



October 10, 2016

San Mateo County Harbor District
504 Avenue Alambra, Second Floor
PO Box 1449
El Granda, CA 94018

We are pleased to enclose two (2) copies and one (1) electronic copy of our Technical Proposal to Provide Professional Auditing Services for the San Mateo County Harbor District for the fiscal years ended June 30, 2016, 2017 and 2018 as outlined in the request for proposal.

Yours very truly,

A handwritten signature in black ink, appearing to read 'Timothy J. Krisch', written in a cursive style.

Timothy J. Krisch, CPA
Partner

TJK:smg

Enclosures

PROPOSAL





**To Provide
Professional Auditing Services
For The**

SAN MATEO COUNTY HARBOR DISTRICT

Submitted By

**MAZE & ASSOCIATES
3478 Buskirk Avenue, Suite 215
Pleasant Hill, CA 94523
(925) 930-0902**

October 10, 2016

Contact Persons	
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SAN MATEO COUNTY HARBOR DISTRICT

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October 10, 2016

San Mateo County Harbor District
504 Avenue Alhambra, Second Floor
PO Box 1449
El Granada, CA 94018

We appreciate this opportunity to submit our proposal to provide financial audit services for the San Mateo County Harbor District. We understand we will audit the Entity's Basic Financial Statements. We will also perform additional services as specified in the District's Request for Proposal, within the time periods established by the Entity.

We are quite certain we are the most qualified firm to be your independent accountants. As our founder, Scott Maze, first coined almost a quarter of a century ago, "*We Are In Business to Help Our Clients Succeed!*" Since that time, we have rigorously employed this philosophy along with our commitment to continual improvement. Our clients know from experience we employ a variety of techniques, technologies and strategies to maximize effective and efficient audits without shifting our work onto our client's staff. We've summarized these techniques, technologies and strategies below and explained them in more depth in our proposal.

- **We are the best-known regional municipal audit firm in Northern California.** We are now in our twenty-eighth year. Over that quarter century, we have achieved national recognition with the consistently high quality of our work and with our leadership on issues such as **GASB Statement 68**, GASB Statement 45, GASB Statement 34, and municipal investment losses.
- **Municipal auditing is our main business.** Our clients presently include a total of over **one hundred municipal entities, including many Entities the size of the San Mateo County Harbor District.**
- **Our Partners are actively involved in planning, conducting and completing the audit in our client's offices** and our Partners are available when you need them. We resolve issues on the spot while the audit is going on.
- **When our partners communicate with Boards and Committees, their knowledge is based on detailed specifics,** not information which has been filtered through several layers of review.
- We consistently provide high levels of client support to minimize the impact of our audits.
- We have a long term track record of client retention beyond our client's original contract terms because of the quality of our service.
- We are properly licensed to practice in California.

Accountancy Corporation
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- All key staff assigned to this audit possesses a California CPA license.
- Everyone on our audit staff averages approximately **80 hours of training in municipal auditing and accounting and 1500 hours of municipal audit experience each year**. This means you do not train our staff!
- With our qualified information security staff **we have developed and employ a number of technologies to streamline our audit process, ensure open channels of communication and data transfer while ensuring security and confidentiality of client data**. These technologies include LANs, a VPN, “Leapfile” data file transfers, “Mimecast” email protection software, paperless audit workpapers, and a major upgrade of our “electronic transfer of data” technique eliminating manual financial statement inputs and maximizing easy to use financial rollup reports.
- **Up to half our total audit time is spent at interim each year, ensuring a smoother year-end audit**. Our interim audit includes much of the work other firms postpone to year-end; we even begin the preparation of the notes to the financial statements.
- Our **Closing Checklists** help you prepare in advance for both our interim and year-end audits. These Checklists do away with last-minute requests for schedules and analyses at year-end and help identify potential problems early in the process. We will coordinate them with the work papers you are already preparing, so **you don’t have to prepare workpapers only for the auditors**.
- **Our references** - indeed, any of our clients, will confirm we are your best choice.

As with all our audits, we are committed to providing timely, quality audit services to the San Mateo County Harbor District. We have no doubt that we are the firm best qualified to perform the services described in the request for proposal. After you have analyzed our proposal and - most important - talked with our references, we are quite confident you will agree. The proposal is a firm and irrevocable offer for 60 days.

David Alvey, Vice President (davida@mazeassociates.com) and Amy Meyer, Vice President (amym@mazeassociates.com) are authorized to represent, sign for and contractually obligate Maze & Associates, a Professional Corporation, located at 3478 Buskirk Avenue, Suite 215, Pleasant Hill, CA, 94523, (925) 930-0902.

We look forward to the opportunity to work with the District!

Yours very truly,



Timothy J. Krisch, CPA

TJK:smg

INTRODUCTION

Independence

As independent auditors, our most valuable asset is our independence. Unlike many firms, we have never allowed our independent audit function to be used to promote consulting or other work. In fact, consulting and related work have never amounted to more than a few percent of our total revenues, while our independent audit work has amounted to over eighty percent of our revenues.

Our firm and all our partners and employees are independent of the Solano Local Agency Formation as that term is defined by the General Accountability Office's Standards for Audits of Governmental Organizations, Programs, Activities and Functions, the American Institute of Certified Public Accountants, the California Society of Certified Public Accountants and the California State Board of Accountancy. We have no present or past professional relationships with the District or any of its Board members or employees that would compromise our independence.

We will discuss in advance with the District any professional relationships being contemplated during the period of engagement that may present a potential conflict of interest. If the District and we believe any such relationship presents a conflict of interest, we will not enter into it.

Insurance

Maze & Associates maintains professional, general liability, worker's compensation and automobile insurance at limits which minimally will meet those required by the District. All insurance will remain in effect through our entire term as the San Mateo County Harbor District.

