



Council Communication

Office of the City Manager

Date

June 9, 2008

Agenda Item No. 80
Roll Call No. 08-
Communication No. 08-314
Submitted by: Allen McKinley, Finance
Director/Treasurer

AGENDA HEADING:

Designating MGT of America, Inc. as the selected contractor for the General Fund Comprehensive Fee and Rate Study.

SYNOPSIS:

Approving MGT of America, Inc., 455 Capitol Mall, Suite 600, Sacramento, CA, Fred Forrer – President/Chief Executive Officer, to perform a comprehensive fee and rate study for the City of Des Moines. The study will provide updated cost estimates for the delivery of various services to provide justification for the various fees and charges established by the City Council.

FISCAL IMPACT:

Amount: \$92,980

Funding Source: \$68,000 is available in the FY08 Amended Operating Budget, GE001 FIN190000 Finance - Research and Budget Office, page 143. This appropriation will need to be carried forward and included in the FY09 amended budget. The remaining balance (\$24,980) will be funded from available Employee Development funds, SP720 HRS980100 Human Resources – City-Wide Training/Benchmarking, page 187.

ADDITIONAL INFORMATION:

On November 2, 2007 Request for Proposal (V08-039) General Fund Comprehensive Fee and Rate Study was mailed to 10 potential bidders with three responding. Once Finance staff completed work on the Fiscal Year 2007 Comprehensive Annual Financial Report, FY2009 Operating Budget, and FY2009 – FY014 Capital Improvement Program an evaluation committee was convened. The review committee was comprised of Allen McKinley (Finance), Dan Ritter (Finance), Larry Hulse (Community Development), and Diane Rauh (City Clerk). The committee reviewed and evaluated each proposal and then held interviews with each firm. The evaluation criteria included Proposal Quality/Thoroughness, Experience/Qualifications/Abilities, References, and Cost. After completing interviews and making reference contacts, MGT of America, Inc. received the highest score by the committee.

The timeline for the study is four months with the intent of using fiscal year 2008 data if at all possible. Staff from the Research and Budget Office will serve as project managers on the city's side and staff from most city departments will be involved in varying degrees, providing necessary data to the consultant. As part of the contract, the consultant will be available for meetings with stakeholders (individuals or businesses that will be impacted by any proposed fee changes) after the study is

completed. This study will not include a review of franchise fees, since that study was conducted recently.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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