



DeKalb County Government

Manuel J. Maloof Center
1300 Commerce Drive
Decatur, Georgia 30030

Agenda Item

File ID: 2025-0225

Substitute

4/22/2025

Purchasing Type: Change Order (CO)

Public Hearing: YES ☐ NO ☒

Department: Purchasing & Contracting

AGENDA ITEM:

Commission District(s): All

CO - Change Order No. 1 to Contract 1193275 Development of Cost Allocation Plans for DeKalb County (Annual Contract with 4 Options to Renew): for use by the Office of Management & Budget (OMB). This contract consists of providing professional services for overhead and administrative cost studies for all County programs. This request seeks to ratify previously provided contract term increase. This request also seeks to increase contract funds and contract term through March 31, 2026. Awarded to MGT of America, Inc. dba MGT Consulting Group. Amount Not To Exceed: \$249,870.00.

Information Contact: Michelle Butler, Chief Procurement Officer

Phone Number: (404) 687-3581

PURPOSE:

Awarded by the BOC on January 14, 2020, for an amount not to exceed \$117,000.00. On March 2021, the BOC approved the 1st renewal option for an amount not to exceed \$117,000.00. On March 22, 2022, the BOC approved the 2nd renewal option for an amount not to exceed \$117,000.00. On March 28, 2023, the BOC approved the 3rd renewal option for an amount not to exceed \$117,000.00. On April 23, 2024, the BOC approved the 4th renewal option for an amount not to exceed \$117,000.00. This contract consists of providing professional services for overhead and administrative cost studies for all County programs. This request seeks to ratify previously provided contract term increase. This request also seeks approval to increase contract funds and contract term through March 31, 2026.

This substitute is submitted to revise the recommended award amount and supporting documentation.

RECOMMENDATION:

Recommend approval of Change Order No. 1 with:

MGT of America dba MGT Consulting Group, 2251 Harvard Street, Ste. 134, Sacramento, CA 95815

Amount Not To Exceed: \$249,870.00

and authorize the Chief Executive Officer to execute the change order and all associated documents.

ADDITIONAL INFORMATION:

1. LSBE Participation: 30%



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Contract Effective Date: January 14, 2020
2. Contract Expiration Date: April 30, 2025
3. Amount Spent To Date: \$538,200.00
\$117,000.00 - Initial
\$117,000.00 - 1st Renewal
\$117,000.00 - 2nd Renewal
\$ 70,200.00 - 3rd Renewal
\$117,000.00 - 4th Renewal
4. Funding: General - Operating (OMB)



<u>For Use by Purchasing and Contracting:</u>	Approve <input type="checkbox"/>	Deny <input type="checkbox"/>	
<u>Additional Comments:</u>			
Purchasing and Contracting Signature		Date	



April 4, 2025

T. J. Sigler
Director, Office of Management & Budget
DeKalb County Government
Manuel J. Maloof Center
1300 Commerce Drive, 6th Floor
Decatur, GA 30030
tjsigler@dekalbcountyga.gov

Subject: Proposal for User Fee Study Consulting Services

Dear Mr. Sigler,

It was a pleasure meeting you to discuss DeKalb County's desire for a user fee study. MGT is excited to present you with this scope of work and quote. We bring deep experience with County fee studies and cost recovery strategies. MGT's proposal provides the County with a detailed work plan, a timeline, a team of expert staff, and a quote for consulting fees to provide services that exceed expectations. The analysis and results from the proposed study will provide County leadership with valuable information to inform operational and policy decisions including setting fee cost recovery levels fees.

At MGT, we are passionate about our purpose: we impact the communities we serve — for good. We hope to partner with DeKalb County to provide high quality, value-added partnerships that produce transformative change for your community.

Thank you for the opportunity to submit a proposal to DeKalb County. If you have questions about any aspect of this proposal or would like to schedule a quick call, please contact me at 720-739-1108 or kskinner@mgt.us

Regards,

A handwritten signature in blue ink, appearing to read "Patrick J. Dyer".

Patrick J. Dyer, Vice President
MGT Impact Solutions LLC, Fiscal
Authorized to bind the firm



Workplan, Timeline, and Pricing

Workplan:

Phase 1 – Project & Fee Design

1. Finalize the list of departments and fee schedules included in the study. Based upon conversation on March 31, 2025, the following are proposed to be in scope:
 - a. Development Services fees(including Fire Marshal's Division)
 - b. Public Works fees
 - c. Parks and Recreation fees
 - d. Police & Fire Regulatory fees
 - e. Animal Control fees
 - f. Streetlight fees
 - g. Court fees
2. Determine which fees to review, which to consolidate, and new fees to consider
3. Analyze and recommend changes to the current fee design and structure
4. Confirm project and fee design before Phase 2 – Model Development & Fee Analysis

Phase 2 – Model Development & Fee Analysis

1. Construct a model/database of current and recommended fees
2. Develop a fully burdened rate for each position that works on services for which DeKalb County fee
3. Develop per unit fully burdened costs for each fee-for-service
4. Develop a total cost vs. total revenue summary for each fee-for-service that demonstrates current cost recovery levels
5. Prepare a final model of recommended fees

Phase 3 – Provide a Peer Comparison

Compare a sample of DeKalb county's recommended fees to up to six (6) surrounding counties or other jurisdictions, based upon a list provided by DeKalb County. Peer comparison analysis is dependent upon availability of data, and support from DeKalb County may be requested. MGT currently works with the City of Atlanta, which would allow us to leverage existing data for analysis.