License to Practice in California

We are properly licensed California Certified Public Accountants. We are members of the Government Finance Officers Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO) as well as the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants.

All assigned key professional staff are properly licensed to practice in California. Those staff that are certified public accountants have current California CPA licenses in the attest function, and have **received more than twice the required level of continuing education**, including the credits specifically required in the area of governmental audit.

Even though not required, all non-certified audit staff receive the same level of training.

Overview

We are a professional services corporation located in Pleasant Hill, California. We presently have a total of fifty-four people, including seven shareholders, three Directors, three Managers, nine Supervisors and many more Audit Associates and Tax/Office Staff. Fifteen (15) of our professional staff are California Certified Public Accountants and five additional staff are in the process of completing their applications for licensure. Forty-three (43) of our professional staff comprise our governmental audit staff, as our firm's emphasis is on governmental auditing and accounting. Several of our professional staff have national accounting firm experience, which we have blended with the more personal approach of a smaller firm. Our staffing levels have ranged from 44 to 48 employees over the last 5 years.

INTRODUCTION (Continued)

Most of our clients are municipal entities and we do this work twelve months of the year. We limit our practice in other areas and focus on being the best municipal audit firm in Northern California. Our clients include several Districts similar to the San Mateo County Harbor District. Our audit strategy is tailored to municipalities and is quite different from the traditional approach adapted from commercial clients by general practice accounting firms.

We have focused on municipalities since our inception in 1986. We are active in GFOA, CSMFO and CMTA, and our Partners have been speakers at many GFOA, CSMFO and CMTA functions.

We are in business to help our clients succeed. We help you use the ever-growing tangle of accounting rules properly, but to your best advantage, by helping you keep out of trouble and helping you do the right thing. We stay in touch throughout the year to keep you abreast of municipal accounting developments and to help you avoid problems, instead of coming in afterwards to assess the damage. We rotate our audit emphasis based on our planning meetings with you so areas that concern you can be addressed as a normal part of the audit at no extra cost.

Capacity and Resources

We have consistently demonstrated the ability of our capacity and resources to meet the demands of our clients. We have never missed a reporting deadline for any of our clients.

Over the years we have made substantial additional investments in our people and our systems. We have continued our policy of at least doubling the required amount of Continuing Education we provide our people. We routinely provide an average of one hundred hours of Continuing Education each year—the State requirement is forty hours. We routinely ensure that at least eighty of those hours are specific to municipal audit and accounting—the State and government auditing standard requirements are twenty-four hours.

We have more than doubled the number of people on our staff in the past six years, and most of these new people are professional audit staff members. More people and more continuity combine to mean that our people capacity and resources have more than doubled.

Hand-in-hand with our continuing investment in our people has been our increased investment in systems and hardware support. Eight years ago our systems work was handled by an outside consultant. **Today, we have a full-time staff of three people who maintain our state-of-the-art systems capabilities and provide increasing levels of such service to our clients.** Every person on our staff is now armed with a late model PC that communicates with all our other PCs, printers, servers, etc., via our own wireless network establish in each client's office at the start of each audit. Most of our work-papers are now prepared on these PCs as we continue to move toward paperless audit and paperless files.

We have moved most of our clients from a manual input of their general ledger data to **a fully mechanized computer** “electronic transfer of data” that transfers general ledger data directly to our Excel-based financial statement formats. At the same time, we have added significant numbers of internal data controls to financial statement formats. This strategy has virtually eliminated input errors, increased efficiency, and allowed our clients to spend less time reviewing and approving the financial statements. And these improvements have been made without a hiccup - we **consistently deliver final draft financial statements and reports to our clients the last day of our field-work in our client's offices.**

We are not relying on the capabilities or resources of any other firms in our proposal.

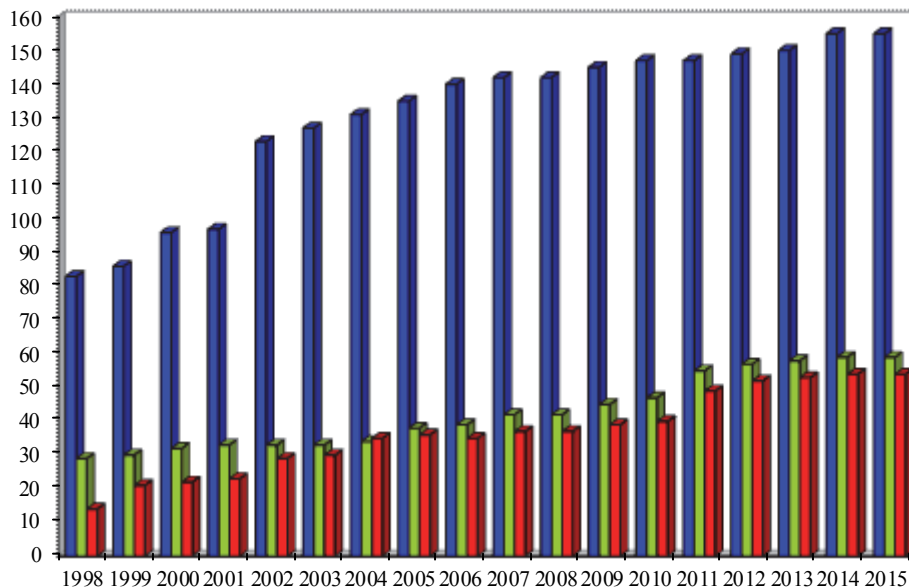
QUALIFICATIONS

Audit Quality

Never has audit quality been the focus of more attention than now. With names like Orange County, San Diego and Bell in the news, municipal audits can no longer be relegated to a consent item. Ensuring quality audits is a necessity. Our commitment to quality remains our top priority.

