

INFORMATIONAL MEMORANDUM

Tukwila Metropolitan Park District

TO: Tukwila Pool MPD Board President

FROM: Rick Still, Parks and Recreation Director 

DATE: September 12, 2012

SUBJECT: City - Contracted Support Services Review

ISSUE

Review of the Contracted Support Services provided by the City of Tukwila for \$7,500 per month.

FINANCIAL IMPACT

No financial impact this time.

BACKGROUND

The Tukwila Pool Metropolitan Park District (MPD) entered into a contract for support services with the City of Tukwila (City) upon the formation of the MPD. This memorandum is to provide an overview of the cost for the Contracted Support Services the MPD has with the City of Tukwila.

Below is a review of the scope of work outlined in the MPD contract with the City to provide support services for the MPD's pool operations:

City Clerk – produce minutes of MPD meetings, prepare agendas and packets for MPD meetings, prepare meeting rooms and notice of meetings; and organize, maintain and archive District records and files.

Information Technology – website design and creation; email capability; maintain and post documents and update MPD website; and provide support of computers, telephones, cell phones, printers, copiers, and fax machines used by MPD.

Finance – prepare annual report to the State Auditor's Office and support for the annual audit; maintain records and prepare reports (expense and revenue); provide general accounting services, semi-monthly payroll processing and necessary reports; provide Accounts Payable services, payment of invoices and Purchasing Card administration; and risk management administration.

Parks and Recreation – Project Management Support; Maintenance of exterior pool grounds/landscaping; Janitorial services; and Pool staff and management.

Human Resources – Recruitment of employees; maintenance of employee records; and benefit administration.

Section 3.1 Cost Basis. States that hourly wages and benefits of City staff spent providing support services, plus 10% for overhead expenses, shall not exceed \$7,500 per month.

DISCUSSION

The graph and pie chart below show the costs associated with the contracted support services being provided to the MPD by the City of Tukwila.

City – Contracted Support Services – September 12, 2011 through August 15, 2012

	2011	2012	Total	Average Per/Month
CLERK	\$583	\$4,208	\$4,791	\$432
IT	\$165	\$690	\$855	\$77
FIN	\$4,828	\$12,055	\$16,883	\$1,521
P&R	\$21,001	\$46,038	\$67,039	\$6040
HR	\$195	\$483	\$678	\$61
Total	\$26,771	\$63,474	\$90,246	\$8130
# of Months	3.6	7.5	11.10	1
Cost/Month Avg.	\$7,437	\$8,463	\$8,130	\$8,130

Chart 1 – Cost Breakdown by Department for each year with monthly averages.

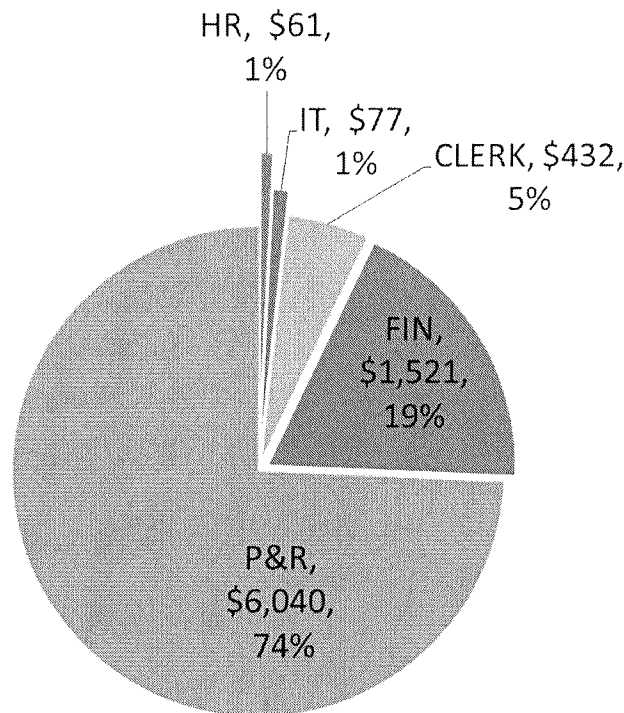


Chart 2 - Costs by Department per Month

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MPD: City - Contracted Support Services

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Currently the average monthly cost is about \$630 per month over the allotted \$7,500 contracted amount. This is due to the amount of time the Parks and Recreation Department has spent on the Capital Improvement Project, Board meeting preparation and presentation and Tukwila Pool Advisory Committee (TPAC) support; and the Finance Department's time spent on researching the funding options for the capital project. Once construction is complete in February, it is anticipated that the average cost per month will decrease to the \$7,500 per month cost or below. It will be easier to see what the real costs are to support the pool once the Capital is complete. The City's costs for the scope of work outlined in the contract will continue to be tracked and potentially the contracted amount could be adjusted during the next budget cycle.

There are some administrative and indirect costs that are not being captured well at this time, i.e. computer server, email, CLASS maintenance and support costs; and employee benefit administration. For the City, these are a smaller part of large services that are performed by City staff.

The average per hour cost for the City's contracted support services is approximately \$55.57 per hour. This was determined by dividing the total cost of \$90,246 by the total number of service hours 1,681.5. The labor costs include salaries and benefits associated with each person that has performed work towards meeting the contracted scope of work.

RECOMMENDATION

It is recommended that the current contract remain at \$7,500 per month for the scope of work outlined until the capital project is completed and "normal" operations can be better defined.