

PROPOSAL

APRIL 20, 2020

RFP: SB90 CONSULTANT SERVICES
SUBMITTED VIA MAIL & EMAIL



STATE MANDATED COST CLAIMING SERVICES (SB90)

CITY OF BELL GARDENS,
CALIFORNIA

SUBMITTED BY:

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April 20, 2020

Will Kaholokula
Director of Finance and Administrative Services
City of Bell Gardens
7100 Garfield Avenue
Bell Gardens, CA 90201

SUBJECT: RESPONSE TO RFP: SB 90 CONSULTING SERVICES

Dear Selection Committee:

It is a pleasure to respond to the City of Bell Gardens' (City) request for proposals for the preparation and filing of SB 90 claims, and other associated activities. MGT of America Consulting, LLC (MGT) is uniquely qualified to provide the City with the best staffing and highest level of service available in the state mandated claiming area. The MGT staff proposed for this engagement have been serving Bell Gardens since 2012, and are familiar and knowledgeable with your City's process and needs.

Our primary goal for this SB 90 engagement is to produce and file state mandated cost claims that maximize revenue while being technically sound and accurate. We will provide the City with a turn-key approach to state mandated cost claiming while minimizing the impact on your department's staff and resources.

Our success is based on one simple premise: to bring decades of practical experience and total dedication to every client. We do not cut corners and we do not limit our service to our clients. After reading our proposal, we hope that Bell Gardens once again selects MGT to be your partner and consulting guide through the SB 90 claiming process. We have enjoyed working with City staff through the years and we are confident that the City will continue to be pleased with our commitment to providing the highest level of claiming services and advice.

MGT accepts all of the terms and conditions noted in sample agreement attached to the RFP. MGT does not discriminate against any individual because of race, religion, sex, color, age, handicap or national origin, and these shall not be a factor in consideration for employment, selection of training, promotion, transfer, recruitment, rates of pay, or other forms of compensation.

Please contact our project manager Patrick Dyer at **916.502-5243** or pdyer@mgtconsulting.com if you have any questions or comments about this proposal. Finally, I am authorized by MGT to commit the firm to the contents of this proposal for 90 days from the date of this letter. I am confident that MGT can be of service to the City of Bell Gardens.

Sincerely,

J. Bradley Burgess
Executive Vice President
MGT Financial Solutions
Authorized to Bind the Firm



2251 Harvard Street, Suite 134 | Sacramento, CA 95815 | 916.443.3411 | mgtconsulting.com

CITY OF BELL GARDENS, CALIFORNIA

RFP: SB90 CONSULTING SERVICES

APRIL 20, 2020

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A. EXECUTIVE SUMMARY

MGT of America Consulting, LLC (MGT) has assembled an unmatched team of SB 90 experts to ensure all requirements outlined in the City of Bell Gardens' (City) Request for Proposal (RFP) will be met or exceeded. MGT will, under the direction of the Finance Department, put in place all necessary processes and procedures to prepare and file all eligible annual claims that are due on February 15th of each year, as well as all new or first-time claims for which claiming instructions are issued during that specific fiscal year.

CORPORATE AND STAFF STRENGTH, REPUTATION, AND EXPERIENCE

MGT is the leading California SB 90 consulting firm serving city and county government. The MGT staff proposed to assist Bell Gardens have worked with the City, and have greater experience, expertise and knowledge of the state mandated cost system than all other firms combined. The proposed team will be led by Patrick Dyer as project executive and Ruben Rivas as project consultant.

In the area of mandated cost consulting, our firm has over 150 years of combined experience. Since 1990, MGT's project team consultants have provided mandated cost claiming services for over 250 cities, all 58 counties, and over 100 special districts in California. Our firm's average level of experience is over 17 years in the mandate consulting area. Our clients benefit from our counsel and advice in the state mandated cost-claiming field and over the years, we have demonstrated the ability to work within the tight deadlines required by the state mandated cost program. From experience we know that structuring our projects to allow additional time for claim review and revision prior to state imposed deadlines is the best way to ensure our clients achieve the best highest quality claims with the least amount of stress.

DEEP HISTORY & EXPERIENCE WITH BELL GARDENS

Two of the central requirements of the City's RFP involve experience and expertise filing SB 90 reimbursement claims, as well as providing audit support. Mr. Rivas has prepared all of the City of Bell Gardens SB 90 claims since 2013. He has worked with staff and trained new department staff in Finance and Police. He has also participated in the State Controller Office (SCO) audits conducted during that same timeframe. Our team is not only familiar with Bell Gardens but helps serve as its SB 90 institutional memory. **MGT will be able to continue seamlessly into a new contract year with no orientation.**

When considering the MGT project team, we encourage the City's evaluation committee to compare our Bell Gardens-specific SB 90 experience, as well as the overall experience of our team. No other firm can match our individual consulting qualifications or City client list in the SB 90 arena.

CLAIM PREPARATION

Early each fiscal year, MGT and our clients establish a claiming schedule and a plan for all programs to be filed. MGT will work closely with the City's Finance staff to develop and continually update both citywide and individual department plans and schedules. MGT will prepare and file all claims for City departments that have provided data resulting in claim costs that exceed \$1,000. These claims shall be filed on time without fail during the fiscal year. MGT will make every possible effort to assist and work closely with department staff to gather all data.

A. EXECUTIVE SUMMARY

♦ ♦ ♦

DESK AUDITS, FIELD AUDITS, AND IRC'S

The State Controller's Office (SCO) has the authority to perform either a desk review or field audit on SB 90 claims. Over the past few years, the number of desk reviews and field audits by the SCO have grown considerably. MGT will promptly respond to any SCO desk review question. MGT staff has exceptional long-term relationships with that staff and has always been able to resolve any of their concerns. MGT's assigned team of consultants have extensive experience in preparing local agencies for field audits and assisting in their representation before, during and beyond the exit conference. Mr. Dyer has assisted cities and counties in dozens of field audits during his career.