Our Municipal Focus

Our practice includes forty-four city clients and more than fifty special districts, including forty-two city and special district CAFR award winners—more award winners than any other Northern California accounting firm or international firm branch office. Included in those totals are six award-winning Special District CAFRs. Eighty percent of our practice is municipal auditing, accounting and consulting, continuing throughout the entire year. Our growth can be seen in the graph below, which shows the growth in the number of our total **municipal entity** clients in **blue**, **City** audit clients in **green** and **CAFR** award winners in **red**.



Every one of the above CAFRs, won awards from GFOA and/or CSMFO.

GASB Statement No. 68 Expertise

With over 100 audit clients implementing GASB Statement No. 68 over the past two years (we assisted with early implementers for the year ended June 30, 2014), coupled with two of our Audit Partners being actively involved with the Governmental Accounting and Auditing Committee that wrote the white paper on implementing GASB 68, we have significant experience and qualifications with regard to GASB Statement No. 68.

QUALIFICATIONS (Continued)

City Clients

The table below summarizes our most recent experience with audits of cities. We are responsible for all phases of the work on these clients. **All of this work represents recurring annual audit and related work; all this work and that presented in the table was completed on or before the deadline from the first year listed for each client.**

GOVERNMENTAL					
Client Name	Scope of Work	Client Start Date	CAFR Submission	GFOA Award	Single Audit
Population > 100,000					
Daly City	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit, Transportation Measure, JPAs	1992 - Present	✓ Yes	✓ Yes	✓ Yes
Hayward	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit, Transportation Measure, Financing Corporation	2011 - Present	✓ Yes	✓ Yes	✓ Yes
Richmond	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit, Retirement Plans, Financing Authority	2005 - Present	✓ Yes	✓ Yes	✓ Yes
Santa Clara	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit, Silicon Valley Power	2012 - Present	✓ Yes	✓ Yes	✓ Yes
Vallejo	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit, Housing Authority	2004 - Present	✓ Yes	✓ Yes	✓ Yes
Population < 100,000					
Atherton	Financial Statements, Single Audit	2009 - Present	*	*	✓ Yes
Belmont	Audit of City CAFR, Successor Agency, Single Audit, Transportation Measure	1998 - Present	✓ Yes	✓ Yes	✓ Yes
Benicia	Audit of City CAFR, Single Audit, Transportation Development Act Audit	2011 - Present	✓ Yes	✓ Yes	✓ Yes
Brentwood	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit	2007 - Present	✓ Yes	✓ Yes	✓ Yes
Brisbane	Audit of City CAFR, Successor Agency	2011 - Present	*	*	*
Cupertino	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit	2012 - Present	✓ Yes	✓ Yes	✓ Yes
Davis	Audit of City CAFR, Single Audit	2015	✓ Yes	✓ Yes	✓ Yes
Dublin	Audit of City CAFR, Single Audit, Transportation Measure	2012 - Present	✓ Yes	✓ Yes	✓ Yes
El Cerrito	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit, Retirement Plan, Financing Corporation	2005 - Present	✓ Yes	✓ Yes	✓ Yes
Fairfax	Basic Financial Statements	2009 - Present	*	*	*
Galt	Audit of City CAFR, Successor Agency, Single Audit	2009 - Present	✓ Yes	✓ Yes	✓ Yes
Half Moon Bay	Audit of City CAFR, Single Audit, Transportation Development Act Audit	2014 - Present	✓ Yes	✓ Yes	✓ Yes
Lafayette	Audit of CAFR, Single Audit, Transportation Development Act Audit, Lamorinda School Bus Transportation Authority, Finance Authority	2015 - Present	New client in 2015 will submit for CAFR award	*	✓ Yes
Larkspur	Basic Financial Statements, Transportation Development Act Audit	1991 - Present	*	*	*
Lathrop	Audit of City CAFR, Single Audit	2011 - Present	✓ Yes	✓ Yes	✓ Yes
Livermore	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit, Transportation Measure, Financing Corporation	1988 - Present	✓ Yes	✓ Yes	✓ Yes

QUALIFICATIONS (Continued)

GOVERNMENTAL					
Client Name	Scope of Work	Client Start Date	CAFR Submission	GFOA Award	Single Audit
Population < 100,000					
Los Altos	Audit of City CAFR, Single Audit, Transportation Measure, Retirement Plan	2014 - Present	✓ Yes	✓ Yes	✓ Yes
Manteca	Audit of City CAFR, Successor Agency, Single Audit, Financing Authority	1986 - Present	✓ Yes	✓ Yes	✓ Yes
Martinez	Audit of City CAFR, Single Audit, Transportation Development Act Audit	2001 - Present	✓ Yes	✓ Yes	✓ Yes
Milpitas	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit, Financing Corporation	1995 - Present	✓ Yes	✓ Yes	✓ Yes
Moraga	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit	2012 - Present	✓ Yes	✓ Yes	✓ Yes
Morgan Hill	Audit of City CAFR, Single Audit, Transportation Development Act Audit	2015 - Present	New client in 2015 will submit for CAFR award	*	✓ Yes
Mountain View	Audit of City CAFR, Single Audit, Transportation Development Act Audit	2001 - Present	✓ Yes	✓ Yes	✓ Yes
Oakley	Audit of City CAFR, Successor Agency, Single Audit	2000 - Present	✓ Yes	✓ Yes	✓ Yes
Orinda	Audit of City CAFR, Single Audit, Transportation Development Act Audit	2015 - Present	New client in 2015 will submit for CAFR award	*	✓ Yes
Pacifica	Audit of City CAFR, Single Audit, Transportation Development Act Audit, Transportation Measure	2015 - Present	New client in 2015 will submit for CAFR award	*	✓ Yes
Petaluma	Audit of City CAFR, Single Audit, Transportation Development Act Audit	2011 - Present	✓ Yes	✓ Yes	✓ Yes
Pittsburg	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit, Retirement Plan	2011 - Present	✓ Yes	✓ Yes	✓ Yes
Portola Valley	Financial Statements and Transportation Measure	2005 - Present	*	*	*
Rancho Cordova	Audit of City CAFR, Successor Agency, Single Audit, Financing Corporation	2009 - Present	✓ Yes	✓ Yes	✓ Yes
San Leandro	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit, Transportation Measure	2011 - Present	✓ Yes	✓ Yes	✓ Yes
San Pablo	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit	1995 - Present	✓ Yes	✓ Yes	✓ Yes
San Rafael	Audit of City CAFR, Successor Agency, Single Audit	2007 - Present	✓ Yes	✓ Yes	✓ Yes
San Ramon	Audit of City CAFR, Single Audit, Transportation Development Act Audit	2014 - Present	✓ Yes	✓ Yes	✓ Yes
Sausalito	Audit of City CAFR	2006 - Present	✓ Yes	✓ Yes	*
South San Francisco	Audit of City CAFR, Successor Agency, Single Audit, Transportation Development Act Audit, Transportation Measure	2004 - Present	✓ Yes	✓ Yes	✓ Yes
Turlock	Financial Statements, Successor Agency, Single Audit, Transportation Development Act Audit, Financing Authority, Abandoned Vehicle Abatement Program	2013 - Present	*	*	✓ Yes
Visalia	Audit of City CAFR, Successor Agency, Single Audit, Transit Fund, Transportation Measure	2015 - Present	✓ Yes	✓ Yes	✓ Yes
Tracy	Audit of City CAFR, Successor Agency, Single Audit	2015 - Present	New client in 2015 will submit for CAFR award	*	✓ Yes

