

Condensed Title:

Request for Approval to issue a Request for Proposals (RFP) for Cost Allocation Studies for the City of Miami Beach

Key Intended Outcome Supported:

Improve the City's overall financial health and maintain overall bond rating

Supporting Data (Surveys, Environmental Scan, etc.):

Issue:

Shall the Mayor and City Commission approve the issuance of the RFP?

Item Summary/Recommendation:

The Administration proposes that the City issue a Request for Proposals (RFP) to select a qualified consulting firm to conduct cost allocation studies for the City of Miami Beach. These costs allocation studies include Indirect Cost Allocation Studies, South Pointe Cost Allocation Studies, and Resort Tax Cost Allocation Studies.

The City of Miami Beach provides administrative support to its service departments in the General Fund, Enterprise Funds and Special Revenue Funds, through administrative support departments such as The Manager's Office, Finance, Human Resources, Budget and Performance Improvement, Procurement and other departments. The City has conducted prior studies, on a periodic basis, to document and allocate the costs of these services to operating departments based on an Indirect Cost Allocation Study. These studies provide auditable basis for appropriately offsetting these costs in the General Fund by charging the appropriate costs to the Enterprise and Special Revenue Funds. The latest study was performed using FY 2007/08 audited costs.

In addition, the City conducts cost allocation studies to determine the annual costs incurred in the City in the area known as "South Pointe", formerly the South Pointe Redevelopment District Area funded by tax increment revenues; as well and the cost of City services that are eligible to be funded from Resort Taxes. Further, some of the Resort Tax eligible costs are within the South Pointe area, and, as a result, the studies identify Resort Tax eligible costs that are outside the South Pointe area.

APPROVE THE ISSUANCE OF RFP.

Advisory Board Recommendation:


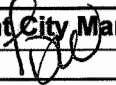
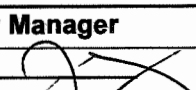
Financial Information:

Source of Funds:		Amount	Account
	1		
	2		
OBPI	Total		

Financial Impact Summary:

City Clerk's Office Legislative Tracking:

Sign-Offs:

Department Director	Assistant City Manager	City Manager
KB 	PDW 	JMG 

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MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: June 6, 2012

SUBJECT: **REQUEST TO ISSUE A REQUEST FOR PROPOSALS (RFP) FOR COST ALLOCATION STUDIES FOR THE CITY OF MIAMI BEACH.**

ADMINISTRATION RECOMMENDATION

Approve issuance of the RFP.

KEY INTENDED OUTCOMES SUPPORTED

Improve the City's overall financial health and maintain overall bond rating.

BACKGROUND

The Administration proposes that the City issue a Request for Proposals (RFP) to select a qualified consulting firm to conduct cost allocation studies for the City of Miami Beach. These costs allocation studies include Indirect Cost Allocation Studies, South Pointe Cost Allocation Studies, and Resort Tax Cost Allocation Studies.

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The City may also require other costs allocation studies on an as needed basis.

The term of contract will be for three (3) years with the sole option and discretion of the City Manager to renew for two (2) additional one (1) year periods.

SCOPE OF SERVICES

For each cost allocation study conducted, the scope of services will include the following tasks:

1. Meet with the Office of Budget and Performance Improvement (OBPI) and Finance personnel to discuss objectives of the study, the departments involved, the sections and functions to be included in the study, and organizational changes that have occurred since the last cost allocation study was implemented.
2. Review allocation statistics and criteria used in the prior study, and meet with departments involved to collect any data needed to update allocation assumptions and statistics to conditions for the applicable fiscal year being studied.
3. Collect organizational, personnel, and financial information relative to the study
4. Develop an expenditure analysis which ties back all study costs to the audited financial statements for the applicable fiscal year being studied.
5. Generate cost allocation summary schedules and narratives in a format that can be applied prospectively for future budgets using standard cost allocation methodology and cost principles contained in Federal Circular OMB A-87
6. Review with OBPI and Finance personnel.
7. Revise as necessary.
8. Produce draft study document, including all supporting schedules, statistical data, and assumptions for review by City staff.
9. Incorporate comments from City staff, and provide final report including all supporting schedules, statistical data, and assumptions in original form (word, excel, etc.) as well as in a printer-ready pdf format.