SUMMARY

This proposal provides an in-depth discussion of all the topics addressed above, as well as all requirements contained in the City's RFP. MGT is prepared to continue as the City's SB 90 service provider once the City has given authorization for our firm to proceed.

B. FIRM EXPERIENCE AND QUALIFICATIONS

HISTORY AND ORGANIZATION STRUCTURE

MGT began operations in 1974 and has judiciously expanded its consulting capabilities over the years. MGT is owned by the current and retired partners, principals, and consultants of the firm. The advantage of this ownership structure to our clients is that every member of the firm has a vested interest in the successful completion of every project, for every client. MGT is a financially stable consulting firm that is expanding throughout the United States.

MGT CONSULTING

MGT Consulting has the following major consulting lines of business:



Financial Solutions

Financial analysis, cost accounting, state mandated cost reimbursement, cannabis consulting and operational support to local agencies



Education Consulting

Studies related to facility needs, curriculum evaluation, and additional consulting assistance at the K-12 and higher education levels



Social Justice Consulting

Disparity research and diversity studies



Public Affairs

Through our sister company, Strategos, we provide public affairs and advocacy assistance in six to eight states at any one time

MGT Financial Solutions consultants focus on core areas of expertise - state mandated costs, cost allocation, user fee cost analysis, rate calculations, and indirect cost rate proposals (ICRPs). It has been said that a consultant's stock in trade is their experience and their advice. Our firm's average level of experience is over 17 years in the local government consulting area. Our clients have always benefited from our counsel and advice in the state mandated cost-claiming field.

It is part of our firm's philosophy that a structure which emphasizes teamwork and cooperation, will always yield a better outcome for our clients. This structure and approach also ensure our clients will always have more than one consultant involved with their project, including at least one senior consulting professional involved with every facet of the engagement.

Our core values are:

- ♦ Providing exceptional technical consulting services
- ♦ Developing partnerships with our clients that result in successful long-term relationships
- ♦ Guaranteed deliverables and services

B. FIRM EXPERIENCE AND QUALIFICATIONS

Since 2007, MGT has become the dominant costing services consulting firm in the nation with a deep bench of over 35 experienced costing professionals ready to serve our state and local government clients.

Our firm has over 100 years of combined experience in the SB 90, cost allocation, and indirect cost calculation consulting areas. Our predecessors at DMG were originally asked by the California State Controller's Office (SCO) to assist in the development of the original ICRP format and methodology. That format is still in use today. In our various corporate incarnations since 1985, our consultants have worked with over 250 cities, all 58 counties, and over 100 special districts in California.

MGT OFFICE LOCATIONS AND CONTACTS

Sacramento is the home base for our Western Region Financial Solutions practice, and all the consultants assigned to this project are based right here in Sacramento. The firm's locations and primary contact information are listed below.

FIRM HEADQUARTERS	MGT of America Consulting, LLC 4320 West Kennedy Boulevard Tampa, Florida 33609 P: 813.327.4717 Fax: 850.385.4501 FEIN: 81-0890071
INDIVIDUAL AUTHORIZED TO COMMIT FIRM	J. Bradley Burgess, Executive Vice President 2251 Harvard St., Ste. 134 Sacramento, CA 95815 P: 916.443.3411 Email: bburgess@mgtconsulting.com
PROJECT LEADER/ SACRAMENTO OFFICE	Patrick Dyer, Vice President 2251 Harvard Street, Suite 134 Sacramento, California 95815 O: 916.443.3411 C: 916.502.5243 Email: pdyer@mgtconsulting.com

NATIONAL FIRM LOCAL FOCUS

CALIFORNIA
Sacramento | Pasadena

COLORADO
Denver

FLORIDA
Tallahassee | Tampa

KANSAS
Wichita

ILLINOIS
Chicago

MICHIGAN
Bay City

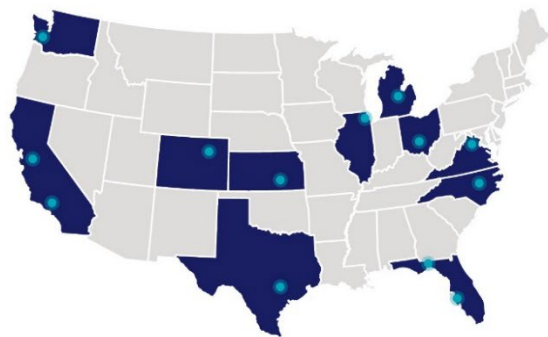
NORTH CAROLINA
Raleigh

OHIO
Columbus

TEXAS
Dallas

VIRGINIA
Richmond

WASHINGTON
Seattle



C. EXPERIENCE WITH STATE MANDATED COST CLAIMING

MGT currently provides state mandated cost-claiming services to over 140 cities and counties in California. The list of city clients that have been served by our consultants during their careers is extensive. Most of our clients have used our firm for many years. It is also the case that many of our clients contract with MGT for multiple consulting engagements each year. We are proud of our service to our clients and value the trust they put in us above all else.

