

## **AMENDMENT NO. 3 TO AGREEMENT BY AND BETWEEN COUNTY OF MONTEREY & HINDERLITER DE LLAMAS & ASSOCIATES**

**THIS AMENDMENT** is made to the PROFESSIONAL SERVICES AGREEMENT (“AGREEMENT”) for the provision of sales, use and transaction tax services by and between **Hinderliter de Llamas & Associates**, hereinafter “CONTRACTOR”, and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as “County”.

**WHEREAS**, the County and CONTRACTOR wish to amend the AGREEMENT to reflect the County’s exercise of the option to extend for one (1) additional year.

**WHEREAS**, the County and CONTRACTOR wish to amend the AGREEMENT to increase the total amount of the AGREEMENT by \$75,000.00.

**NOW THEREFORE**, the County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

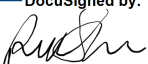
1. **Paragraph 3.01, “TERM OF AGREEMENT”, shall be amended by removing** “The term of this Agreement is from **July 1, 2019 to June 30, 2021**, unless sooner terminated pursuant to the terms of this Agreement,” **and replacing it with** “The term of this Agreement is from **July 1, 2019 to June 30, 2022**, unless sooner terminated pursuant to the terms of this Agreement”.
2. Section 2., “PAYMENTS BY THE COUNTY” shall be amended by removing, “The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$253,996.46.” and replacing it with “The total amount payable by County to CONTRACTOR under this AGREEMENT shall not exceed \$328,996.46”
3. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT No. 3 TO AGREEMENT and shall continue in full force and effect as set forth in the AGREEMENT.
4. A copy of this AMENDMENT NO. 3 shall be attached to the original AGREEMENT dated September 23, 2019 and subsequent AMENDMENTS NO. 1 and 2.

*This space left blank intentionally*

**IN WITNESS WHEREOF**, the parties have executed this AMENDMENT on the day and year written below.

**MONTEREY COUNTY**

DocuSigned by:

  
\_\_\_\_\_  
Department Head

Dated: 4/19/2021 | 1:41 PM PDT

*Approved as to Fiscal Provisions:*

DocuSigned by:

  
\_\_\_\_\_  
Deputy Auditor/Controller

Dated: 4/19/2021 | 8:31 AM PDT

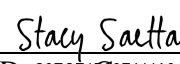
*Approved as to Liability Provisions:*

Risk Management

Dated:

*Approved as to Form:*

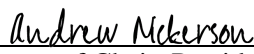
DocuSigned by:

  
\_\_\_\_\_  
Deputy County Counsel

Dated: 4/19/2021 | 8:25 AM PDT

**CONTRACTOR**


DocuSigned by:

By:   
\_\_\_\_\_  
Signature of Chair, President, or Vice-President

Andrew Nickerson, President  
\_\_\_\_\_  
Printed Name and Title

Dated: 4/16/2021 | 4:18 PM PDT

DocuSigned by:

By:   
\_\_\_\_\_  
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)\*

Richard Park, CFO  
\_\_\_\_\_  
Printed Name and Title

Dated: 4/19/2021 | 8:15 AM PDT

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

## **AMENDMENT NO. 2 TO AGREEMENT BY AND BETWEEN COUNTY OF MONTEREY & HINDERLITER DE LLAMAS & ASSOCIATES**

**THIS AMENDMENT** is made to the PROFESSIONAL SERVICES AGREEMENT (“AGREEMENT”) for the provision of sales, use and transaction tax services by and between **Hinderliter de Llamas & Associates**, hereinafter “CONTRACTOR”, and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as “County”.

**WHEREAS**, the County and CONTRACTOR wish to amend the AGREEMENT to reflect the County’s exercise of the option to extend for one (1) additional year.

**WHEREAS**, the County and CONTRACTOR wish to amend the AGREEMENT to increase the total amount of the AGREEMENT by \$61,115.46.

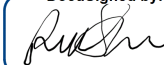
**NOW THEREFORE**, the County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. **Paragraph 3.01, “TERM OF AGREEMENT”, shall be amended by removing** “The term of this Agreement is from **July 1, 2019 to June 30, 2020**, unless sooner terminated pursuant to the terms of this Agreement”, **and replacing it with** “The term of this Agreement is from **July 1, 2019 to June 30, 2021**, unless sooner terminated pursuant to the terms of this Agreement”.
2. Section 2., “PAYMENTS BY THE COUNTY” shall be amended by removing, “The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$192,881.00.” and replacing it with “The total amount payable by County to CONTRACTOR under this AGREEMENT shall not exceed \$253,996.46”
3. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT No. 2 TO AGREEMENT and shall continue in full force and effect as set forth in the AGREEMENT.
4. A copy of this AMENDMENT NO. 2 shall be attached to the original AGREEMENT dated September 23, 2019 and subsequent AMENDMENT NO. 1.