QUALIFICATIONS (Continued)

Special District and Authority Experience

The chart below shows our most recent experience with District and Authority audits. We are responsible for all phases of work for these entities.

TRANSPORTATION			
Alameda Contra Costa County Transit Authority	2010	X	X
Alameda County Transportation Improvement Authority	2010	X	X
City/County Association of Governments	2005	X	X
Contra Costa Transportation Authority	2003	X	X
Eastern Contra Costa Transit Authority	2012	X	X
Livermore/Amador Valley Transportation Authority	1994	X	X
Measure J Traffic Congestion Relief Agency (TRAFFIX)	2012		
Peninsula Corridor Joint Powers Board	2010	X	X
Peninsula Traffic Congestion Relief Alliance	2001	X	X
Ralston/Holly /Harbor Grade Separation Projects	1998	X	X
San Francisco Bay Area Water Emergency Transit Auth.	1997	X	X
San Mateo County Transit District	2010	X	X
San Mateo County Transportation Authority	2010	X	
Solano Transportation Authority	2004	X	X
West Contra Costa Transportation Authority Commission	1995	X	
UTILITY			
Alameda Municipal Power	1990	X	
Bay Area Clean Water Agencies	2005		
Bethel Island Municipal Improvement District	2007		
Calaveras County Water District	2004		X
California Association of Sanitation Agencies (Non-profit)	2005		
Central Contra Costa Sanitary District	2013		
Coastside County Water District	1993	X	X
Contra Costa Water District	2002		X
Contra Costa Solid Waste Authority	1993	X	X
Delta Diablo Sanitation District	2004		X
Diablo Water District	2007		
Dublin San Ramon Services District	1999	X	X
DSRSD/EBMUD Recycled Water Authority	2005		
East Bay Municipal Utility District	2005	X	X
East Palo Alto Sanitary District	2013	X	
El Dorado Irrigation District	2007	X	X
Fairfield Suisun Sewer District	2000		
Freeport Regional Water Authority	2005		
Livermore-Amador Valley Water Management Agency	1987		X
Mid-Peninsula Water District	2006		
Novato Sanitary District	2013		X
Palo Alto Regional Water Quality Control Plant	1998	X	X
Placer County Water Authority	2005		X
Santa Clara Valley Water District	2004		
Sausalito-Marín City Sanitary District	2011		
Skyline County Water District	1992		
Solano Irrigation District	2006		
South Bay System Authority	1998	X	
South Bay Transfer Station Authority	1997	X	
South San Joaquin Irrigation District	2004		
South Placer Wastewater Authority	2001	X	
Stanislaus Waste-to-Energy	2005		
Stinson Beach County Water District	2011	X	
Tri-Valley Wastewater Authority	1990		
Union Sanitary District	2000		
Upper Mokelumne River Watershed Authority	2005		
West Bay Sanitary District	2005		
West Valley Sanitation District	2004		
Zone 7 Water Agency	2010	X	X

As you can see from the client list above, we have a winning combination that has resulted in **strong client loyalty and retention. Several clients who left have returned after seeing the difference between our firm and our competitors**, most recently Contra Costa Water District, Benicia and Pittsburg. **Others have gone through a full proposal process and retained us**, such as EBMUD, Delta Diablo, and LAVTA.

STAFF

We are proposing to assign David Alvey, CPA as Engagement Partner and Amy Meyer, CPA as Alternate/Technical Review Partner, and Cody Smith, CPA as Supervisor. We will also have Donald Hester, our Information Technology Director, perform a review of your information system as it relates to our work and our Quality Assurance Director, Cory Biggs, CPA, perform a Quality Assurance Review of all our reports and workpapers.

We understand that engagement partners, directors and other supervisory staff may be changed only with the express written permission of the District.

We will balance out our resources with our Senior Associates and Associates to form fully leveraged teams. All of our audit staff are experienced with audits of Basic Financial Statements, enterprise operations, retirement plans, capital assets and infrastructure, long term debt, including swaps and related compliance and continuing disclosures, and all other aspects of municipal accounting and financial reporting.

