



Legislation Text

File #: 21-569, Version: 2

Date: July 13, 2021

To: The Honorable Bruno Sabatier, Chairman, Lake County Board of Supervisors

From: Carol J. Huchingson, County Administrative Officer

Subject: Approve First Amendment to the Agreement between County of Lake and Hinderliter, De Llamas and Associates (HDL) for Sales Tax Audit and Information Services and Authorize the Chair to Sign

Executive Summary:

On April 7, 1998, your Board approved a long-term contract between the County of Lake and Hinderliter, De Llamas and Associates (HDL) for sales tax audit and information services. Under the current contract, compensation is equal to 15% of all new Sales and/or Use tax revenue received as a result of audit and recovery work performed.

HDL has served Lake County well in the years since. For example, over the past five years, we have received an average of \$26,000 in added sales tax revenue resulting from the efforts of HDL with corresponding contract payments to HDL averaging just under \$4,000. HdL is a pioneer and leader of auditing, operations, and revenue solutions for public agencies, partnering with over 500 government agencies in 11 states.

Pursuant to the original contract, we also had the option to add a monthly service consisting of ongoing reports and analysis of sales tax revenue but at the time we chose not to purchase that service. The proposed amendment to the contract will add sales tax and economic analysis services as well as allocation audit and recovery services as specified in Exhibit A. The compensation for these services is \$450 per month.

Given the long-term nature of the agreement, Board approval is needed for this amendment.

If not budgeted, fill in the blanks below only:

Estimated Cost: _____ Amount Budgeted: _____ Additional Requested: _____ Future Annual Cost: _____

Consistency with Vision 2028 and/or Fiscal Crisis Management Plan (check all that apply):

- | | | | |
|----------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------|---------------------------------------------------------|
| <input type="checkbox"/> Well-being of Residents | <input type="checkbox"/> Public Safety | <input type="checkbox"/> Infrastructure | <input type="checkbox"/> Not applicable |
| <input checked="" type="checkbox"/> Economic Development | <input type="checkbox"/> Disaster Recovery | <input type="checkbox"/> County Workforce | <input checked="" type="checkbox"/> Technology Upgrades |
| <input type="checkbox"/> Community Collaboration | <input checked="" type="checkbox"/> Business Process Efficiency | <input type="checkbox"/> Clear Lake | <input checked="" type="checkbox"/> Revenue Generation |
| | | | <input checked="" type="checkbox"/> Cost Savings |

If request for exemption from competitive bid in accordance with County Code Chapter 2 Sec. 2-38, fill in blanks below:

1. Which exemption is being requested?

Lake County Purchasing Ordinance 2.38.1 Extension of annual agreements. The County Purchasing Agent, or Assistant Purchasing Agent, as applicable, may, if he determines such action to be a cost advantage and in the best interest of the County, extend existing

equipment lease agreements or contracts for service for an additional period or periods of time without competitive bid if the cost of the equipment lease or service contract per physical or time unit is not increased by more than the consumer price index (United States City Average) as determined by the United States Department of Labor.

2. How long has Agreement been in place?

Since 1998 and cost has not changed since inception. The additional services will be at a flat rate of \$5,400.00 per year, well within Purchasing Agent signature authority but requiring Board approval given that the contract will be ongoing.

3. When was purchase last rebid?

Not known if purchase was subject to Request for Bids back in 1998.

Reason for request to waive bid?

Explained in #1 and #2 above.

Recommended Action:

Approve First Amendment to the Agreement between County of Lake and Hinderliter, De Llamas and Associates (HDL) for Sales Tax Audit and Information Services and Authorize the Chair to Sign.