




Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Members of the Finance Subcommittee

FROM: Bruce Moe, Finance Director 

DATE: November 15, 2013

SUBJECT: Selection of FSC Member to Participate on Interview Panel for Cost Allocation Plan/User Fee Study Consultant Selection

RECOMMENDATION:

Staff recommends that the Finance Subcommittee discuss and provide direction on the selection of a Finance Subcommittee member to serve on the interview panel for a consultant to perform the cost allocation plan and user fee study.

DISCUSSION:

It is the City Council's policy to conduct a cost allocation plan and user fee study periodically in order to accurately capture city costs, which are then used for the purpose of charging for services both internally and externally. The last study was completed in 2010. A new study is needed to properly identify resource allocation and current costs. The data is also used to set the City Recovery Cost (CRC) on the City-issued refuse bills.

Funds totaling \$40,000 are budgeted in fiscal year 2013-2014 to conduct these studies. Staff issued a Request for Proposal (RFP) and received nine responses. Finance staff has reviewed the submissions and selected four firms to interview. The four proposals range from \$37,920 to \$55,000.

As has been the case in the past, having a Finance Subcommittee member on the interview panel will prove beneficial in selecting the best firm. As a result, staff recommends that the Finance Subcommittee select one of its members (Lilligren, Powell or Lesser) to participate on the panel along with City staff. The interviews are tentatively planned for the week of December 2nd. Ideally, the recommendation for a firm from those interviews would be considered by the full Finance Subcommittee at the December 11, 2013 meeting. Final contract consideration and approval by the City Council will occur shortly thereafter. Staff anticipates the study will take several months, with the results being incorporated into the fiscal year 2014-2015 budget.

Staff recommends that the Finance Subcommittee select one of its members (Lilligren, Powell or Lesser) to participate on the interview panel.