*This space left blank intentionally*

**IN WITNESS WHEREOF**, the parties have executed this AMENDMENT on the day and year written below.

**MONTEREY COUNTY**

DocuSigned by:  
  
\_\_\_\_\_  
5020CB565A18490  
Department Head

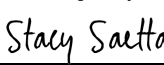
Dated: 6/24/2020 | 3:34 PM PDT  
\_\_\_\_\_

*Approved as to Fiscal Provisions:*  
DocuSigned by:  
  
\_\_\_\_\_  
811C33356389474...  
Deputy Auditor/Controller

Dated: 6/16/2020 | 10:20 AM PDT  
\_\_\_\_\_

*Approved as to Liability Provisions:*  
\_\_\_\_\_  
Risk Management

Dated: \_\_\_\_\_

*Approved as to Form:*  
DocuSigned by:  
  
\_\_\_\_\_  
C0ECE1B99F444A9...  
Deputy County Counsel

Dated: 6/16/2020 | 10:10 AM PDT  
\_\_\_\_\_

**CONTRACTOR**

By: \_\_\_\_\_  
Signature of Chair, President, or  
Vice-President

\_\_\_\_\_  
Printed Name and Title

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Asst. Treasurer)\*

\_\_\_\_\_  
Printed Name and Title

Dated: \_\_\_\_\_

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

## **AMENDMENT NO. 2 TO AGREEMENT BY AND BETWEEN COUNTY OF MONTEREY & HINDERLITER DE LLAMAS & ASSOCIATES**

**THIS AMENDMENT** is made to the PROFESSIONAL SERVICES AGREEMENT (“AGREEMENT”) for the provision of sales, use and transaction tax services by and between **Hinderliter de Llamas & Associates**, hereinafter “CONTRACTOR”, and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as “County”.

**WHEREAS**, the County and CONTRACTOR wish to amend the AGREEMENT to reflect the County’s exercise of the option to extend for one (1) additional year.

**WHEREAS**, the County and CONTRACTOR wish to amend the AGREEMENT to increase the total amount of the AGREEMENT by \$61,115.46.

**NOW THEREFORE**, the County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. **Paragraph 3.01, “TERM OF AGREEMENT”, shall be amended by removing** “The term of this Agreement is from **July 1, 2019 to June 30, 2020**, unless sooner terminated pursuant to the terms of this Agreement”, **and replacing it with** “The term of this Agreement is from **July 1, 2019 to June 30, 2021**, unless sooner terminated pursuant to the terms of this Agreement”.
2. Section 2., “PAYMENTS BY THE COUNTY” shall be amended by removing, “The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$192,881.00.” and replacing it with “The total amount payable by County to CONTRACTOR under this AGREEMENT shall not exceed \$253,996.46”
3. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT No. 2 TO AGREEMENT and shall continue in full force and effect as set forth in the AGREEMENT.
4. A copy of this AMENDMENT NO. 2 shall be attached to the original AGREEMENT dated September 23, 2019 and subsequent AMENDMENT NO. 1.

*This space left blank intentionally*

**IN WITNESS WHEREOF**, the parties have executed this AMENDMENT on the day and year written below.

MONTEREY COUNTY

CONTRACTOR

\_\_\_\_\_  
Contracts/Purchasing Officer

DocuSigned by:  
By: Andrew Nickerson  
Signature of Chair, President, or  
Vice-President

Dated: \_\_\_\_\_

Andrew Nickerson, President  
\_\_\_\_\_  
Printed Name and Title

*Approved as to Fiscal Provisions:*

Dated: 6/2/2020  
\_\_\_\_\_

\_\_\_\_\_  
Deputy Auditor/Controller

DocuSigned by:  
By: Richard Park  
\_\_\_\_\_  
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Asst. Treasurer)\*

Dated: \_\_\_\_\_

Richard Park, Chief Financial Officer  
\_\_\_\_\_  
Printed Name and Title

*Approved as to Liability Provisions:*

\_\_\_\_\_  
Risk Management

Dated: 6/1/2020  
\_\_\_\_\_

Dated: \_\_\_\_\_

*Approved as to Form:*

\_\_\_\_\_  
Deputy County Counsel

Dated: \_\_\_\_\_

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.