MGT'S RELEVANT SB 90 PROJECTS

AGENCY	POPULATION	PROJECT
Baldwin Park	75,813	SB90 Services
Barstow	23,972	SB90 Services
Covina	47,963	SB90 Services
El Monte	115,586	SB90 Services
Gardena	59,721	SB90 Services
Hawthorne	86,965	SB90 Services
Inglewood	109,419	SB90 Services
La Habra	62,183	SB90 Services
La Mirada	48,683	SB90 Services
Menifee	92,595	SB90 Services
Montebello	62,632	SB90 Services
Monterey Park	60,401	SB90 Services
San Clemente	64,857	SB90 Services
Whittier	86,064	SB90 Services

D. REFERENCES

Provided below are SB 90 project references. MGT has earned a reputation as a leader in SB 90 and has experience across California. Many of our clients have contracted with MGT for multiple projects. We feel repeat business is the greatest testament to our commitment to customer service and client satisfaction. We encourage you to contact our references to learn of the expertise of our staff, professionalism, and ability to meet established timelines.

CITY OF EL MONTE, CA

Ms. Anne Blakeley, Finance Manager
11333 Valley Blvd | El Monte, CA 91731
P 626-580-2028 | ablakeley@ElMonteCA.gov

Work Performed: MGT provides SB 90 claiming services to the City since 2014.

CITY OF HAWTHORNE, CA

Ms. Felice Lopez, Director of Finance
4455 W. 126th Street | Hawthorne CA 90250
P 310-349-2923 | flopez@cityofhawthorne.org

Work Performed: MGT provides SB 90 claiming services to the City since 2013.

CITY OF WHITTIER, CA

Ms. Monica Lo, Director of Admin Services
13230 Penn Street | Whittier, CA 90602
P 562-567-9810 | mlo@cityofwhittier.org

Work Performed: MGT provides SB 90 claiming services to the City 2011.

E. QUALIFICATIONS OF PROPOSED STAFF

We believe our firm is uniquely able to assemble the most experienced, best qualified professional staff for this engagement. MGT proposes to assign Mr. Patrick Dyer and Mr. Ruben Rivas to the City of Bell Gardens engagement.

MR. PATRICK J. DYER, PROJECT EXECUTIVE

Mr. Patrick Dyer is a Vice President with MGT and is responsible for Western Region operations for the firm. He will serve as the project executive for this engagement. Based in Sacramento, Mr. Dyer is an expert in cost allocation plan development and user fee projects. He brings exceptional writing, organizational and interpersonal skills to this project. He has over 20 years of public agency and consulting experience.

Mr. Dyer will oversee the daily work of the project and ensure project implementation occurs on schedule and in accordance with all project requirements. Mr. Dyer will have direct responsibility for coordinating the collection of all applicable data from all of Bell Gardens departments, and will be responsible for the following:

- ♦ Meet with the SCO related to any field audits and negotiations.
- ♦ Respond to any desk reviews performed by the SCO.

MR. RUBEN RIVAS, CONSULTANT, SB90 EXPERT

Mr. Ruben Rivas is a consultant with MGT and has a broad background in project management, financial analysis, and management consulting. Since 2013, Mr. Rivas has performed a wide range of cost accounting services for local agencies including state mandate cost claiming, user fee analysis, cost allocation plans, and indirect cost rate services.

Mr. Rivas has been providing the City with SB 90 claiming services since 2013. He has worked closely with City staff on claiming new mandated programs, as well as annual claims.

Mr. Rivas is a very thorough, detail-oriented consultant. He will oversee the daily work of the project team and ensure project implementation that occurs on schedule and in accordance with all project requirements. Mr. Rivas will have direct responsibility for coordinating the collection of all applicable data from all of Bell Gardens departments, and will be responsible for the following:

- ♦ Development of the overall project plan.
- ♦ On-site staff interviews.
- ♦ Preparation of all indirect cost rates, mandated cost claims and claim review.
- ♦ Hand deliver claims to State Controller.
- ♦ Meet with the SCO related to any field audits and negotiations.
- ♦ Respond to any desk reviews performed by the SCO.

Resumes of proposed staff follow.

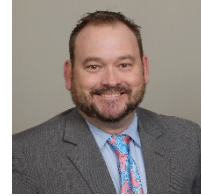


PATRICK J. DYER

Vice President

MGT CONSULTING GROUP | pdyer@mgtconsulting.com

Mr. Dyer has over 20 years of professional experience in government operations. He has worked with city, county, state, special district, joint powers authority government agencies on cost accounting and state mandated cost claiming projects during his twelve-year consulting tenure. Mr. Dyer's most recent consulting projects focus on the following areas: development user fee calculations, regulated cannabis/marijuana studies, city and transit agency cost allocation plans and state mandated cost consulting.



AREAS OF EXPERTISE

- California State Mandate Reimbursement (SB 90)
- Cost Allocation Plans
- Indirect Cost Rate Proposals
- Cost of Service / User Fee Studies
- Transit Agency Cost Allocation and Indirect Costs
- Federal Negotiations and Audit Defense (FTA, FAA, HSA)
- Mental Health Funding Sources (AB 3632)
- Daily Jail Rate, Booking Fee Analyses
- Animal Care, Shelter, Enforcement Operations Costs, and Fees
- Elections Program Operations and Cost Accounting
- Expert Witness on Cost/Fee Lawsuits
- Clerk, Recorder and Elections Fees/Operations
- Regulated Cannabis/Marijuana Costs, Fees, and Industry Economics

EDUCATION

B.S., Business Administration (Finance), California State University, Sacramento, 2002

WORK EXPERIENCE

MGT of America Consulting, LLC, Vice President, August 2007-Present

Public Resource Management Group, LLC, Senior Consulting Manager, 2003-2007

MAXIMUS, Inc., Project Manager, 2001-2003

City of Davis, Finance Department, Revenue Collections Customer Service Coordinator, 1998-2001

CONSULTING EXPERIENCE

Mr. Dyer is a senior member of MGT's leadership team. His duties as Vice President include direct project work in addition to a variety of management and administrative items. Mr. Dyer's business development and administrative duties include the following:

- Sales, marketing, and budget oversight for a practice of \$3.6MM of consulting engagements
- Administer contracts, agreements and insurance requirements
- Staff reviews and workload analysis for seven professionals
- Coordinate, write, review, respond to complex government RFPs

PROFESSIONAL HISTORY

Prior to beginning his consulting career, Mr. Dyer spent over ten years with the City of Davis, most recently holding the position supervising the Finance Department staff handling all City revenue collection, loans, parking citation billing, 15,000 utility billing accounts and the City's 5,000 business licenses. Mr. Dyer also completed a successful pilot data capture program between the City of Davis and the State of California Department of Motor Vehicles to develop a virtual private network to exchange vehicle owner information and streamline parking collection processes for local government.