Deliverables

The Cost Allocation Study Reports should provide clear documentation regarding the assumptions used as well as the relationship between the audited costs contained in the City's General Ledger for the applicable fiscal year.

Minimum Requirements

All firms that submit a proposal for consideration must meet the minimum qualifications as provided below. If the minimum qualifications are not met, the consultant's submittal will be deemed non-responsive.

- The proposer must have successfully completed within the past four (4) years at least two (2) cost allocation studies for governmental entities of comparable size to Miami Beach. Proposers must provide the following information for each cost allocation study:
 - Client name, address, phone number and e-mail address.
 - Description of the scope of the work.
 - Month and year the project was started and completed.
 - Client's formal or informal evaluation of performance, if available
 - Role of the firm and the responsibilities.
- Provide a comprehensive summary of the experience and qualifications of the individual who will be selected to serve as the Project Manager.
- The Proposer shall submit a minimum one (1) cost allocation study sample.

EVALUATION PROCESS

The procedure for response, evaluation and selection will be as follows:

1. The RFP will be issued after City Commission approval is received.
2. A Pre-Proposal Submission Meeting with Proposers will be conducted.
3. All timely received Proposals will be opened and listed.
4. An Evaluation Committee, appointed by the City Manager, shall meet to evaluate each Proposal in accordance with the requirements set forth in the RFP. If further information is desired, Proposers may be requested to make additional written submissions or oral presentations to the Evaluation Committee.
5. The Evaluation Committee will recommend to the City Manager the Proposer or Proposers that it deems to be the best candidate(s) by using the following evaluation criteria:
 - o Qualifications of Individuals assigned to work with the City 35 points
 - o Consultant(s) experience and past performance with similar projects 20 points
 - o Proposed Fees 35 points
 - o Methodology and Approach 10 points

LOCAL PREFERENCE: The Evaluation Committee will assign an additional five (5) points to Proposers, which are, or include as part of their proposal team, a Miami Beach-based vendor as defined in the City’s Local Preference Ordinance.

VETERANS PREFERENCE: The Evaluation Committee will assign an additional five (5) points to Proposers, which are, or include as part of their proposal team, a small business concern owned and controlled by a veteran(s) or a service-disabled veteran business enterprise, as defined in the City’s Veterans Preference Ordinance.

6. The City Manager shall recommend to the City Commission the Proposal or Proposals which he deems to be in the best interest of the City.
7. The City Commission shall consider the City Manager’s recommendation and, if appropriate, approve such recommendation. The City Commission may also, at its option, reject the City Manager’s recommendation and select another Proposal or Proposals which it deems to be in the best interest of the City, or it may also reject all Proposals.
8. Negotiations between the City and the selected Proposers will take place to arrive at an agreement. If the Mayor and Commission has so directed, the City Manager may proceed to negotiate a contract with a Proposer other than the top-ranked Proposer if the negotiations with the top-ranked Proposer fail to produce a mutually acceptable contract within a reasonable period of time.
10. The final agreement(s) is presented to the Mayor and Commission for approval.

11. If the agreement(s) are approved by the Commission, the Mayor and City Clerk shall sign the executed contract(s) after the Proposer(s) has (or have) done so.

Should the Mayor and Commission authorize the issuance of this RFP, all procurement rules (i.e. Code of Silence, etc.) will apply.

CONCLUSION

The Administration recommends that the Mayor and the City Commission authorize the issuance of a Request for Proposals (RFP) for Cost Allocation Studies for the City of Miami Beach.

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**COMMISSION COMMITTEE
ASSIGNMENTS**

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