# Monterey County Board of Supervisors

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066  
www.co.monterey.ca.us

## Board Order

A motion was made by Supervisor John M. Phillips, seconded by Supervisor Mary L. Adams to:

### Adopted Resolution No. 20-030 to:

- a. Authorize the Auditor-Controller to execute an Amendment No. 1 to an Agreement with Hinderliter de Llamas & Associates for the provision of sales, use and transaction tax analysis and audit services, adding \$117,881 for a total not to exceed amount of \$192,881, with no change to the term of July 1, 2019 to June 30, 2020; and
- b. Authorize the Auditor-Controller to amend the FY 2019-20 Adopted Budget by increasing appropriations by \$117,881 in Annual Audits (001-AUD002), financed by a decrease in appropriations of \$117,881 in Auditor-Controller (001-AUD001).

PASSED AND ADOPTED on this 11th day of February 2020, by the following roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Parker and Adams  
NOES: None  
ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting February 11, 2020.

Dated: February 11, 2020  
File ID: 20-089  
Agenda Item No.: 27

Valerie Ralph, Clerk of the Board of Supervisors  
County of Monterey, State of California

---

Joel G. Pablo, Deputy

**Before the Board of Supervisors  
County of Monterey, State of California**

**Adopted Resolution No. 20-030**

- a. Authorize the Auditor-Controller to execute an Amendment No. 1 to an Agreement with Hinderliter de Llamas & Associates for the provision of sales, use and transaction tax analysis and audit services, adding \$117,881 for a total not to exceed amount of \$192,881, with no change to the term of July 1, 2019 to June 30, 2020; and )
- b. Authorize the Auditor-Controller to amend the FY 2019-20 Adopted Budget by increasing appropriations by \$117,881 in Annual Audits (001-AUD002), financed by a decrease in appropriations of \$117,881 in Auditor-Controller (001-AUD001) (4/5 vote)..... )

WHEREAS, pursuant to the AGREEMENT, CONTRACTOR provided tax analysis and audit services to ensure the County receives its proper share of sales and use tax revenues generated; and

WHEREAS, pursuant to the AGREEMENT, County pays CONTRACTOR specified remuneration for CONTRACTOR’s services; and

WHEREAS, the County and CONTRACTOR wish to amend the AGREEMENT to increase the maximum liability of the AGREEMENT by \$117,881 to compensate for services rendered by CONTRACTOR due to the increase in new and recovered sales and use tax revenues generated from the California Flats Solar Project owned by First Solar Electric Inc., for a total not to exceed amount of \$192,881.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Monterey as follows:

- 1. Authorize the Auditor-Controller to execute an Amendment No. 1 to an Agreement with Hinderliter de Llamas & Associates for the provision of sales, use and transaction tax analysis and audit services, adding \$117,881 for a total not to exceed amount of \$192,881, with no change to the term of July 1, 2019 to June 30, 2020; and
- 2. Authorize the Auditor-Controller to amend the FY 2019-20 Adopted Budget by increasing appropriations by \$117,881 in Annual Audits (001-AUD002), financed by a decrease in appropriations of \$117,881 in Auditor-Controller (001-AUD001) (4/5 vote)



PASSED AND ADOPTED on this 11<sup>th</sup> day of February 2020, by the following vote, to wit:

AYES: Supervisors Alejo, Phillips, Lopez, Parker and Adams

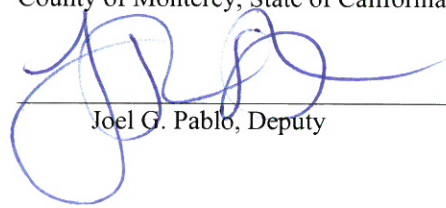
NOES: None

ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting February 11, 2020.

Dated: February 11, 2020  
File ID: 20-089  
Agenda Item No.: 27

Valerie Ralph, Clerk of the Board of Supervisors  
County of Monterey, State of California



Joel G. Pablo, Deputy

**AMENDMENT #1 TO PROFESSIONAL SERVICES AGREEMENT  
COUNTY OF MONTEREY & HINDERLITER DE LLAMAS & ASSOCIATES**

**THIS AMENDMENT** is made to the AGREEMENT, effective July 1, 2019, for sales, use and transaction tax analysis, audit services, and support by and between **Hinderliter de Llamas & Associates**, hereinafter “CONTRACTOR”, and the County of Monterey, a political subdivision of the State of California, hereinafter referred to as “County.”