We provide our clients continuity while introducing enough new people to keep our perspective fresh and provide you with the benefits of rotation. We intend to retain all the people assigned to your audit throughout this year's entire engagement. In future years we plan to rotate no more than one person on each segment whom we will replace with someone of equal experience.

RESUMES

A brief resume of our proposed team members follows:

DAVID ALVEY, CPA, Shareholder, Engagement Partner - graduated from St Mary's College, Moraga with a Bachelors of Science Degree in Accounting and a Minor in Business Administration. David has received **500 hours of continuing education in the past five years**. David has experience as an internal auditor at California Savings Bank in Oakland, CA. He is a Certified Public Accountant in the State of California. He is a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants. David is also a member of the Association of Certified Fraud Examiners. His relevant experience includes:

Alameda Mayors Conference	Freeport Regional Water Authority
City of American Canyon	City of Galt
American River Authority	City of Hayward
Alameda County Transportation Authority	City of Larkspur
Alameda County Transportation Improvement Authority	City of Los Altos
Alameda-Contra Costa Transit District	City of Livermore
Alameda Mastic Senior Center	City of Manteca
Association of Bay Area Governments	Mid-Peninsula Water District
Associated Community Action Program	Middle Fork Project Finance Authority
Bay Area Clean Water Agencies	Monument Crisis Center
City of Benicia	City of Napa
Berkeley City Club Conservancy	City of Oakley
Bethel Island Municipal Improvement District	Partners in School Innovation
Calaveras County Water District	City of Petaluma
Castle Rock County Water District	City of Pittsburg
Central Contra Costa Sanitary District	Pittsburg Arts & Community Foundation

RESUMES (Continued)

David Alvey (Continued)

Central Market Community Benefit District	Placer County Water Authority
Civic Center Community Benefit District	City of Pleasant Hill
Clausen House	Regional Park Foundation
Coastside County Water District	Richmond Housing Authority
Contra Costa Water Financing Authority	City of Rio Vista
Contra Costa Water District	City of Roseville
Contra Costa Water District Retirement Plan	City of San Leandro
City of Cupertino	San Mateo Community College Foundation
City of Daly City	San Mateo County Transportation Authority
Daly City Peninsula Partnership Collaborative	Peninsula County Joint Powers Authority
City of Davis	San Mateo County Transit District
Delta Diablo Sanitation District	San Pablo Economic Development Corporation
Diablo Water District	Santa Clara Valley Water District
DSRSD/EBMUD Recycled Water Authority	Skyline County Water District
Dublin San Ramon Services District	Solano Irrigation District
East Bay Municipal Utilities District (EBMUD)	Solano Transportation Authority
EBMUD Employee Retirement System	South San Joaquin Irrigation District
East Palo Alto Sanitary District	Southern Marin Fire Protection District
Education Pioneers	Stanislaus Waste to Energy
El Dorado Irrigation District	Stinson Beach County Water District
City of Escalon	Stopwaste
Fairfield-Suisun Sewer District	City of Sunnyvale
Hemophilia Foundation of Northern California	Upper Mokelumne River Watershed Authority
ID Business Solutions	Walnut Creek Chamber of Commerce
Landmark Heritage Foundation	The Wellness Community
Lighthouse for the Blind	West Bay Sanitary District
Mission Graduates	Zone 7 Water Agency

AMY MEYER, CPA, Alternate/Technical Review Partner - Amy graduated from the University of the Pacific in 1993 with a B.S. in Accounting and a minor in Information Systems, and has worked with Maze & Associates since 1993. Amy is a California CPA and is a member of the California Society of CPAs and the American Institute of Certified Public Accountants. Amy has assisted several of our clients with their computer applications and is very comfortable using a variety of systems. She has been involved with a number of accounting and GASB implementation training classes customized to our clients' needs. Amy is also our PC applications expert. Amy currently serves on the Governmental Accounting and Auditing Committee of the California Society of Certified Public Accountants, which provides practical guidance to CPAs in the area of governmental accounting and auditing in an effort to improve the quality of financial reporting on governmental entities. Amy is also a CAFR reviewer for GFOA. **She has accumulated three hundred four hours of continuing education during the last three years as an in-house instructor and participant.** She has gained valuable experience on the audits of the following:

RESUMES (Continued)

Amy Meyer (Continued)

City of Alameda	City of Mountain View
Alameda Power and Telecom	City of Oakley
City of Albany	City of Palo Alto
City of American Canyon	Redwood Empire Municipal Insurance Fund
Town of Atherton	City of Rancho Cordova
Association of California Water Agencies Joint Powers Insurance Authority	City of Richmond
City of Brentwood	City of Rio Vista
California Joint Powers Risk Management Authority	City of Rocklin
City of Concord	City of Roseville
City of Dublin	Town of San Anselmo
East Bay Regional Park District	City of San Carlos
City of El Cerrito	City of San Pablo
City of Hercules	City of Santa Clara
Livermore Area Recreation and Park District	City of Saratoga
City of Livermore	South Placer Wastewater Authority
Town of Los Gatos	City of Tracy
City of Manteca	City of Turlock
City of Martinez	City of Vallejo
	City of Waterford
City of Milpitas	West Contra Costa Transportation Advisor Committee
City of Modesto	City of Woodland

CODY P. SMITH, CPA, Audit Supervisor - graduated Summa Cum Laude from the University of San Francisco in May, 2008 with a Bachelor of Science in Business Administration of Accounting. Prior to graduating from the University of San Francisco, Cody also spent two years at St. Mary's College of California. After graduating, Cody worked at Rothstein, Kass & Company as a Hedge Fund Audit & Tax Associate and while there received 80 hours of continuing education. Cody joined Maze & Associates in August, 2009 as an Audit Associate. He is now an Audit Supervisor. Cody has received over 600 hours of continuing education since joining the firm. Cody's expertise includes financial statement and single audits for: Municipalities, Non-Profits, Special Districts, Transit Agencies, Insurance Funds and Public Housing Authorities. Cody became a Certified Public Accountant (CPA) in the State of California in January, 2011. His relevant experience includes:

AC Transit	City of Mountain View
City of Alameda	City of Napa
Alameda Municipal Power	City of Piedmont
Association of Bay Area Governments	Town of Portola Valley
City of Atherton	Redwood Empire Municipal Insurance Fund
City of Belmont	City of Richmond
City of Brentwood	Richmond Housing Authority
City of Brisbane	City of Santa Clara
California Groundwater Authority	San Mateo County Transportation Authority
City of Concord	Peninsula County Joint Powers Authority
City of Cupertino	San Mateo County Transit District
City of Daly City	SF Bay Area Water Transportation Authority

RESUMES (Continued)

Cody Smith (Continued)

East Contra Costa Costa Habitat Conservancy	City of San Carlos
City of East Palo Alto	City of San Pablo
City of El Cerrito	City of San Rafael
Food Bank of Contra Costa	City of Santa Clara
City of Hayward	Sonoma County Agriculture Preservation & Open Space District
City of Livermore	City of South San Francisco
Livermore Amador Valley Transit Authority	City of Stockton
Livermore Recreation & Park District	City of Suisun City
Town of Los Altos	Silicon Valley Education Foundation
City of Los Banos	City of Vallejo
City of Manteca	City of Woodside
City of Millbrae	

CORY BIGGS, CPA – Quality Assurance Director - Cory is a graduate of CSU Hayward with a B.S. in Business, emphasis in Accounting. He is a California CPA with over twenty-nine years experience, three with Deloitte, Haskins & Sells, three with Seiler & Company, a large Bay Area local firm, and the rest with us. He is a member of the AICPA and California Society of CPA's. Cory's experience includes cities, school districts, and a variety of high-tech and commercial for-profit organizations. Cory is an instructor of our GASB 45 and GASB 34 Implementation and many other training courses. **Cory has accumulated three hundred twenty hours of continuing education in the past three years as an in-house instructor and participant.** His relevant municipal experience includes:

City of Alameda	Livermore Amador/Valley Transit Authority
City of American Canyon	City of Los Altos
Association of Bay Area Governments	Town of Los Altos Hills
Town of Atherton	Town of Los Gatos
City of Belmont	City of Manteca
Belmont San Carlos Fire Department	City of Martinez
Belmont Net Six Joint Powers Authority	City of Millbrae
Belmont South San Mateo Police Authority	City of Milpitas
City of Capitola	City of Modesto
Coastside County Water District	City of Mountain View
City of Concord	City of Napa
Contra Costa County Bond Funds	City of Palo Alto
Contra Costa Transportation Authority	Placer County Water Agency
City of Cupertino	City of Pleasant Hill
City of Daly City	Town of Portola Valley
City of Dublin	Richmond Housing Authority
Dublin San Ramon Services District	San Francisco Bay Area Water Emergency Transit Auth.
East Bay Municipal Utility District	San Francisco Bay Transit Water Emergency Authority
City of El Cerrito	City of San Carlos
El Dorado Irrigation District	City of San Rafael
City of Emeryville	San Ramon Valley Fire Protection District

RESUMES (Continued)

City of Hayward	Santa Clara Valley Water District
Town of Hillsborough	City of Saratoga
City of Livermore	City of South Lake Tahoe
Livermore-Amador Valley Transit Authority	South Lake Tahoe Basin Waste Management Authority
Livermore-Amador Valley Water Management Agency	City of South San Francisco
Livermore Area Recreation and Park District	City of Vallejo

DONALD E. HESTER, Director-Donald's clients include local municipalities, non-profits, corporations and federal government agencies, specializing in a wide array of compliance programs and security assessments such as PCI, FISMA, COBIT, ITIL and ISO27002. He is a guest lecturer and speaker on security topics for CMTA, CSMFO, MISAC, CISOA, ISACA and others and he has served on various advisory committees and as a subject matter expert in information technology and security. Donald also teaches IT Audit and Forensics at the University of San Francisco and Microsoft courses for Los Positas College, San Diego City College and for the @One program of the California State Chancellor's office. Donald graduated with honors from the American Military University with a Bachelor's Degree in Security Management with a concentration in Information Security. He has nearly 20 years of experience in the security field. Donald has been with us for ten years now and has received more than 320 hours of continuing education in the past three years and has over 900 hours of instructional work. His certifications include; CISSP, CISA, CAP, MCT, MCITP, MCTS, MCSE Security, MCSA Security, MCDST, Security+ and CTT+. Donald is also a Chairman and past Treasurer for the Brentwood Veterans Memorial Building and Commandant and past Treasurer for the Delta Diablo Det. 1155 Marine Corps League.

QUALIFICATIONS AND REFERENCES

Similar Engagements with Other Governmental Entities

We have selected the following existing clients because they are similar in some respect to the San Mateo County Harbor District. Please contact these clients for further information if you wish, or call any of our clients for a reference!

