



**City of Grass Valley
City Council and Redevelopment Agency
Agenda Action Sheet**

Council Meeting Date: June 23, 2009

Date Prepared: June 12, 2009

Prepared by: Deborah Sultan, Assistant Finance Director

Title: Contract for Services with MAXIMUS, Inc. related to mandated costs claims

Recommended Motion: By motion, authorize the Mayor to execute an Evergreen Agreement to provide Mandated Cost Claiming Services with MAXIMUS for a fixed fee of \$6,300 for fiscal year 2009/10 which shall be increased 2.5% of the annual fee each fiscal year thereafter.

Agenda: Consent

Background Information: The City has been using MAXIMUS, Inc for State Mandate Cost Claiming Services for several years as they are the dominant provider of state mandated cost reimbursement services for local government in California. The City's current contract with MAXIMUS, Inc is for fiscal year 2008-2008 claims at a cost of \$5,900. The contract is well worth the investment as the City has collected \$9,169 year to date in 2008/2009, \$5,029 in 2007/08, \$90,812 in 2006-2007 and \$135,271 in 2005-2006. Due to a recent court decision, the state must reimburse cities for the Open Meeting Act and Mandate Reimbursement Process costs incurred beginning with the 2005/06 fiscal years. In fiscal year 2004/05, the last time the state reimbursed the City for these mandates, the City recognized revenues of \$35,289. With the number of new claims anticipated during the next fiscal years, an evergreen pricing agreement is the best value for the City.

The attached proposal contains the proposed provision to renew their services. MAXIMUS, Inc. proposes to prepare and file all eligible annual fiscal year 2008/09 actual cost reimbursement claims for fixed fee of \$6,300. This includes all professional fees and expenses and shall be payable in three installments.

Funds Available: Yes

Account #: 100-5045-3039

Reviewed by:

____ City Administrator

Action: For your reference on the action taken by Council

____ Approved
____ Denied

____ Approved with Modifications
____ Other

Agenda Item # _____