

REPORT TO THE CITY COUNCIL



DATE: June 20, 2017

TITLE: Amendment to the Professional Services Agreement with Urban Futures, Incorporated, for Fiscal Budgeting, Cash Flow Analysis and Projections, Cost Recovery and Cost Allocation Methodology

Prepared by: Glenn White, Program and Financial Analyst

Reviewed by: Joseph M. Tanner Jr., Administrative Services Director

RECOMMENDATION

Authorize the City Manager to execute an Amendment to the Professional Services Agreement with Urban Futures, Incorporated, in the amount of \$150,000.00 from July 1, 2017 through June 30, 2020 and to execute all necessary agreements with approval as to form by the City Attorney.

DISCUSSION:

Urban Futures, Incorporated ("Consultant"), and the City of Desert Hot Springs ("City") entered into a Professional Services Agreement, dated July 1, 2013 ("Agreement"), for Consultant to provide the City with services related to fiscal budgeting, cash flow analysis and projections, cost recovery and cost allocation methodology.

The Consultant is well-regarded as experts in this type of work. They have provided consistent, excellent service to the City and their firm represents an excellent collaborative partner. The Consultant has been instrumental in assisting with the City's financial recovery and stability as well as with the City's recent Bond refinancing.

Continuing with the services of the Consultant would require an increase in compensation paid to the Consultant of \$150,000.00 which would bring the new total to \$276,393.00. The foregoing would necessitate that the City and the Consultant amend the Agreement and establish an expiration date of June 30, 2020.

FISCAL IMPACT:

Staff has included appropriations in the amount of \$40,000.00 in the FY 2017-2018 Approved Budget in expenditure line item 001-41-15-4320 to cover the consulting costs. An additional \$10,000.00 will be needed to cover the remaining costs for FY 2017-2018. Staff will include sufficient appropriations for the residual amounts for the Fiscal Years' 2018-2019 and 2019-2020 budgets under expenditure line item 001-41-15-4320 as well.

EXHIBITS:

- 1) Amendment to the Professional Services Agreement.
- 2) Original Professional Services Agreement – July 1, 2013