East Contra Costa County Habitat Conservancy - A client since 2008

Engagement Partner – David Alvey

Principal contact –John Kopchik, Executive Director 925-335-1227

Work Scope & Reports

Basic Financial Statements

Memorandum on Internal Control and Required Communications

Single Audit

QUALIFICATIONS AND REFERENCES (Continued)

City of Belmont - A client since 1998

Engagement Partner- Mark Wong

Principal contact- Thomas Fil, Finance Director (650) 595-7433

Workscope and reports:

Comprehensive Annual Financial Report (consistent GFOA award winner)

Memorandum on Internal Control and Required Communications

Single Audit Act Report

Proposition 111 Agreed Upon Procedures Report

Transportation Development Act Audit Report

South County Fire Authority Financial Statements

Net Six Financial Statements

South San Mateo Police JPA Financial Statements

Ralston/Holly/Harbor Projects Financial Statements

Annual Street Report

Annual Report of Financial Transactions for the City

City of South San Francisco – A client since 2004

Engagement Partner – Katherine Yuen (previously Mark Wong)

Principal contact — Jim Steele, Finance Director (650) 877-8527

Workscope and reports:

Comprehensive Annual Financial Report (Consistent GFOA award winner)

Recommendations for Improvements in Internal Control

Proposition 111 Agreed Upon Procedures Opinion

Measure A Sales Tax Fund

Transportation Development Audit

Single Audit Act Report

City of Pacifica – A client since 2015

Engagement Partner – Mark Wong

Principal contact – Lorenzo Hines, Assistant City Manager – 650-738-7401

Work scope and reports:

Comprehensive Annual Financial Report

Proposition 111 Agreed Upon Procedures Report

Memorandum on Internal Control and Required Communications

Single Audit

Transportation Development Act Audit

Measure A

FEE SCHEDULE

**San Mateo County Harbor District
Proposed Engagement Segments and Budget**

Audit Activities	Budgeted Hours					
	Partners	Staff				Total
	Engagement	Manager	Supervisor	Associates	Admin.	
Planning & budget/Confirm/Checklists			4.00	2.00		6.00
SAS Fraud assessment			2.00			2.00
Minutes-resolutions			4.00			4.00
Supervision/review	8.00		8.00			16.00
Conferences & meetings	4.00		4.00			8.00
Report			8.00		8.00	16.00
Management letter	1.00		1.00	1.00		3.00
MD&A				2.00		2.00
Accounting Issues Memo	1.00		1.00	1.00		3.00
Analytical review	1.00					1.00
Adjustments				1.00		1.00
Internal Control Evaluation			2.00	8.00		10.00
Information Systems Review		2.00				2.00
Cash & Investments				6.00		6.00
Revenue/Receivables				6.00		6.00
Disbursements/Payables				6.00		6.00
Payroll/Accrued liabilities			4.00	4.00		8.00
Net Assets				1.00		1.00
Risk Management			2.00	1.00		3.00
Commitment and Contingencies				1.00		1.00
Subtotal - Financial Statements & Management Letter	15.00	2.00	40.00	40.00	8.00	105.00
Additional services described in the RFP:						
State Controllers Report and all required schedules						0.00
Total	15.00	2.00	40.00	40.00	8.00	105.00

FEE SCHEDULE (Continued)

Certification

David Alvey and Amy Meyer are authorized to submit this proposal and negotiate and sign a contract with the San Mateo County Harbor District. Our offer is firm and irrevocable for a period of sixty days from the date of this proposal.

Total Cost of Audit

Our Total All-Inclusive Maximum Prices for the services specified in the Request for Proposal for the years ended June 30, 2016, 2017 and 2018 is detailed at the end of this section. Our Total All-inclusive Maximum Prices for the services specified in the RFP, are firm fixed fees.

Additional Services

Any additional services will be performed and billed only on the District's prior authorization at our standard billing rates.

Fees

Our fees are firm fixed prices. In determining our fees, we understand that the District's records will be in condition to be audited; that is, transactions will be properly recorded in the general ledger and subsidiary records, these accounting records and the original source documents will be readily available to use, we will be furnished with copies of bank reconciliations and other reconciliations and analyses prepared by the District and District personnel will be reasonably available to explain procedures, prepare audit correspondence and obtain files and records.

Manner of Payment

Progress billings will be sent on the basis of actual audit work completed during the course of the engagement. Interim billings do not cover a period of less than a calendar month. We do not bill for out-of-pocket expenses as they are included in our stated all-inclusive maximum price.

We do not post separate rate structures for municipal audit work. We view this work as being every bit as important and valuable as the work we perform for other clients and we put our best people on it. Any consulting work you request will be performed at the same rates as our audit work.

Cost Rationale

We have always completed our work in the time budgeted and for the agreed upon fee. We have never requested additional fees for work within the scope of the audit after our work was completed. As always, we finish what we start, regardless of the accuracy of our budgets.

FEE SCHEDULE (Continued)

Schedule of Professional Fees and Expenses

SAN MATEO COUNTY HARBOR DISTRICT
 SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
 FOR THE AUDITS OF THE FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30:

	Hours	Hourly Rates	2016	2017	2018	Total
Partners	16.00	\$300	\$4,800	\$4,944	\$5,092	\$14,836
Manager	4.00	170	680	700	721	2,101
Supervisor	44.00	125	5,500	5,665	5,835	17,000
Associates	44.00	85	3,740	3,852	3,968	11,560
Other:						
Administrative Staff	12.00	65	780	803	830	2,413
Total Financial Statements & Management Letter	120.00		15,500	15,964	16,446	47,910
Additional services described in the RFP:						
State Controllers Report and all required schedules						
Out-of-pocket expenses (1)						
Total all-inclusive maximum price:	120.00		\$15,500	\$15,964	\$16,446	\$47,910

NOTES:

- (1) Out-of-pocket expenses are included in our standard hourly rate.
- (2) Our policy is to attempt to keep our clients fees constant after inflation. Therefore, the fees for years subsequent to 2017 have been adjusted for the 2015 CPI increase of 3.0% for the Services Sector of the U.S. Department of Labor, Bureau of Labor Statistics for the San Francisco-Oakland Area.