While at the City of Davis, Mr. Dyer held the position of President with the Davis City Employees Association, a labor union for approximately 300 of the City's miscellaneous employees. While holding that position, Mr. Dyer gained valuable experience related to employer-employee contracts (MOUs), labor relations law, collective bargaining, comparable worth studies and compensation analysis.



PATRICK J. DYER

Vice President

MGT CONSULTING GROUP | pdyer@mgtconsulting.com

CLIENT SERVICE HIGHLIGHTS

Cost Allocation, Transit

♦ Sound Transit (ST), Seattle WA

Mr. Dyer initiated a formal cost allocation plan structure for submission to the Federal Transportation Administration (FTA). Prior to engaging MGT, ST had not obtained approval for their indirect costs on federal grants. MGT analyzed, documented the process, negotiated with federal auditors and obtained FTA approval for its cost allocation and indirect cost rates. In total, ST runs \$45 million through its cost plan for central service costs. This formal approval of the indirect cost rates helps ST defend a portion of its \$170+ million in annual federal grants.

Fees & Animal Care

♦ Los Angeles County, Animal Care & Control

Mr. Dyer led a team of five other consultants to completely overhaul the billing methods for contract cities animal care services for the largest animal care system in the nation. Mr. Dyer and his team questioned assumptions and re-tooled billing models to enable Los Angeles County to recommend increasing cost recovery from 30% to 70% from its 49 contract agencies. Over a six-year phase-in, the county expects to recover an additional \$5 million in revenue because of MGT's recommendations.

Regulated Cannabis

♦ County of Santa Cruz, Cannabis Licensing Office (CLO)

♦ Mr. Dyer was engaged to develop defensible license fees for the cannabis activity in the unincorporated areas of Santa Cruz County. In total the costs of the CLO and other county departments that assist with regulation and business compliance activities total \$1.3 million. The fee structure and allocation to the various license activities are expected to ensure these county efforts expended on licensing, cultivation, dispensary, manufacturing and other cannabis businesses, are completely fee supported.

Health Agency Fee Calculations

♦ El Dorado County, Health & Human Services Agency

Mr. Dyer led a team of four consultants to analyze user fees and cost recovery for this eight department super-agency. MGT reviewed cost recovery, developed fee comparisons and recommendations for the Health, Lab, Environmental Health, Animal Services, Vital Records, Mental Health, Public Guardian and Emergency Medical Services departments. This six month project resulted in defensible fees for \$7.2 million in county cost for user fee activity and recommended changes or new fees of approximately \$125,000.

♦ Madera County Administrative Office

Mr. Dyer recalculated the full cost of its Animal Care and Shelter services for the city and county. As a result of MGT's calculations and recommendations, the County expected to recover an additional \$250 thousand dollars from its contract city. County officials were extremely happy to have a 52x return on their investment by hiring MGT Consulting.

♦ State of Maryland, Medical Cannabis Commission (MMCC)

♦ The MMCC hired MGT to assist the State to understand and evaluate the industries and activities that will be involved in the development and ongoing operation of a Maryland medical cannabis industry. The MMCC requested analysis of North American Industry Classification System (NAICS) codes, spending, investment, and valuation patterns involved in the medical cannabis industry. The MMCC used the MGT study to define the known business impacts of the cannabis industry and utilized the MGT identified NAICS codes to begin its own analysis of the racial and economic diversity within the new emerging cannabis market.

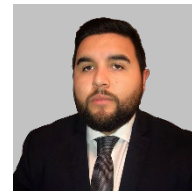


RUBEN RIVAS

Consultant

MGT CONSULTING GROUP | rrivas@mgtconsulting.com

Mr. Rivas is a consultant with over five years of experience, working with both cities and counties throughout the region. He has professional experience in SB 90 reimbursement claiming projects, cost allocation plans and user fee studies. Mr. Rivas has helped over 20 cities file their annual state claims and has successfully claimed over two million dollars in state reimbursements. He has also collaborated with city staff to produce updated citywide fee schedules that are better suited to the agency's current situation.

**AREAS OF EXPERTISE**

- ♦ Reimbursable California State Mandated Programs (SB90)
- ♦ Indirect Cost Rate Proposals
- ♦ Time Studies
- ♦ Strategic Planning Projects
- ♦ User Fee Studies
- ♦ Comparison Analysis
- ♦ Cost Allocation Plans

SPANISH LANGUAGE SKILLS

Mr. Rivas has the ability to read, write, and speak Spanish fluently. This skill has helped on several projects, including the City of Stockton's library strategic plan project. Mr. Rivas spoke to residents and project stakeholder, translated questions, answers and notes for MGT staff and subcontractors.