**WHEREAS**, pursuant to the AGREEMENT, CONTRACTOR provided tax analysis and audit services to ensure the County receives its proper share of sales and use tax revenues generated; and

**WHEREAS**, pursuant to the AGREEMENT, County pays CONTRACTOR specified remuneration for CONTRACTOR’s services; and

**WHEREAS**, the County and CONTRACTOR wish to amend the AGREEMENT to increase the maximum liability of the AGREEMENT by \$117,881 to compensate for services rendered by CONTRACTOR due to the increase in new and recovered sales and use tax revenues generated from the California Flats Solar Project owned by First Solar Electric Inc., for a total not to exceed amount of \$192,881.

**NOW, THEREFORE**, the County and CONTRACTOR hereby agree to amend the AGREEMENT in the following manner:

1. Section 2.0, PAYMENT PROVISIONS, shall be deleted and restated in its entirety to read as follows:

“2.0. PAYMENT PROVISIONS.

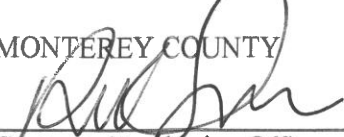
County shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed \$192,881.”

2. Except as provided herein, all remaining terms, conditions and provisions of the AGREEMENT are unchanged and unaffected by this AMENDMENT and shall continue in full force and effect as set forth in the AGREEMENT.
3. A copy of the AMENDMENT shall be attached to the original AGREEMENT.

*This space left blank intentionally*

IN WITNESS WHEREOF, the parties have executed this AMENDMENT on the day and year written below.

MONTEREY COUNTY

  
Contracts/Purchasing Officer  
~~Auditor - Controller~~

Dated: 2/21/2020

Approved as to Fiscal Provisions:

  
Deputy Auditor/Controller

Dated: 2/14/2020

Approved as to Liability Provisions:

Risk Management

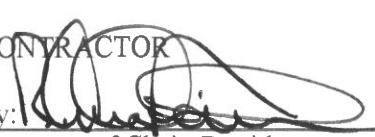
Dated: \_\_\_\_\_

Approved as to Form:

  
Deputy County Counsel

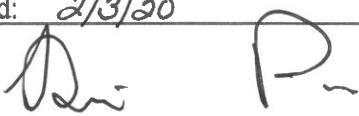
Dated: 2/14/20

CONTRACTOR

By:   
Signature of Chair, President, or  
Vice-President

Andrew Nickerson, President  
Printed Name and Title

Dated: 2/3/20

By:   
(Signature of Secretary, Asst. Secretary, CFO,  
Treasurer or Asst. Treasurer)\*

Richard Park, Chief Financial Officer  
Printed Name and Title

Dated: 2/3/20

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.



# Monterey County Board of Supervisors

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Order

A motion was made by Supervisor Chris Lopez, seconded by Supervisor Luis A. Alejo to:

### Agreement No. A-14510

- a. Approve and authorize the Auditor-Controller to execute an Agreement with Hinderliter de Llamas & Associates for sales, use and transaction tax related services for an initial term of July 1, 2019 to June 30, 2020 and a not to exceed amount of \$75,000; and
- b. Approve and authorize the Auditor-Controller to execute three (3) future Fiscal Year amendments that do not exceed a five percent (5%) increase in set annual cost and do not significantly alter the scope of services; and
- c. This Agreement takes the aggregate amount for this Vendor over \$100,000.

PASSED AND ADOPTED on this 17<sup>th</sup> day of September 2019, by the following vote, to wit:

AYES: Supervisors Alejo, Lopez, Phillips, Parker and Adams  
 NOES: None  
 ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting September 17, 2019.

Dated: September 23, 2019  
 File ID: 19-0693  
 Agenda Item No. 29

Valerie Ralph, Clerk of the Board of Supervisors  
 County of Monterey, State of California



Julian Lorenzana, Deputy

## COUNTY OF MONTEREY STANDARD AGREEMENT

This **Agreement** is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:

Hinderliter de Llamas & Associates

(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

### 1.0 GENERAL DESCRIPTION:

The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The goods and/or services are generally described as follows:

**Provide:**

sales, use and transaction tax analysis and audits to ensure the County receives its proper share of these revenues and provide ongoing data, analyses and staff to support fiscal and economic planning.

