

MARIN EMERGENCY RADIO AUTHORITY

c/o Novato Fire Protection District
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DATE: March 1, 2012
TO: MERA Finance Committee
FROM: Maureen Cassingham, Executive Officer
SUBJECT: **AGENDA ITEM C:** PROPOSED TECHNICAL SERVICES AGREEMENT
BETWEEN MERA AND COUNTY OF MARIN

Recommended Action: Recommend the Proposed Technical Services Agreement between MERA and the County of Marin to the Executive Committee incorporating the Executive Officer's recommendations.

Background: The current three-year agreement for Technical Services, which is paid by the Member agencies as part of MERA's annual operating budget, is ending June 30, 2012. Type and cost of services provided are as follows:

	<u>FY 09-10</u>	<u>FY 10-11</u>	<u>FY 11-12</u>
A. Training (Not to Exceed)	60,000	30,000	30,000
B. Technical Services (Not to Exceed)	100,000	100,000	100,000
C. Administrative Costs (Flat/Fixed)	148,200*	148,200*	148,200*

*Includes additional Administrative Services fees for approved Capital Projects of up to \$59,280.

Breakdown of the number of Administrative hours and rates are as follows:

County Public Works Director	9.00 hrs./wk.	\$176.08/hr.
Deputy Public Works Director	3.00 hrs./wk.	\$111.74/hr.
Communications Maintenance	7.50 hrs./wk.	\$101.03/hr.
Senior Accounting Assistant	<u>2.75 hrs./wk.</u>	\$62.67/hr.
	1,157 hrs./yr.	

Administrative costs are annually adjusted in the second and third years by the All-Urban Consumers Index for the S.F. Bay Area.

AGENDA ITEM C: PROPOSED TECHNICAL SERVICES AGREEMENT BETWEEN MERA AND COUNTY OF MARIN

March 1, 2012

Page 2

The new DPW proposed three-year agreement adds Oversight of Technical Consultants as an additional billing component of Technical Services and adds an expanded System Analysis category.

Type and cost of services proposed to be provided are as follows:

	<u>FY 12-13</u>	<u>FY 13-14</u>	<u>FY 14-15</u>
A. Training (Not to Exceed)	30,000	30,000	30,000
B. Technical Services/Oversight of Technical Consultants (Not to Exceed)	100,000	100,000	100,000
C. Administrative (Flat/Fixed Amount)	150,042	150,042	150,042
D. System Analysis (Not to Exceed)	50,000	50,000	50,000

Breakdown of the number of proposed Administrative (System Operations) hours and rates are as follows:

Operations Officer (Public Works Director or designee)	6.00 hrs./wk.	\$201.86/hr.
Communications Maintenance	10.00 hrs./wk.	\$152.86/hr.
Senior Accounting Assistant	<u>1.65 hrs./wk.</u>	\$91.12/hr.
	917.8 hrs./yr.	

Likewise, these Administrative costs will be adjusted by the All Urban Consumers Index for the S.F. Bay Area for years two and three of the Agreement.

The proposed Systems Analysis category of service includes administrative services involved in existing projects and in anticipation of large, multi-year projects (e.g., feasibility studies, Tomales site permits, Martha Tiburon site, etc.). A form has been developed which is attached to the proposed agreement to be completed and authorized by MERA and DPW prior to the performance of any System Analysis tasks.

For comparison purposes, DPW Administrative Services budgets for prior and proposed three fiscal years contracts are as follows:

FY 2006/07 - 2008/09	\$54,056 per year
FY 2009/10 - 2011/12	\$88,920 per year +up to \$59,280 for approved capital projects each year charged to other funds
FY 2012/13 - 2014/15	\$150,042 per year + up to \$50,000 System Analysis for capital project oversight each year charged to Operating Budget

AGENDA ITEM C: PROPOSED TECHNICAL SERVICES AGREEMENT BETWEEN MERA AND
COUNTY OF MARIN

March 1, 2012

Page 3

The following revisions to the proposed new agreement are recommended by the Executive Officer:

- 1) Cost of Oversight of Technical Consultants has heretofore been and should continue to be part of general DPW Administrative Services. Technical Services should be limited to technical consulting contracts only.
- 2) Administrative Services costs should be on a “not-to-exceed” like the other categories of expense.
- 3) Notice of any CPI adjustments of Administrative Services costs should be provided in February prior to the beginning of the fiscal year.
- 4) The System Analysis service, above and beyond System Operations, should be covered in a separate agreement with the County for MERA Executive Committee/Board-approved capital projects. Separation of general administrative services costs and capital project administration costs is critical to accurate identification of the type of administrative service being provided and effective accounting for same.

ATTACHMENT: Proposed Technical Services Agreement Between the
Marin Emergency Radio Authority (MERA) and County of Marin