EDUCATION

B.S., Business Management, California State University San Jose

LEADERSHIP EXPERIENCE

Latino Business Student Association
Entrepreneurial Society & Financial Management Association

WORK EXPERIENCE

MGT of America Consulting, LLC, Consultant

JW Produce, Assistant Office Manager

JC-Appraisals, Office Assistant

CLIENT SERVICE HIGHLIGHTS**City of Bend, OR - Community Development User Fee Study, 2017**

The City's Community Services Department faced a dramatic increase in demand for building inspections, and MGT was hired to analyze fees and defend fee adjustments. When fee adjustment proved overly complicated, MGT consultants did a comprehensive study of available time, inspections per day and anticipated construction activity, which revealed that the department was significantly understaffed. MGT used those findings to recommend and defend the need to hire 4 more building inspectors, to make sure that inspections were adequately staffed and appropriately rigorous. Mr. Rivas helped the Community Development Department defend this request by presenting the results and demonstrating that required staff time needed far exceeded current staff capacity for handling permits and inspections.

County of Monterey, CA – Environmental Health User Fee Study, 2017

In addition to a traditional User Fee Study, the County wanted custom tools for the department to use after the MGT engagement ended. Mr. Rivas helped design the unique methodology needed to meet the needs of Monterey County and the scope of services. To ensure successful implementation of the tools, MGT provided a significant amount of additional advice, guidance, and informal training to County staff, so that they could apply fee techniques in the future and leverage specific project materials.



RUBEN RIVAS

Consultant

MGT CONSULTING GROUP | rrivas@mgtconsulting.com

City of Vallejo, CA – Comparison Survey, 2018

The City of Vallejo hired MGT to conduct a fee comparison survey analysis. MGT compared a total of 45 fees with six comparison agencies, as recommended by Vallejo. In addition, MGT compared 6 construction projects “prototypes”. Mr. Rivas used various forms of communication to gather the comparable fee data. MGT used a powerful new software tool to convert the data into easy-to-understand visual graphics, which helped City staff easily understand how Vallejo fees compared to fees in neighboring cities. City staff was then able to see where they stand compared to their neighbors. Ultimately, these results will help City staff make the appropriate fee adjustments and present their recommendations to their City Council with confidence.

County of Los Angeles, CA – Animal Control Services - Cost Recovery Study, 2016

LA County runs the largest animal care system in the nation and needed to improve cost recovery for animal control services. MGT conducted an in-depth study of the Department’s actual cost structure and current billing methods. By questioning assumptions and re-tooling billing models, MGT enabled Los Angeles County to recommend increasing cost recovery from 30% to 70% from its 49 contract agencies. Mr. Rivas was specifically assigned to determine the cost for deceased animal pick-ups. His analysis included a time study at four different animal care centers in Los Angeles County. Based on that study, Mr. Rivas recommended the implementation of a revised Animal Control Officer (ACO) time from 6 to 7 minutes that would increase the animal disposal rate by 10% from \$13.06 to \$15.02 per animal.

F. APPROACH AND METHODOLOGY

SCOPE OF SERVICES

MGT provides true turn-key mandate cost claiming services to its clients, and our approach is based around personal interaction. Our staff is involved with our clients' claiming process throughout the year, providing proactive news, reports, and the earliest notification of new SB 90 claims possible.

We provide our clients claiming summaries and data collection guides to assist them in understanding all of the eligible components of each program. This process supplements the on-site interviews that our staff conducts to ensure each department contact understands precisely what data is required, and what the internal deadlines are for submission.

Most cities are at risk of desk reviews from the State Controller. We believe that part of our job is assisting your departments to understand the appropriate levels of documentation required for each claim the City files.

Finally, the project manager will complete all claims, all indirect cost rate proposals, and compile all elements of the claims in electronic format and send to the City for review and signature well in advance of the claiming deadline.

Throughout the year, our consultants attend the key meetings with the Commission on State Mandates, the State Controller, Department of Finance and other important stake holders to ensure we have a thorough understanding of all pending issues and interpretations in the SB 90 area, as well as all upcoming local government reimbursement claims.

MGT Consulting will provide the following services to the City of Bell Gardens:

- ◆ Identify all possible SB 90 claiming opportunities.
- ◆ Prepare and file all eligible annual SB 90 claims with the SCO.
- ◆ Prepare and file all eligible first time or new SB 90 claims that have claiming instructions issued during the given fiscal year.
- ◆ Provide assistance with SCO desk reviews and field audits.
- ◆ Assist the City with knowledge transfer and training related to the SB 90 process at the State level and also related to other local agencies in California.

Our firm has carefully reviewed the City's RFP and is confident that all services described will meet the City's desired scope. We are also proposing to provide additional services and deliverables for no additional fees that exceed the scope of the RFP. We believe MGT's approach will provide exceptional value to Bell Gardens.

DETAILED WORK PLAN

There are many steps in an SB 90 work plan. However, MGT has identified the following order of activities as the most important landmark events that must occur for the City to have a successful SB 90 claiming engagement. For claiming FY 2019-20 , we are proposing the following work plan:

TASK 1.0: NEW CLAIMS

- 1.1 Establish a schedule and approach needed to complete all new or first-time claims due within the fiscal year. This includes on-site interviews with all applicable City department personnel.
- 1.2 Assist department staff to understand the specific mandated requirements for each SB 90 program, and how the City complies with the specific reimbursable portions of each program. Eligibility will be determined using the following criteria:
 - The test claim's statement of decision.
 - The California Commission on State Mandates approved parameters and guidelines.
 - The SCO's claiming instructions.
 - How other agencies around the state are complying with and interpreting the mandate.
- 1.3 Prepare all necessary department-wide ICRPs. MGT consultants have prepared thousands of ICRPs over the past 25+ years. We believe that our experience has developed a depth of understanding that is unmatched in the field.
- 1.4 Receive claims from the City for single department SB 90 programs and review the claims for completeness, propriety, and eligibility of costs.
- 1.5 Perform a quality assurance review of the City's SB 90 claims to ensure the costs are supported by appropriate source documentation.
- 1.6 Prepare claims and provide the completed claims and ICRPs to the City for review and signature at least four weeks prior to the claiming deadline.
- 1.7 File the signed claims with the SCO prior to the deadline.