### 2.0 PAYMENT PROVISIONS:

County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of: \$ 75,000.00

### 3.0 TERM OF AGREEMENT:

3.01 The term of this Agreement is from July 1, 2019 to June 30, 2020, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and **CONTRACTOR may not commence work before County signs this Agreement.**

3.02 The County reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

### 4.0 SCOPE OF SERVICES AND ADDITIONAL PROVISIONS:

The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

**Exhibit A Scope of Services/Payment Provisions**

**Exhibit B Other:**

## 5.0 PERFORMANCE STANDARDS:

- 5.01 CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.
- 5.02 CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- 5.03 CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

## 6.0 PAYMENT CONDITIONS:

- 6.01 Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.
- 6.02 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County and the CONTRACTOR.
- 6.03 Invoice amounts shall be billed directly to the ordering department.
- 6.04 CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

## 7.0 TERMINATION:

- 7.01 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

7.03 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this Agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

## 8.0 INDEMNIFICATION:

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

## 9.0 INSURANCE REQUIREMENTS:

9.01 **Evidence of Coverage:** Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 **Qualifying Insurers:** All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to



the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

- 9.03 **Insurance Coverage Requirements:** Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

**Commercial General Liability Insurance:** including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

**Requestor must check the appropriate Automobile Insurance Threshold:**

Requestor must check the appropriate box.

**Agreement Under \$100,000 Business Automobile Liability Insurance:** covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

**Agreement Over \$100,000 Business Automobile Liability Insurance:** covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

*(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

**Workers' Compensation Insurance:** if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

*(Note: any proposed modifications to these workers' compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

**Professional Liability Insurance:** if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or

errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a “claims-made” basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage (“tail coverage”) with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

*(Note: any proposed modifications to these insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

#### 9.04 **Other Requirements:**

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

**Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds** with respect to liability arising out of the CONTRACTOR’S work, including ongoing and completed operations, **and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR’S insurance.** The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County’s contract administrator and County’s Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall always during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

#### 10.0 **RECORDS AND CONFIDENTIALITY:**

- 10.1 **Confidentiality:** CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.
- 10.2 **County Records:** When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.
- 10.3 **Maintenance of Records:** CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three-year period, then CONTRACTOR shall retain said records until such action is resolved.
- 10.4 **Access to and Audit of Records:** The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
- 10.5 **Royalties and Inventions:** County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

## 11.0 NON-DISCRIMINATION:

11.01 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

## 12.0 COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANTS:

If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.

## 13.0 INDEPENDENT CONTRACTOR:

In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is always acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

## 14.0 NOTICES:

Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

<b>FOR COUNTY:</b>	<b>FOR CONTRACTOR:</b>
Rupa Shah, Auditor-Controller	Andrew Nickerson, President
Name and Title 168 W Alisal Street, Third Floor Salinas, CA 93906	Name and Title 120 South State College Blvd., Suite 200 Brea, CA 92821
Address 831-755-5040	Address
Phone:	Phone:

## 15.0 MISCELLANEOUS PROVISIONS.

- 15.01 **Conflict of Interest:** CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.
- 15.02 **Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.
- 15.03 **Waiver:** Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 15.04 **Contractor:** The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.
- 15.05 **Disputes:** CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 15.06 **Assignment and Subcontracting:** The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.

- 15.07 **Successors and Assigns:** This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 15.08 **Compliance with Applicable Law:** The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.09 **Headings:** The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 **Time is of the Essence:** Time is of the essence in each and all of the provisions of this Agreement.
- 15.11 **Governing Law:** This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12 **Non-exclusive Agreement:** This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 15.13 **Construction of Agreement:** The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14 **Counterparts:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 15.15 **Authority:** Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 15.16 **Integration:** This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.
- 15.17 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

16.0 SIGNATURE PAGE.

IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

CONTRACTOR

By: \_\_\_\_\_  
Contracts/Purchasing Officer

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Department Head (if applicable)

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Board of Supervisors (if applicable)

Date: \_\_\_\_\_

Approved as to Form<sup>1</sup>

By: \_\_\_\_\_

Date: \_\_\_\_\_  
County Counsel

Approved as to Fiscal Provisions<sup>2</sup>

By: \_\_\_\_\_

Date: \_\_\_\_\_  
Auditor/Controller

Approved as to Liability Provisions<sup>3</sup>

By: \_\_\_\_\_  
Risk Management

Date: \_\_\_\_\_

Hinderliter, de Llamas and Associates

Contractor's Business Name\*

By: \_\_\_\_\_

(Signature of Chair, President, or Vice-President) \*

Andrew Nickerson, President

Name and Title

Date: 9-3-19

By: \_\_\_\_\_

(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasure) \*

Gary Lott, Interim CFO

Name and Title

Date: 9/3/19

County Board of Supervisors' Agreement Number: \_\_\_\_\_, approved on (date): \_\_\_\_\_

\*INSTRUCTIONS: If CONTRACTOR is a corporation, including non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two (2) specified officers per California Corporations Code Section 313. If CONTRACTOR is a Limited Liability Corporation (LLC), the full legal name of the LLC shall be set forth above together with the signatures of two (2) managers. If CONTRACTOR is a partnership, the full legal name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement or Amendment to said Agreement.

