



Council Agenda Report

To: Mayor Grisanti and the Honorable Members of the City Council

Prepared by: Joseph D. Toney, Assistant City Manager

Reviewed by: Elizabeth Shavelson, Deputy City Manager

Approved by: Steve McClary, City Manager

Date prepared: October 25, 2022 Meeting date: November 14, 2022

Subject: Amendment to the Professional Services Agreement with Quinto Consulting, LP for City Treasurer Services

RECOMMENDED ACTION: Authorize the Mayor to execute Amendment No. 1 to the Professional Services Agreement with Quinto Consulting, LP for City Treasurer services.

FISCAL IMPACT: Funding for City Treasurer services is included in the Fiscal Year 2022-23 Adopted Budget.

WORK PLAN: This item was not included in the Adopted Work Plan for Fiscal Year 2022-2023. This is part of normal staff operations.

DISCUSSION: Section 2.16.010 of the Malibu Municipal Code (MMC) states, in part, that “the City Council shall appoint a City Treasurer who shall be responsible for the safe deposit of all moneys in the custody of the City and shall perform all the duties prescribed by law and as may be assigned by City Council.”

In 2020, the City initiated a Request for Proposals (RFP) process to identify a consultant to assume the City Treasurer functions as outlined in the MMC. The City published the RFP on June 17, 2020, with a deadline of July 15, 2020. Due to the lack of response, the City extended the deadline twice to August 6 and September 18 of 2020. The City received one proposal from Quinto Consulting, LP. After reviewing the proposal and qualifications of Ruth F. Quinto, the City initiated a two year agreement through November 9, 2022.

Over the last two years, the City has been satisfied with the services provided and wishes to amend the agreement with Quinto Consulting, LP for an additional two-year term. The services provided outlined in Exhibit B – Scope of Services are in accordance with MMC section 2.16.010, and include but are not limited to: review all applicable laws and regulations; review the City’s annual adopted budget, annual independent audit and other audits as requested; assess and recommend improvements to the City’s investment policy and internal control procedures; establish an investment risk profile; analyze banking services once annually; and review Quarterly Financial Reports. The amendment also includes an increase in the monthly fee of \$200, from \$2,000 a month to \$2,200. The increase does not impact the annual budget.

ATTACHMENTS:

1. Professional Services Agreement – Quinto Consulting, LP

AMENDMENT NO. 1 TO AGREEMENT

THIS AMENDMENT NO. 1 TO AGREEMENT is made and entered in the City of Malibu on November 14, 2022, by and between the CITY OF MALIBU, hereinafter referred to as City, and Quinto Consulting, LP, hereinafter referred to as Consultant.

The City and the Consultant agree as follows:

RECITALS

A. On November 10, 2020, the City entered into an Agreement with Consultant for City Treasurer Services (the "Agreement").

B. The City desires to amend the Agreement to clarify scope and modify the fee schedule, and Consultant has submitted a proposal for this purpose that is acceptable to the City.

NOW THEREFORE, in consideration of their mutual promises, obligations and covenants hereinafter contained, the parties hereto agree as follows:

1. Section 1.0 – Scope of the Consultant's Services, of the Agreement, is hereby amended as set forth in Exhibit B attached hereto and shall replace Exhibit A.
2. Section 2.0 – Term of Agreement, of the Agreement, is hereby extended to November 13, 2024.
3. Section 4.0 – Compensation for Services, of the Agreement, is hereby amended as set forth in Exhibit B attached hereto and amended to read as follows: Quinto Consulting, LP shall be compensated for the monthly services described in this Exhibit B at a rate of \$2,200 per month. The annual price for monthly City Treasurer services is \$26,400. In addition, Quinto Consulting, LP shall provide on-call, hourly City Treasurer services as directed by the City Manager or her designee. The on-call rate for these additional services shall be \$200 per hour and shall not exceed 43 hours or \$8,600 per year. A total not-to-exceed of \$35,000.
4. The Parties agree that this Amendment will be considered signed when the signature of a party is delivered physically or by facsimile transmission or scanned and delivered via electronic mail. Such facsimile or electronic mail copies will be treated in all respects as having the same effect as an original signature.
5. All terms and conditions of the Agreement not amended by this Amendment No. 1 remain in full force and effect.

This Agreement is executed on November 14, 2022, at Malibu, California, and effective as of November 10, 2022.

CITY OF MALIBU:

PAUL GRISANTI, Mayor

ATTEST:

KELSEY PETTIJOHN, City Clerk
(seal)

APPROVED AS TO FORM:

THIS DOCUMENT HAS BEEN REVIEWED
BY THE CITY ATTORNEY'S OFFICE

TREVOR RUSIN, Interim City Attorney

CONSULTANT:



By: Ruth F. Quinto

Title: General Partner, Quinto Consulting, LP

EXHIBIT B
QUINTO CONSULTING, LP
SCOPE OF WORK

Treasury Management services will include serving as the City Treasurer and performing the duties as specified in accordance with Malibu Municipal Code section 2.16.010 and as set forth below in order to achieve the targeted market rate of return with low risk and liquidity that aligns to cash flow requirements, while also utilizing an appropriate level of investments in the County of Los Angeles' portfolio of pooled funds.

This scope of work is intended to be a general guide to the Treasury work expected to be performed and is not a complete listing of all services and requirements that may be required, desired or assigned by the City Council. As an overarching principle, the scope of work includes working closely and in effective coordination with appropriate City staff and any other outside professionals.

Specifically, the scope of work includes:

- Review all applicable federal, state, and local laws and regulations to become familiar with required parameters that may have been established by an overlapping entity.
- Review the City's annual adopted budget, annual independent audit and other audits as requested.
- Review and assess the City's investment policy and internal control procedures and coordinate appropriate recommendations for improvement, allowing for the safe deposit of all moneys in the City's custody.
- Attend and provide updates as needed to the Administrative and Finance Subcommittee and the City Council in collaboration and coordination with the City Manager and Assistant City Manager.
- Establish risk and return objectives including a risk profile that is consistent with the City's risk tolerance, a process for evaluating portfolio risk and a return objective in accord with the City's risk tolerance subject to any and all investment constraints.
- Review the City's surplus cash investments and make recommendations as necessary.
- Develop an understanding of cash flow requirements and preparation of an appropriate forecast including the review of receipts and disbursement schedules and all bank reconciliations for accuracy and evaluation of compliance with internal controls.
- Analyze current bank account architecture in relation to the City's operations and existing banking services and products and refresh this analysis once annually.
- Review Quarterly Financial Reports.
- Evaluation of investment schedule and specific maturing investments including recommendation for reinvestments.
- Review all warrant registers and evaluate reasonableness associated with corresponding purchase orders.
- Preparation of treasury-related agenda reports and supporting documentation.

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FEES

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