TASK 2.0: ANNUAL CLAIMS: DUE TO THE STATE BY FEBRUARY 15TH

- 2.1 Establish schedule and approach needed to complete all annual claims due to the state by February 15, 2021. This includes on-site interviews with all applicable City department personnel.
- 2.2 Facilitate department staff in describing how the City complies with the specific mandated programs and help the City determine eligible costs based on the following criteria:
 - The test claim's statement of decision.
 - The California Commission on State Mandates approved parameters and guidelines.
 - The SCO's claiming instructions.
 - How other agencies around the state are complying with and interpreting the mandate.
- 2.3 Prepare all necessary department-wide ICRPs. MGT consultants have prepared thousands of ICRPs over the past 25 years.

- 2.4 Receive claims from the City for single department SB 90 programs and review the claims for completeness, propriety, and eligibility of costs.
- 2.5 Perform a quality assurance review of the City's SB 90 claims to ensure they mesh with the associated department ICRPs.
- 2.6 Discuss any potential or necessary changes with the appropriate City staff member.
- 2.7 Provide the completed claims and ICRPs to the City for review and signature at least four weeks prior to the claiming deadline.
- 2.8 File the signed claims with the SCO prior to the deadline.

PROPOSED SCHEDULE AND CLAIMING TIMELINE

MGT will complete SB 90 data collection and claims preparation on the following schedule for Bell Gardens:

SB 90 CLAIMING		Due Dates:	SEPT.	OCT.	NOV.	DEC.	JAN.	FEB.
1.	Begin data collection and follow up on eligible activity w/ MGT	9/15						
2.	Questions and follow up	10/1 - 10/30						
3.	All mandate specific claim data due to MGT	10/30						
4.	MGT Claim Preparation: Compile data, calculate indirect cost rates, format claims, and follow up with departments	11/1 - 11/30						
5.	MGT distributes ICRPs for City review	12/5						
6.	MGT distributes completed claims for City review	12/23						
7.	Edits and changes due to MGT	1/15						
8.	Signed claims returned to MGT	2/10						
9.	Hand Deliver Claims to State	2/15						

To ensure that the project progresses smoothly, it is imperative that the proposed project timeline is agreed to by all parties. At the inception of the project, we will meet with the City's SB 90 Coordinator to discuss the timeline and adjust as needed. MGT is able to start the project the day after an agreement is signed.

MGT will assist City departments with data gathering.

We believe this accelerated schedule will still afford the City time to complete its SB 90 claims, and time for MGT to adequately review the claims prior to submission to the state. MGT will do everything possible to ensure there is no last-minute crunch or signing-day scrambles.

KEYS TO PROJECT SUCCESS

I. PROJECT COORDINATION

MGT views the SB 90 process as a partnership between Bell Gardens and our firm. MGT will manage all aspects of project coordination, working closely with your SB 90 Coordinator to keep the City apprised of all relevant activity. MGT will:

- ♦ Provide the City with a list of all eligible claims, as well as Claim Summary sheets and Data Collection forms. All of these concise summaries and forms are available in a variety of electronic formats (Microsoft Word, Excel, and Adobe PDF) to make use and disbursement of claiming information as easy as possible.
- ♦ Work in concert with Bell Gardens SB 90 Coordinator to coordinate the City's overall claiming process. Once again, minimal reliance will be placed on the City's SB 90 Coordinator in this process.
- ♦ Work with departments to ensure all data required to file eligible claims is gathered in a timely fashion. Our team works closely with our client departments after the on-site interviews to ensure all questions are answered and deadlines are met.
- ♦ Ensure all eligible claims are filed on time, and provide the City with written documentation showing which claims were filed and which claims were not filed, and why.

2. DATA COLLECTION

The three components of data collection related to this engagement include: direct cost program data, indirect cost data, and supporting documentation.

DIRECT COST PROGRAM DATA COLLECTION

- ♦ Conduct individual meetings with departments to discuss all reimbursable mandated activities.
- ♦ Develop a schedule and plan for mining the necessary data to ensure claims are completed well before the claiming deadlines.
- ♦ Gather all required direct cost data.

DEPARTMENTAL INDIRECT COST DATA COLLECTION

- ♦ Gather salary and benefit data from the City or the individual departments for all required fiscal years.
- ♦ Collect certain pages from the City's cost allocation plan.

SUPPORTING DOCUMENTATION COLLECTION

- ♦ MGT will work with City departments to determine the documentation that must be submitted to the state as attachments to claims, and what documentation should be maintained in the City's files in case of the SCO inquiry or field audit. MGT will then collect only the documentation the SCO requires to be submitted.

3. ORIENTATION AND TRAINING FOR CITY DEPARTMENT STAFF

We believe there is no cookie cutter approach to successful orientation and training. Some of the Bell Gardens department personnel are undoubtedly savvy and experienced with SB 90 claiming, while others are likely to be new to the process. MGT will tailor its level of training to meet the needs of each department. As we have previously stated, early communication is the most important aspect of this component. Some of the key aspects of our orientation and training include:

- ♦ Provide electronic notification on upcoming mandate claims as soon as the parameters and guidelines for these programs are approved. This will be done primarily via e-mail and will provide the key department personnel, as well as your Coordinator, the most complete view of upcoming SB 90 programs.
- ♦ Provide on-site training sessions for both program and fiscal staff. It is important that both parts of each affected department understand the state's requirements and any specific issues related to the particular mandate from a programmatic and fiscal standpoint. In addition, we will provide a history and overview of the SB 90 program to any department staff that are new to the process.
- ♦ Assist the City in establishing relevant, defensible source documentation standards for each claim within each of the City's claiming departments. Our goal for each of the City's claims is to ensure documentation exists to establish that the mandate was performed and personnel costs are adequately documented.