<sup>1</sup>Approval by County Counsel is required

<sup>2</sup>Approval by Auditor-Controller is required

<sup>3</sup>Approval by Risk Management is necessary only if changes are made in paragraphs 8 or 9

## **EXHIBIT A**

### **SCOPE OF SERVICES AND BASIS FOR COMPENSATION**

The scope of services provided by CONTRACTOR:

#### **SALES AND USE TAX SYSTEM**

1. Examine all sales, use and transactions tax records of the California Department of Tax and Fee Administration (CDTFA) pertaining to sales, use and transactions taxes collected by the CDTFA on behalf of the County of Monterey.
2. Perform ongoing sales tax audits in order to identify and correct all allocation errors (including point of sale distribution errors) and thereby recover and/or generate previously unrealized sales, use and transactions taxes income for the County.
3. Contact the appropriate management and accounting officials in companies that have businesses where a probability of error exists to verify whether current tax receipts accurately reflect the local sales activity. Such contacts will be conducted with the utmost courtesy and in a manner to encourage local business retention and expansion. Provide a report of all contacts and the results thereof.
4. Prepare and submit to the CDTFA all information necessary to correct any allocation errors that are identified. For point of sale misallocations, follow up with the individual businesses and the CDTFA to ensure that all back quarterly payments due the County are recovered.
5. Provide quarterly analysis, customized newsletters, software, quarterly computer updates, and on-call assistance with sales tax projections for proposed projects. Work with the County's economic development staff to track economic performance of specified project areas, help identify voids and opportunities and provide data support and advice on alternate development strategies and business retention programs.
6. Provide quarterly invoices to the County of Monterey which will include the business name, audit period start date, permit number, local allocation amount received by County and the amount due contractor. Provide applicable Department of Tax and Fee Administration quarterly distribution report documents for the purpose of verifying and cross-referencing invoice amounts.



## COMPENSATION

**Sales/Use Tax Audit** CONTRACTOR shall be further paid **15%** of all new and recovered sales, use and transactions tax revenue received by the COUNTY as a result, in whole or in part, of audit and recovery work performed by CONTRACTOR (hereafter referred to as "audit fees"), including any reimbursement from the Sales and Use Tax Compensation Fund as outlined in Section 97.68 of the Revenue and Taxation Code. In the event that CONTRACTOR is responsible, in whole or in part, for an increase in the tax reported by businesses already properly making tax payments to the COUNTY, it shall be CONTRACTOR'S responsibility to separate and support the incremental amount that is attributable, in whole or in part, to its efforts prior to the application of the audit fee. Said audit fees will apply to state fund transfers received for back quarter reallocations and monies received in the first eight consecutive reporting quarters following completion of the audit by CONTRACTOR and confirmation of corrections by the California Department of Tax and Fee Administration. CONTRACTOR shall provide COUNTY with an itemized quarterly invoice showing all formula calculations and amounts due for audit fees, which shall be payable no later than 30 days following invoice date.

If a correction involves a point of sale allocation error for a specific business, CONTRACTOR shall obtain COUNTY approval prior to beginning work. Said approval shall be deemed given when the COUNTY'S designated representative, signs a Sales Tax Audit Authorization form. COUNTY shall pay audit fees upon CONTRACTOR'S submittal of evidence of State Fund Transfers and payments to COUNTY from businesses identified in the audit and approved by the COUNTY. The audit fees shall be payable on all new and/or recovered tax revenues received from approved businesses as a consequence, in whole or in part, of the audit, and even if COUNTY, of its own volition, assists with the audit, works in parallel with the audit, and/or expends attorney's fees or other out-of-pocket costs in connection with any of the foregoing.

Any compensation arising out of sales, use and transactions tax audits or point of correction audits shall be credited against the "not to exceed" level of compensation. No additional compensation shall be paid without an amendment to the Agreement.

**Econ/Budget  
Analysis, Software  
& Staff Support**

**\$550** per month billed quarterly. This includes a quarterly analysis, customized newsletters, software, quarterly computer updates and being "on call" to provide second opinions on sales tax estimates for proposed projects and/or annexations target business retention possibilities, assistance with budget projections and serving as a resource for sales and use tax questions related to economic development, budgeting and business license collection.

