



REPORT TO COUNCIL

City of Sacramento

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915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

CONSENT
May 29, 2007

Honorable Mayor and
Members of the City Council

Title: Supplemental Agreement: Cost Allocation Services

Location/Council District: Citywide

Recommendation: Adopt a **Resolution** authorizing the City Manager to execute Supplemental Agreement No. 5 to amend Agreement 2002-708 with Public Resource Management Group LLC to include the completion of the FY2007/08 annual cost allocation plan and departmental internal cost recovery plans and related projects in the amount of \$69,500 and the maximum not-to-exceed amount of \$354,100.

Contact: Russell Fehr, Finance Director , 808-5832; Scott Pettingell, Senior Management Analyst, 808-5814

Presenters: None

Department: Finance

Division: Budget, Policy and Planning
Organization No: 1140

Description/Analysis

Issue: This supplemental agreement will amend Agreement 2002-708 with Public Resource Management Group (PRM), LLC to include completion of the FY2007/08 annual cost allocation plan, departmental internal cost recovery plans and related projects. This supplemental agreement will also increase the payment for fees and expenses by \$69,500, and the maximum not-to-exceed amount to \$354,100.

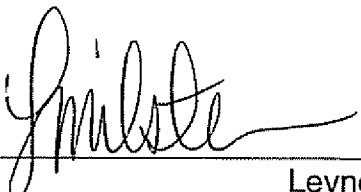
Policy Considerations: There are no policy considerations associated with this recommendation.

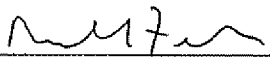
Environmental Considerations: There are no environmental considerations associated with this recommendation.

Rationale for Recommendation: For the past four years, PRM has assisted the City of Sacramento in preparing the annual cost allocation plan, indirect cost rates and related studies. The original contract with PRM can be renewed annually by mutual agreement of the parties up to four times, for a total of five years. This is the fourth and final annual renewal of the agreement.

Financial Considerations: This supplemental agreement will increase the payment for fees and expenses by \$69,500, and the maximum not-to-exceed amount to \$354,100. There are adequate funds available in the Department of Finance operating budget to cover these additional costs.

Emerging Small Business Development (ESBD): ESBD considerations are not applicable to amendments on existing contracts.

Respectfully Submitted by:  _____
Leyne Milstein
Budget Manager

Approved by:  _____
Russell Fehr
Finance Director

Recommendation Approved:


 _____
Ray Kerridge
City Manager

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RESOLUTION NO.

Adopted by the Sacramento City Council

APPROVING THE FIFTH AMENDMENT TO CONTRACT 2002-708 WITH PUBLIC RESOURCE MANAGEMENT GROUP LLC (PRM)

BACKGROUND

A. For the past four years, PRM has assisted the City of Sacramento in preparing the annual cost allocation plan, indirect cost rates and related studies. The original contract with PRM can be renewed annually by mutual agreement up to four times, for a total of five years. This is the fourth and final annual renewal of the agreement.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Manager is authorized to execute the fourth and final annual renewal of Agreement 2002-708 to include the completion of the 2007 annual cost allocation plan, departmental internal cost recovery plan and related projects. This supplemental agreement will increase the payment for fees and expenses by \$69,500 and the maximum not-to-exceed amount to \$354,100.