other party of any provision of this Agreement shall not be deemed a waiver of future compliance therewith, and such provisions shall remain in full force and effect. If any provision of this Agreement shall be invalid or unenforceable, in whole or in part, such provision and this Agreement shall be deemed and construed to be modified or restricted to the extent that and in the manner necessary to render the same valid and enforceable, or shall be deemed excised from this Agreement as the case may require.

XVII. Modification

It is expressly understood and agreed by and between the parties hereto that this Agreement sets forth all the promises, conditions and understandings between them relative to this Agreement and that there are no premises, agreements, conditions or understandings, either oral or written, between the parties other than are herein set forth. It is further understood and agreed that no modification, alteration or other change to this Agreement shall be binding unless reduced to writing and signed by a duly authorized representative of the parties hereto.

XVIII. Choice of Law

This Agreement shall be interpreted under the laws of the Commonwealth of Virginia and except as otherwise specified herein; all lawsuits arising from this Agreement shall be brought in State or Federal court in the Commonwealth of Virginia.

The District reserves the right to use additional selection criteria which it believes, in its sole judgment, to be relevant.

XIX. Time Requirements:

A. Proposal Calendar:

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for Proposal issued	Wednesday, March 11, 2020
Questions Due	Thursday, March 26, 2020
Due Date for Proposals	Tuesday, April 14, 2020
Interviews	Tuesday, April 21 – Tuesday, April 28, 2020

B. Notification and Contract Dates:

It is the District’s intention to submit recommendations for approval at the Commission Meeting scheduled for Tuesday, May 12, 2020. The selected firm will be notified thereafter.

XX. Questions concerning the request for proposal must be made, via email, by 4:30 pm March 26, 2020, to:

Thomas R. Anderson, III
Deputy Executive Director,
Finance & Operations
tanderson@cbbt.com

ATTACHMENT A

Chesapeake Bay Bridge and Tunnel District

Request For Proposal #F-20-002

AUDIT SERVICES CERTIFICATION

I hereby certify that I am authorized to commit and sign on behalf of the below Audit Firm a response to the Chesapeake Bay Bridge and Tunnel District's Request For Proposal . I further certify that the Audit services are in compliance and/or will comply with all applicable United States and Virginia statutes, rules, and regulations related to procurement and employment practices.

Audit Firm Name: _____

Address:

Authorized Representative Name: _____

Title: _____

Address (if different from above):

Telephone Number: _____

Facsimile Number: _____

Email Address: _____

Signature: _____

Date: _____