



## **CITY OF BAINBRIDGE ISLAND, WASHINGTON**

### **REQUEST FOR PROPOSALS**

### **OVERHEAD COST ALLOCATION PLANS**

#### **INTRODUCTION**

The City of Bainbridge Island, Washington is accepting proposals from qualified consulting firms to complete a study of overhead and administrative costs and development of an overhead cost allocation model that comply both with OMB Circular A-87 and a total cost allocation plan. The model will utilize comprehensive overhead rates in an equitable allocation method and accurately account for all true costs programs and services.

**The deadline for completion of the Work is October 23, 2009.**

The following subjects are discussed in this Request for Proposals to assist proposal preparation.

- I. Background
- II. Objective
- III. Scope of Services
- IV. City's Responsibilities
- V. Proposal Format
- VI. Budget and Contract
- VII. Selection Procedure
- VIII. Selection Criteria
- IX. Discretion and Liability Waiver
- X. Contacts
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#### **BACKGROUND**

The City of Bainbridge Island is a non-charter; code City that was incorporated on September 18, 1947 as the City of Winslow. Following the annexation of the remainder

of the island on February 28, 1991 and the vote to change the City's name on November 5, 1991, on December 20 of that year the entire island became the City of Bainbridge Island. The City most currently operates under a Council Manager form of government and provides the following services: General Executive and Administrative Services, Police, Planning and Community Development, Public Works, Water, Wastewater and Storm and Surface Water Management. The total City of Bainbridge Island revised budget for the 2009 fiscal year is \$45,173,427. The City prepared a biennial budget for fiscal years 2009 and 2010 and is in the process of preparing recommendations for adjustments to 2010 that are expected to be completed in December 2009.

The current method of cost allocation used by the City is developed through the budget process and includes direct charges to all funds and allocation of other costs based on annual inquiries of staff and analysis of departmental workplans. The City has hired a Cost Accountant whose primary responsibility will be assisting in the development of the plan and the ongoing updates and monitoring of the plan.

## OBJECTIVE

The purpose of this project is to ensure that the City of Bainbridge Island is utilizing comprehensive overhead rates and accurately accounting for the true cost of providing various services within and to all City operations and additionally having an overhead cost allocation plan applicable to Federal Standards as provided in OMB Circular A-87.

## SCOPE OF SERVICES

The project consists of furnishing all labor, materials, equipment, tools, supervision and travel necessary to complete the following tasks:

A. Work with City to define the purpose, uses, and goals for overhead cost allocation, ensuring that the development of the plan will be accurate, fair, defensible and appropriate for the City's needs and up to date with current practices of municipalities.

B. Develop an Overhead Cost Allocation Plan Model for calculating the full costs of providing each City service and an OMB Circular A-87 applicable plan for use with Federal Grants and Programs. The requirements of the model shall allow for:

(1) The addition or removal of direct and overhead costs so that the overhead cost allocation plan can be developed from a simple plan to a progressively more inclusive plan.

(2) The ability to continuously update the model and overhead cost allocation plan from year-to-year as the organizational structure changes and the costs change.

C. Work with the City in developing service provisions, cost categories and allocation criteria for current and future programs.

D. Draft Overhead Cost Allocation Plan and participate in the presentation to the City Finance and Personnel Committee and City staff. Collect and document comments and concerns.

E. Prepare final plans for both OMB Circular A-87 Cost and Total Cost and provide 5 bound copies and one unbound copy (or file copy in Microsoft Word format) to the City.

### CITY'S RESPONSIBILITIES

The City staff will provide the consultant with all relevant information it has pertaining to the City and its operations including operating and capital budgets, existing cost allocation materials and related documents.

### PROPOSAL FORMAT

Proposal should include the information requested below:

- Cover letter summarizing the proposal.
- Scope of work (a description of the work program including a description of deliverables and activities.)
- Description of the Project Team. The names, title and qualifications (resumes) of the proposed project manager and support staff who will be conducting the work on this assignment, including their experience and projects in which they had “hands on” responsibility and length of time with the firm. The project manager will be expected to be fully involved and conversant in the details of the project on a day-to-day basis. Describe the organization structure of staff members and sub-consultants (if any.)
- Outline of the proposed work plan.
- The consultant shall present a specific “not to exceed” fixed fee including associated fees (i.e. printing costs, attendance at meetings, travel) with separate fee proposals for the OMB Circular A-87 applicable plan and the Total Cost plan. A requested payment schedule should accompany the work schedule.
- A list of references for similar projects including names of contract persons and telephone numbers for your firm and for any subcontractors.

### BUDGET/CONTRACT

The City of Bainbridge Island wishes to negotiate a fixed price contract with a “not to exceed” dollar total based on a clearly defined scope of work. It should be noted that the

selected consultant would be required to enter into a professional services contract in the form attached including insurance as applicable.

### SELECTION PROCEDURE

The following is an outline of the selection procedure and a tentative time schedule:

- Proposal deadline July 31, 2009
- The City Manager and Director of Finance and Administrative Services shall determine selection August 3-5, 2009
- City Manager's recommendation to the City Council August 12, 2009
- Work begins August 17, 2009
- Draft plans submitted to City Manager and Director of Finance and Administrative Services for review October 12, 2009
- Completion of final plans October 23, 2009
- Presentation to Finance and Personnel Committee November 3, 2009

### SELECTION CRITERIA

Proposals will be evaluated based on the following criteria:

- Thoroughness and understanding of the tasks to be completed.
- Background and experience in organizational analysis evaluation.
- Staff expertise and overall experience of personnel assigned to the work.
- Time required to accomplish the requested services.
- Responsiveness to requirements of the project.
- Recent public sector experience, preferably in a municipal setting, conducting similar studies.
- Cost

## DISCRETION AND LIABILITY WAIVER

The City reserves the right to reject all proposals or to request and obtain, from one or more of the consulting firms submitting proposals, supplementary information as may be necessary for City staff to analyze the proposals pursuant to the consultant selection criteria contained herein.

The consultant, by submitting a response to this RFP, waives all right to protest or seek any legal remedies whatsoever regarding any aspect of this RFP.

## CONTACTS

All questions regarding this project should be directed to:

Elray H. Konkel CPA, Director of Finance and Administrative Services  
City of Bainbridge Island  
280 Madison Avenue North  
Bainbridge Island, WA 98110-1812  
Phone (206) 780-8619  
Cell: (206) 730-5090  
[ekonkel@ci.bainbridge-isl.wa.us](mailto:ekonkel@ci.bainbridge-isl.wa.us)

## DIRECTIONS FOR DELIVERY OF THE PROPOSAL

Three copies of the proposal, one unbound copy of the proposal and one copy of the project budget in a sealed envelope shall be delivered no later than 4:00 PM on July 31, 2009 to:

City of Bainbridge Island  
Finance & Administrative Services  
280 Madison Avenue North  
Bainbridge Island, WA 98110  
ATTN: Kelly Jahraus, Department Secretary

Faxed submittals are not accepted.

All proposals must be clearly marked on the outside of the envelope:  
**“Bainbridge Island Overhead Cost Allocation Plan.”**

Before receiving an award, the successful proposer will be required to provide copies of their current State of Washington and City of Bainbridge Island business licenses.