Phase 4 – Final Report & Presentation

Provide a final report and presentation. If desired, MGT can be available to present to the Board of Commissioners.

Exceptions:

This scope of work is for user fee services does not include the following fee types:

- (1) Development Impact Fees
- (2) Utility rates or related fees or charges
- (3) Taxes
- (4) Parking fees
- (5) Fines and penalties



Timeline:

- ✓ Final report by October 1, 2025
 - Assuming April contract execution
- ✓ Schedule of Fees planned for adoption by Board of Commissioners by November 1, 2025

Phase	Milestones and Tasks	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 6
1	Project Initiation & Fee Design		*					
2	User Fee Analysis							
3	Draft Fee Models					*		
4	Fee Peer Comparison							
5	Final Report							*
6	Board Meeting							

* Deliverables

Invoice #1
Invoice #2
Invoice #3

Price Proposal:

Based upon initial discussion of the scope above, we are proposing a fixed fee of **\$132,870** detailed by milestone and tasks in the table below:

	Milestone and Tasks	Professional Hours	Professional Fees
1	Logistics, Data Collection & Project Management	56	\$16,632
2	User Fee Project Design	43	\$12,392
3	User Fee Analysis	315	\$84,470
4	Peer Comparisons	36	\$9,116
5	Presentation & Report	34	\$10,261
	PROJECT TOTALS	484	\$132,870

Project Assumptions:

Our workplan and proposed fee for this project were developed with several key assumptions about the project. Changes to these assumptions may impact either or both our methodology and proposed fee. We welcome the opportunity to meet with the County to review these assumptions, validate or adjust these assumptions based on more complete information, and adjust the work plan and/or budget accordingly.

Below, we present our assumptions:

- MGT based its estimate of consulting hours based upon experience with other Comprehensive Countywide fee studies that included similar departments. With further



definition of the scope MGT may revise the consulting hours and fee estimate provided in this proposal accordingly.

- MGT will conduct most of the work remotely; however, the proposed pricing accommodates the potential for on-site work at DeKalb County, to be agreed upon during project kickoff.
- The County will designate a Project Officer for this project. This person will function as the project's primary contact point and coordinate and facilitate the flow of information and communication between the County, key stakeholders, and MGT.
 - The County Project Officer should have decision-making authority on behalf of the County to finalize deliverables from the study. Additional stakeholder review from the County may impact timeliness and scope of the study.
 - The County Project Officer will ensure that comments on draft documents are consolidated into a single document and any conflicting comments are reconciled before delivering the comments to MGT.
- MGT will provide a fixed number of drafts (2 draft fee models, 2 draft reports, and one final of each) as part of the study. If there is a request for additional drafts, our Project Executive will discuss and assess the impact of the cost of our work, timelines, or scope to accommodate the change.
- MGT will have access to and cooperation and participation by staff and management. MGT expects to have reasonable, timely access to County personnel and data. If the County stops the project for any reason, MGT will be due all fees for services performed to date, regardless if tasks are fully completed at the time of the stoppage.
 - To meet aggressive project timelines, the County will respond to MGT communications within a minimum of two business day turnaround. The County will submit data in response to MGT requests within 5 business days, with a deadline to be agreed upon by the MGT Project Manager(s) and County Project Officer.
 - All costs and other data provided by County will be considered accurate and valid. MGT will not be responsible for the audit and/or verification of any cost or other data provided by County.
- If necessary, meeting facilities will be arranged for and used at the expense of the County. The County will provide all requested documents at its own expense.



Method of Payment

MGT will provide invoices to the County according to three milestones, as outlined below. It is customary for MGT to invoice 10% of the contract price at the time of project initiation or contract execution. This invoiced amount covers MGT’s efforts on strategy sessions, preliminary on-site meetings, project planning, and items not tied to fixed fee tasks outlined in the proposal. The second installment of 70% will be invoiced after the delivery of draft fee models. The third installment of the remaining 20% will be invoiced after delivery of the final deliverables (report, models, PPT) and project completion.

Invoice	Milestone	Professional Hours*
1	Project Initiation (Logistics, Kickoff or Data Collection)	10%
2	Draft Fee Models	70%
3	Final Deliverables & Report	20%

Hourly Rates

Additional consultative services requested by DeKalb that fall outside the scope of this project shall be provided on a time-and-materials basis using MGT’s hourly rates, with all expenses billed at cost subject to pre-approval.