

Memorandum

To : The Conservancy
The Advisory Committee

Date: June 26, 2017

From :  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Director

Subject: **Agenda Item 9(a): Consideration of resolution authorizing a contract with the Mountains Recreation and Conservation Authority for administrative services through fiscal year 2017-2018.**

Staff Recommendation: That the Conservancy adopt the attached resolution authorizing a contract with the Mountains Recreation and Conservation Authority not to exceed the amount of \$50,000 for administrative and facility expenses.

Legislative Authority: Section 33211 of the Public Resources Code.

Background: The Santa Monica Mountains Conservancy has a reciprocal management agreement with the Mountains Recreation and Conservation Authority (MRCA) whereby the MRCA manages property owned by the Conservancy. MRCA provides office space, administrative materials and services, and facility maintenance for Conservancy staff.

Many of the Conservancy's necessary expenses have billing cycles that the state system cannot currently comply with. The state system recommends invoices to be submitted for payment 45 days before the due date to ensure on time payment, which is not feasible.

For example, the Conservancy phone bills have a 25 day billing cycle and are mailed on the bill date to the Conservancy. As a result, the Conservancy staff receives bills 10-15 days before the due date. The Conservancy then approves the bill for payment and submits it to Department of General Services - Contracted Fiscal Services (CFS). CFS processes the payment and submits to the State Controllers Office (SCO). SCO then cuts a check and mails it to the vendor. While the expediency of CFS and SCO varies, even in the best of circumstances, checks are never received by the vendor before the due date. In the past, the Conservancy phone lines have been restricted multiple times until payment is received.

Over the years, the MRCA has taken on many of these expenses for the Conservancy to avoid service interruptions and collections against the Conservancy. The proposed solution is for the MRCA to accept responsibility for such expenses, and establish a contract which would allow the Conservancy to reimburse the MRCA for these costs to prevent service interruptions and collections. This arrangement was established for fiscal year 2016-2017 and has successfully

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avoided service disruptions. After a year of tracking costs, the estimated amount of services for 2017-2018 is \$50,000.

As the MRCA is the managing entity of the Conservancy properties and offices, this would be a sole source contract funded by the Conservancy's support budget and would be renewed annually. Expenses to be reimbursed are administrative and facility expenses which may include, but are not limited to; phone, postage, legal books, office supplies, etc . . .