

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF JULY 28, 2021

REGULAR MEETING

TO: Tim Palmer, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: Erica Sanchez, Assistant Executive Officer

AGENDA ITEM #8: FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH SOUTH FORK CONSULTING REGARDING THE MUNICIPAL SERVICES REVIEW AND SPHERE OF INFLUENCE STUDY OF THE FIRE SUPPRESSION AGENCIES IN EL DORADO COUNTY

LAFCO Project No. 2020-02

RECOMMENDATION

Staff recommends that the Commission:

1. Receive the request from South Fork Consulting, LLC to amend the Professional Services Agreement for the Municipal Services Review and Sphere of Influence Study of the Fire Suppression Agencies in El Dorado County by an additional \$2,047.50 to provide for additional services; and
2. Approve the contract amendment, adding \$2,047.50 to the total cost of Task 2: Information Collection and Verification, and amending the Project Task List in Exhibit A to add Task 2, VII. as follows:

“Perform a new analysis of the Financial Section for Garden Valley FPD’s MSR Chapter, utilizing the independent audits that the District will supply to Consultant as the primary source of information for that section. Consultant will incorporate this new information into the Countywide financial discussion.”

REASON FOR RECOMMENDED ACTION AND BACKGROUND

South Fork Consulting submitted a letter to LAFCO on July 16, 2021 requesting an additional \$2,047.50 to re-analyze the Garden Valley Fire Protection District financial section of the Countywide Fire MSR, based on a request by the GVFPD to submit new financial audits. The additional funding would require an amendment to the Countywide Fire MSR contract with South Fork Consulting, approved May 27, 2020. South Fork’s letter is included as *Attachment A*; the draft amended contract and original contract are included as *Attachments B* and *C*.

Background Summary

South Fork Consulting has substantially completed the financial analysis portions of the Fire MSR, utilizing independent audits provided by each district. At the time of the analysis, GVFPD did not have completed financial audits for the years requested, and directed the Consultant to instead utilize financial documents from the County Auditor-Controller's office. GVFPD recently hired a new Fire Chief, who notified the Consultant that professional audits for the missing years were very near completion and requested an opportunity for the audits to be included in the MSR in order to provide the most updated information and add more context to the analysis. The Consultant estimates the cost of a new analysis of the GVFPD financial section and incorporating the new information into the Countywide financial discussion at \$2,047.50.

Contract Amendment

The Countywide Fire MSR contract with South Fork Consulting has a total not-to-exceed cost of \$95,000, which included a \$5,000 contingency for unforeseen project expenses. While this type of request would typically fall under the contingency category, all contingency funds have already been expended on similar, but unrelated issues. Between October 2020 and July 2, 2021, the Executive Officer authorized five contingency requests, totaling \$5,000. A summary of contingency authorizations and uses to date is included on page 3 of Attachment A; all authorizations have been verified by staff as accurate.

Commission approval of the additional \$2,047.50 would require an amendment to the contract, increasing the not-to-exceed amount to \$97,047.50. The \$2,047.50 would be added to the total cost of Task 2: Information Collection and Verification, and the Project Task List in Exhibit A would be amended to add Task 2, VII. as follows:

“Perform a new analysis of the Financial Section for Garden Valley FPD's MSR Chapter, utilizing the independent audits that the District will supply to Consultant as the primary source of information for that section. Consultant will incorporate this new information into the Countywide financial discussion.”

If approved, the additional \$2,047.50 could be covered by extra funds available in the Professional Services – MSR Outsourcing account of the FY 2021-2022 Budget, which has a sufficient funds available to cover this increase.

Attachments:

- Attachment A: Letter from South Fork Consulting, *July 15, 2021*
- Attachment B: Draft First Amendment to the Professional Services Agreement with South Fork Consulting for the Municipal Services Review and Sphere of Influence Study of the Fire Suppression Agencies in El Dorado County
- Attachment C: Professional Services Agreement with South Fork Consulting for the Municipal Services Review and Sphere of Influence Study of the Fire Suppression Agencies in El Dorado County, *approved May 27, 2020*