SCHEDULE

Our proposed Schedule follows:

November, 2016:

Final Award, execute contract

January 2017:

Prepare Interim Checklist Entrance conference and detailed audit plan Complete interim audit tests Review and revise financial statement formats and disclosures and provide comments Prepare Annual Closing Checklist Prepare Accounting Issues Memorandum Prepare draft recommendations, if any Interim exit conference
--

February 2017:

We review Annual Closing Checklist information We prepare draft financial statements We perform Partner Level Analytical Review of fund-level statement and email questions to District City answers email Analytical Review questions We refine audit scope based on answers to analytical review questions Final phase entrance conference, start of year-end field-work in the District's office Finalize answers to Analytical Review questions Complete Fund-level year-end audit tests. Complete entity-wide audit tests We complete drafts of reports:
--

March 2017:

City prepares Management's Discussion & Analyses We review Management's Discussion & Analysis Drafts are finalized and approved We perform a Quality Assurance Review Complete final changes
--

March 31, 2017 or sooner:

We issue all reports in final form

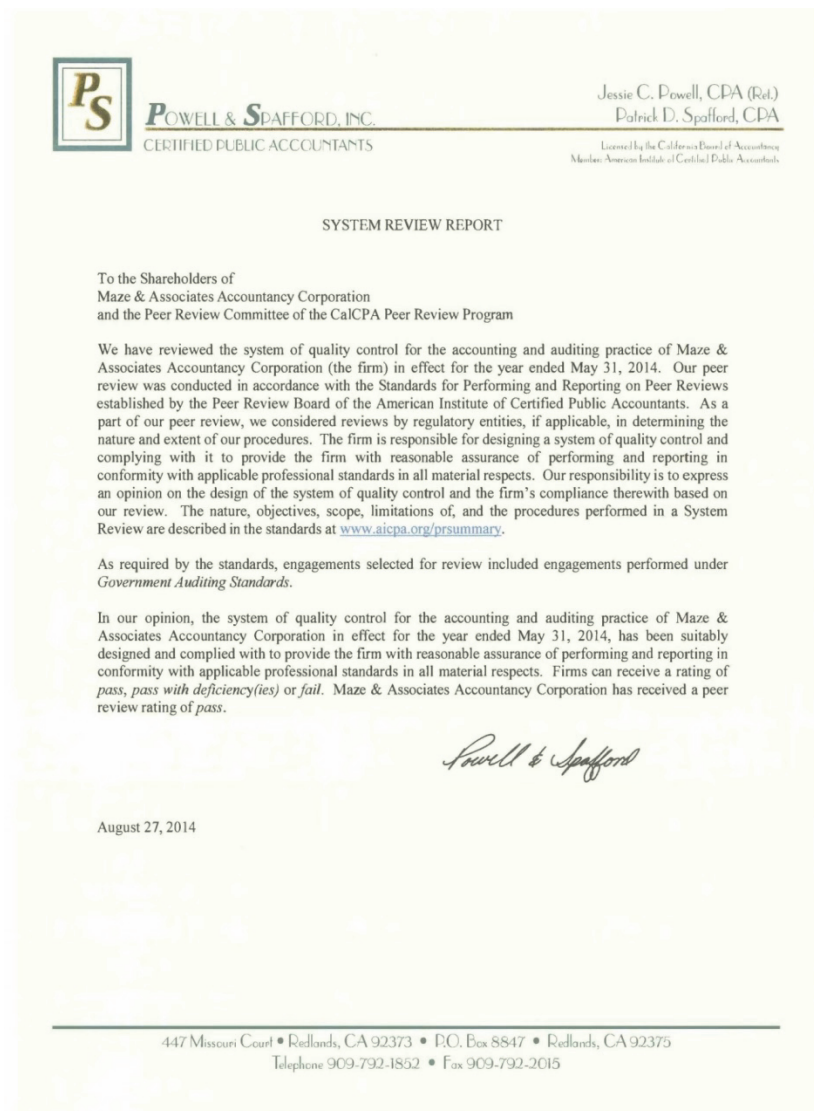
ATTACHMENT A

External Quality Control Review/Peer Review

We are members of the Quality Review Program of the AICPA, which means we subject ourselves to a peer review of our workpapers and quality control procedures every three years by independent accountants specializing in such work. **Our most recent peer review was completed in 2014; we again received a rating of pass, the highest level of assurance possible.** This peer review included a review of several governmental and non-profit audit engagements, including three Special Districts. A copy of our most recent peer review opinion is located below.

Our municipal audit reports are subject to annual reviews by various branches of the Office of the State Controller. District audit reports and Single Audit Act reports receive particular scrutiny. During the past five years every one of these reports has been accepted as submitted. Of course, all of our clients' CAFRs are also reviewed by CSMFO and GFOA for award consideration; every report submitted has won an award from one of these organizations.

Peer Review



The image shows a peer review report document from Powell & Spafford, Inc. The document is titled "SYSTEM REVIEW REPORT" and is addressed to the Shareholders of Maze & Associates Accountancy Corporation and the Peer Review Committee of the CalCPA Peer Review Program. The report states that the system of quality control for the accounting and auditing practice of Maze & Associates Accountancy Corporation (the firm) in effect for the year ended May 31, 2014, was reviewed in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The report concludes that the system of quality control has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm has received a peer review rating of pass.

POWELL & SPAFFORD, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Jessie C. Powell, CPA (Ret.)
Patrick D. Spafford, CPA

Licensed by the California Board of Accountancy
Member, American Institute of Certified Public Accountants

SYSTEM REVIEW REPORT

To the Shareholders of
Maze & Associates Accountancy Corporation
and the Peer Review Committee of the CalCPA Peer Review Program

We have reviewed the system of quality control for the accounting and auditing practice of Maze & Associates Accountancy Corporation (the firm) in effect for the year ended May 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*.

In our opinion, the system of quality control for the accounting and auditing practice of Maze & Associates Accountancy Corporation in effect for the year ended May 31, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Maze & Associates Accountancy Corporation has received a peer review rating of *pass*.

Powell & Spafford

August 27, 2014

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Telephone 909-792-1852 • Fax 909-792-2015

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