

MARIN EMERGENCY RADIO AUTHORITY

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DATE: March 14, 2012
TO: MERA Executive Committee
FROM: Maureen Cassingham, Executive Officer
SUBJECT: **AGENDA ITEM B-5:** PROPOSED TECHNICAL SERVICES AGREEMENT
BETWEEN MERA AND COUNTY OF MARIN

Recommended Action: Based on the Finance Committee’s review and input, recommend the Proposed Technical Services Operations Agreement between MERA and County of Marin, including the Executive Officer’s revision, to the MERA Board of Directors.

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.	\$82,405
Deputy Public Works Director	3.00 hrs./wk.	\$111.74/hr.	17,431
Communications Maintenance	7.50 hrs./wk.	\$101.03/hr.	39,402
Senior Accounting Assistant	<u>2.75 hrs./wk.</u>	\$ 62.67/hr	<u>8,962</u>
	<u>1,157 hrs./yr.</u>		<u>\$148,200*</u>

NOTE: DPW Administrative hours are 60% (694.2 hours) and capital projects hours are 40% (462.8) of the 1,157 total annual hours.

Type and cost of services proposed to be provided in the new three-year Technical Services Operations Agreement are as follows (Note – FY11-12 Technical Services budget column has been added for comparison purposes):

	<u>FY 11-12</u>	<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	\$ 30,000
B. Technical Services/(Not to Exceed)	100,000	100,000	100,000	100,000
C. Administrative (Flat/Fixed Amount)	88,920	150,042	150,042	150,042

The **68%+** increase in DPW Administrative costs from FY11-12 to FY12-13 is due to the “increase in workload by Communications Maintenance personnel which include more coordination efforts because of more users and more requests, technology changes, management of the Service Level Agreement staff increased due to increased complexity of the system, technical contracts management, increased billing administration and documentation”.

Due to this substantial increase in Administrative Costs over the current agreement, the MERA Executive Officer recommends that this expense be provided on a “Not to Exceed” basis and recalculated based on periodic audits of time spent on general administration.

Breakdown of the number of proposed Administrative hours and rates are as follows (Note – Breakdown does not include capital projects):

Operations Officer (Public Works Director or designee)	6.00 hrs./wk.	\$201.86/hr.	\$62,737
Communications Maintenance	10.00 hrs./wk.	\$152.86/hr.	79,487
Senior Accounting Assistant	<u>1.65 hrs./wk.</u>	\$91.12/hr.	<u>7,818</u>
	<u>917.8 hrs./yr.</u>		<u>\$150,042</u>

As in the current Agreement, 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.

ATTACHMENT: Proposed Technical Services Agreement between Marin Emergency Radio Authority and County of Marin