The sums described above shall constitute full reimbursement to CONTRACTOR for all direct and indirect expenses incurred by CONTRACTOR in performing audits including the salaries of CONTRACTOR's employees, and travel expenses connected with contacting local and out-of-state businesses and Department of Tax and Fee Administration representatives. The agreement may be terminated by either party by giving 30 days written notice to the other of such termination and specifying the effective date thereof.

**CONFIDENTIALITY AND PROPRIETARY INFORMATION**

1. Section 7056 of the State of California Revenue and Taxation code specifically limits the disclosure of confidential taxpayer information contained in the records of the Department of Tax and Fee Administration. This section specifies the conditions under which a COUNTY may authorize persons other than COUNTY officers and employees to examine State Sales and Use Tax records.

The following conditions specified in Section 7056 (b), (1) of the State of California Revenue and Taxation Code are hereby made part of this agreement:

- A. CONTRACTOR is authorized by this Agreement to examine sales, use or transactions and use tax records of the Department of Tax and Fee Administration provided to COUNTY pursuant to contract under the Bradley-Burns Uniform Sales and Use Tax Law.
- B. CONTRACTOR is required to disclose information contained in, or derived from, those sales, use or transactions and use tax records only to an officer or employee of the COUNTY who is authorized by resolution to examine the information.
- C. CONTRACTOR is prohibited from performing consulting services for a retailer, as defined in California Revenue & Taxation Code Section 6015, during the term of this Agreement.
- D. CONTRACTOR is prohibited from retaining the information contained in, or derived from those sales or transactions and use tax records, after this

Agreement has expired. Information obtained by examination of Department of Tax and Fee Administration records shall be used only for purposes related to collection of local sales and use tax or for other governmental functions of the COUNTY as set forth by resolution adopted pursuant to Section 7056 (b) of the Revenue and Taxation Code. The resolution shall designate the CONTRACTOR as a person authorized to examine sales and use tax records and certify that this Agreement meets the requirements set forth above and in Section 7056 (b), (1) of the Revenue and Taxation Code.

2. In performing its duties under this agreement, CONTRACTOR will produce reports, technical information and other compilations of data for the County. These reports, technical information and compilations of data are derived by CONTRACTOR using methodologies, formulae, programs, techniques and other processes designed and developed by CONTRACTOR at a substantial expense and are therefore considered by Contractor to be proprietary information. CONTRACTOR'S Proprietary Information is not generally known by the entities with which CONTRACTOR competes.

CONTRACTOR desires to protect its Proprietary Information. Accordingly, County agrees that neither it nor any of its employees, agents, independent contractors or other persons or organizations over which it has control, will at any time during or after the term of the Agreement, directly or indirectly use any of CONTRACTOR'S Proprietary Information for any purpose not associated with CONTRACTOR'S activities. Further, County agrees that neither it nor any of its employees, agents, independent contractors or other persons or organizations over which it has control, will disseminate or disclose any of CONTRACTOR'S Proprietary Information to any person or organization not connected with CONTRACTOR, without the express written consent of CONTRACTOR. The County also agrees that it will undertake all necessary and appropriate steps to maintain the proprietary nature of CONTRACTOR'S Proprietary Information.

#### **OWNERSHIP OF MATERIALS, CONFIDENTIALITY.**

- A. Software Use. CONTRACTOR hereby provides authorization to the COUNTY to access CONTRACTOR'S Sales Tax website if the COUNTY chooses to subscribe to the software and reports option. The website shall only be used by authorized COUNTY staff. No access will be granted to any 3<sup>rd</sup> party without explicit written authorization by CONTRACTOR. The COUNTY shall not sublet, duplicate, modify, decompile, reverse engineer, disassemble, or attempt to derive the source code of said software. The software use granted hereunder shall not imply ownership by COUNTY of said software, or any right of the COUNTY to sell said software or the use of same, or any right to use said software for the benefit of others. This software use authorization is not transferable. Upon termination of this agreement the software use authorization shall expire, and all COUNTY staff website logins shall be de-activated.

B. Proprietary Information. As used herein, the term “proprietary information” means any information which relates to CONTRACTOR’S computer or data processing programs; data processing applications, routines, subroutines, techniques or systems; desktop or web-based software; or business processes. COUNTY shall hold in confidence and shall not disclose to any other party any CONTRACTOR proprietary information in connection with this Agreement, or otherwise learned or obtained by the COUNTY in connection with this Agreement. The obligations imposed by this Paragraph shall survive any expiration or termination of this Agreement. The terms of this section shall not apply to any information that is public information.