4. CLAIM PREPARATION

Once data has been received from the City, MGT will prepare all eligible claims on behalf of the City using required SCO claim forms.

DIRECT COSTS

- ♦ Prepare all claims that apply to single departments. Once again, our experience will ensure no cost components are misinterpreted or omitted.

INDIRECT COSTS

- ♦ Prepare ICRPs, and all support documents for all claiming departments. Obtain approval from each subject department for all ICRPs to be used in conjunction with current SB 90 claims, as well as the SB 90 Coordinator. The ICRPs provide an approved method for claiming departmental indirect costs. At this step, it is vital to ensure no staff time being claimed as a direct cost in the claim, is included in the ICRP.

FILING PROCEDURES

MGT will provide the City's SB 90 Coordinator with a clear, understandable process for receiving the completed claims/ICRPs and obtaining the necessary signatures.

- ♦ MGT will perform one final quality control check to ensure the City has signed two original coversheets, all parts of the claim are included, and required documentation is attached.

- ♦ MGT will hand deliver all signed claims received from the City to the SCO on or before the stated deadline. We will also provide the SCO a claims receipt for their staff to sign and return.
- ♦ MGT submits hard copies of all claims to the SCO.

5. ONGOING SUPPORT & STATUS UPDATES

The claiming process is obviously the key aspect of this engagement, but the ongoing support services that MGT offers are important complimentary services to continuously upgrading the City's knowledge base, relations, and communications with the state and contract agencies, and anticipation of changes to the claiming process.

STATUS UPDATES – KNOWLEDGE TRANSFER

Because the SB 90 process is changing constantly, MGT has numerous senior-level mandate consultants that live within minutes of the state capitol in Sacramento. Commission meetings, budget hearings, legislative sessions, and test claim pre-hearings will be attended by staff assigned to the City's project. MGT will not send a note taker to these meetings—***your consultant will be there***. MGT researches relevant sections of the state budget bills and law changes which could potentially impact the City's mandated programs and revenues.

The SB 90 process is constantly changing and evolving. MGT will provide targeted, relevant communication on statewide issues, interpretations, and actions at the state capitol relating to the SB 90 process throughout the fiscal year via ***MGT Instant Updates®***, a series of e-mail communiqués designed to keep our clients up to date with the latest mandate legislation, California Commission on State Mandates decisions, and state agency interpretations. MGT will sort through all of the pertinent activity to provide the City with the most relevant information throughout the year, saving the City time and resources.

6. COMMUNICATING WITH STATE OFFICIALS

STATE LIAISON ASSISTANCE

MGT will monitor State Controller requests or issues that could affect the City's SB 90 claims.

MGT will also provide liaison assistance with the SCO at the desk review level. The SCO may call requesting additional information, or duplicate documentation that may have been misplaced in their offices. Our firm will field these calls and fulfill all appropriate requests without the need for City involvement if possible. In addition, our staff has extensive experience preparing local agencies for field audits and assisting in their representation beyond the exit conference. MGT will offer assistance and response on any current or future field audits that may result from claims filed in the past.

AUDIT ASSISTANCE & PROTECTION

Nobody wants to see the SCO auditing their claims, but higher levels of scrutiny are a fact of life. Our team has extensive experience preparing local agencies for field audits and assisting in their



representation beyond the exit conference. In the past, Mr. Dyer and Mr. Rivas have assisted dozens of California cities and counties to file audit responses when agreement with the SCO audit findings is not resolved. MGT will offer assistance and response on any current or future field audits that may result from claims filed in the past.

The City of Bell Gardens will have our seasoned experts working on the City's behalf on this project. MGT will offer assistance and response on current or future field audits that may result from claims filed in the past.

REMITTANCE TRACKING

MGT will assist the City with all aspects of remittance tracking throughout the entire fiscal year. We will consistently:

- ♦ Provide copies of all claims receipts, declarations, and summary claiming reports to the City.
- ♦ Assist the City with tracking claim payments made by the state. Now that the state has resumed this function, MGT will assist the City with this sometimes-confusing process.

EXCEEDING BELL GARDENS EXPECTATIONS

What sets MGT apart from other consulting firms in the SB 90 claiming process? Based on our experience in this field, the following are aspects of our service that are unique to MGT:

- ♦ **Staff Stability and Long-term Commitment:** There is no revolving door or corporate turmoil at MGT. Our firm has been in existence since 1974, and we have the largest city and county SB 90 claiming staff in California. While other firms continue to downsize or are a one-person shop, our firm continues to add staff. MGT's formula for success may sound old fashioned, but it is proven...we hire the best people, assign them to a manageable load of clients, and set standards to ensure that each client's needs are met, and then exceeded. Long-term relationships built on trust are the basis for successful consulting, and we know that starts with assigning staff to our clients who will provide consistently great service over the course of years.
- ♦ Quick **contract negotiation** and approval.
- ♦ We are responsive and **easy to contact**.
- ♦ **Proactive consulting** vs. claims processing. The earlier the City's staff receives information about upcoming claims, the better prepared they will be to provide claiming data that is based on the correct documentation standards. We also train our clients each year on each claiming area, as well as any specific issues related to each claim. We have SB 90 claiming clients all over the state, which gives us with a state-wide perspective on processes and claim component eligibility that other firms do not have.
- ♦ **A true consulting team.** Bell Gardens won't get just one consultant, you will receive a coordinated team of claiming experts. Given the depth of experience in the proposed team, it would be impossible to assemble a more accomplished project team in the SB 90 area.

F. APPROACH AND METHODOLOGY



- ♦ **A full-year perspective.** Our consultants work with our clients year-round, not just at claim filing time. We provide our cell phone numbers to our clients and welcome calls and e-mails from our clients all through the year. We focus on our clients and we spend as much time as each client needs to ensure their SB 90 engagement is successful each year.
- ♦ **Incorrect reduction claims.** If the need arises, MGT's consulting team will prepare and file up to two incorrect reduction claims that may arise due to State audits of claims filed by MGT or any other consulting firm. Additional support is available under separate agreement.

G. SB 90 SERVICES FEE PROPOSAL

COST PER FISCAL YEAR

F I S C A L Y E A R S		
2019-20 Annual & New Claims issued during 2020-221	2020-21 Annual & New Claims issued during 2021-2022	2021-22 Annual & New Claims issued during 2022-23
\$5,000	\$5,250	\$5,500
fixed fee, billable on a bi-annual basis		

The price quoted for services is all inclusive. There are no caps on number of claims, audit support, or site meetings/visits—our level of customer service to you is unlimited. MGT will not bill you for travel expenses, additional time for on-site meetings, or extra claims. Other consulting firms limit the support you receive as part of their SB 90 projects. MGT wants to be City’s partner in this process for the next five years and beyond. Our professional commitment of resources and variety of services offered under our fixed-fee proposal is unmatched.

CERTIFICATE OF INSURANCE

Attached is a sample of our current certificate of insurance to meet the requirements of the City's RFP. MGT has a current COI on file with the City.



CERTIFICATE OF LIABILITY INSURANCE

MGTOFAM-01

CRYSTAL

DATE (MM/DD/YYYY)
7/1/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Earl Bacon Agency, Inc. Post Office Box 12039 Tallahassee, FL 32317		CONTACT NAME: PHONE (A/C, No, Ext): (850) 878-2121 FAX (A/C, No): (850) 878-2128 E-MAIL: ADDRESS:	
INSURED MGT of America, LLC MGT of America Consulting, LLC 4320 West Kennedy Blvd. Tampa, FL 33609-2118		INSURER(S) AFFORDING COVERAGE INSURER A: American Casualty Company of Reading, PA 20427 INSURER B: Continental Casualty Company 20443 INSURER C: Valley Forge Insurance Company 20508 INSURER D: Travelers Casualty and Surety Company of America 31194 INSURER E: INSURER F:	

COVERAGES		CERTIFICATE NUMBER:		REVISION NUMBER:			
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:	X	X	5095130327	7/1/2019	7/1/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 15,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPROP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/>	X	X	2093563501	7/1/2019	7/1/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			2093563496	7/1/2019	7/1/2020	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/ MEMBER EXCLUDED? (Mandatory in NH) Y/N N/A If yes, describe under DESCRIPTION OF OPERATIONS below	X		3011086712	7/1/2019	7/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Professional Liab.			105638880	7/1/2019	7/1/2020	2,500,000 Occur/AGG
D	Cyber Liability			105638880	7/1/2019	7/1/2020	5,000,000
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) Blanket Additional Insured per attached forms CG2010; CG2037; CNA750779XX; CA20480299 Blanket Waiver of Subrogation per attached forms CNA76008XX; G19160B; CA04440310 Notice of Cancellation to Certificate Holders per attached forms CC68021A; CNA72315XX							

CERTIFICATE HOLDER [Proposal Purpose Only]	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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ACORD 25 (2016/03)

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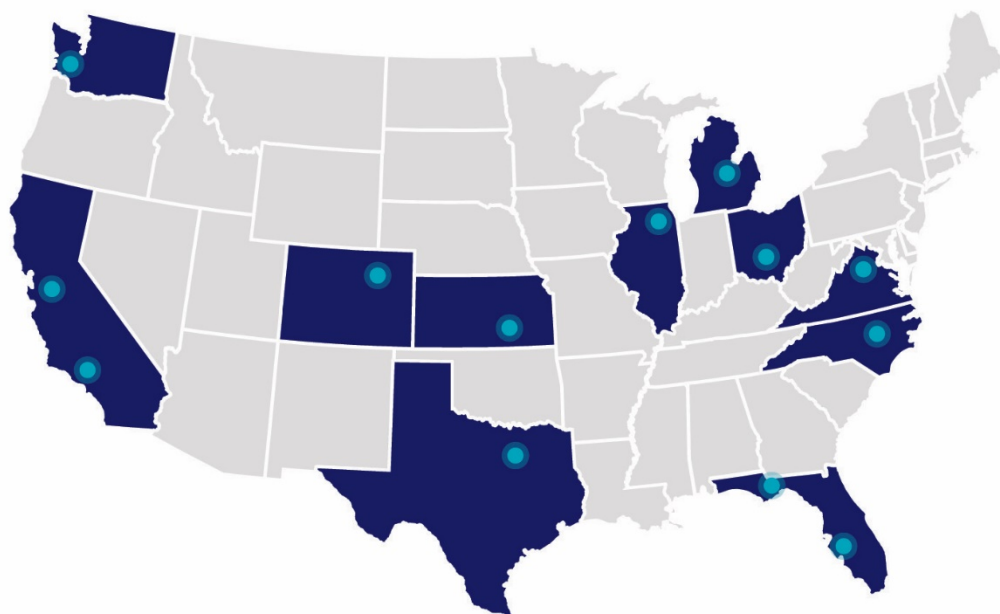
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