**County of Monterey  
Contracts/Purchasing Department  
JUSTIFICATION OF SOLE SOURCE/SOLE BRAND REQUEST**

Purchase Requisition Number \_\_\_\_\_ Date 6/27/19

Description of Item: Hinderliter de Llamas – Sales and Use Tax Audits

1. Please indicate the following:

Procurement:            Goods  
                                  Services

(Check One)

Sole Source: Item is available from one source only. Item is a one-of-a kind and is not sold through distributors. Manufacturer is exclusive distributor.

Sole Brand: Various sources can supply the specified model and brand and competitive bids will be solicited for the requested brand only. Meets form, fit and function- nothing else will do.

Note: Sole Source/Sole Brand Requests are not maintained as a standing request. Each request is for a single one-time purchase only.

2. Vendor Selection:

Preferred Vendor  
 Sole Source

Vendor Name: HdL Companies  
Address: 120 South State College Blvd., Suite 200 City: Brea State: CA  
Phone Number: (909) 861-4335  
Contact Person: Andy Nickerson Title: President

Federal Employer #: \_\_\_\_\_

3. Provide a brief description of the goods/services to be purchased and why this purchase is being proposed under a sole source acquisition.

a) Why were product and/or vendor chosen?

Expertise in Sales and Use Tax auditing, budget forecasting, energy projects use tax and property tax auditing.

- b) What are the unique performance features of the product/brand requested that are not available in any other product/brand? For Services: what unique qualifications, rights, and licenses does the vendor possess to qualify as a sole source/brand request?

HdL Companies represents most of the counties in California. HdL is the only company that focuses on the special sales and use tax issues confronting county governments. They are a corporate partner of the California State Association of Counties (CSAC) and frequent participant and presenter of programs to the State Association of California (CAOAC), California Association of Government Accountants as well as numerous other county and municipal professional groups.

HdL is the only firm that has developed a forecast model to help counties better project their Proposition 172 revenues and are currently working with state and county agencies and CSAC on a forecast model for state-local realignment revenues as well as further enhancements to the Proposition 172 forecast methodology. It was their work in 2014-15 that resulted in the recovery of \$124 Million in unpaid Proposition 172 and realignment monies for the 58 Counties.

- c) Why are these specific features/qualifications required?

HdL has assembled specialized staff and methodology to help counties maximize the use tax from the major alternate energy projects that are occurring primarily in the unincorporated areas. The previous work that we did to recover funds from the Moss Landing project plus our close coordination and work on California Flats are just a couple of examples.

- d) What other products/services have been examined and/or rejected?

There is a Norfolk, Virginia company known as Portfolio Recovery Associates (PRA) with a subsidiary in Fresno operating as MuniServices LLC. These companies primarily specialize in nationwide tax collection and debt recovery services but have been performing California sales and use tax audits, primarily for cities. We need a company based in California that understands California counties, the State Board of Equalization procedures and processes and use tax from energy projects in California.

- e) Why are other sources providing like goods or services unacceptable (please give a full meaningful explanation)?

N/A

f) What are the unique performance features REQUIRED (not merely preferred), and how would your requirement be inhibited without this particular item or service?

Because HdL companies represents most of the counties in California and the cities in Monterey County, we are able to have valuable input regarding sales and Use Tax trends and forecasts in Monterey County and throughout the state. HdL actively interfaces with CSAC, SACA and Beacon Economics of California.

g) Estimated Costs:

\$75,000.00

4. Is there an unusual or compelling urgency associated with this project?



No



Yes (Please describe)

---

---

---

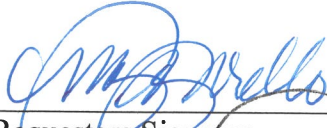
---

---


**THE FOLLOWING TO BE COMPLETED BY THE REQUESTOR**

I hereby certify that:


1. I am an approved department representative and am aware of the County's requirements for competitive bidding, as well as the criteria for justification for sole source/brand purchasing.
2. I have gathered the required technical information and have made a concentrated effort to review comparable and/or equal equipment.
3. The information contained herein is complete and accurate.
4. There is justification for sole source/brand purchasing noted above as it meets the County's criteria.
5. A sole source/brand purchase in this case would withstand a possible audit or a vendor's protest.

  
Requestors Signature

6/28/19  
Date

  
Authorized Signature by Department Head

6/28/19  
Date

  
Contracts/Purchasing Officer

7-9-19  
Date



## Certificate Of Completion

Envelope Id: 1CF3CEC14821477183CC823D219FF427	Status: Completed
Subject: Please DocuSign: Amendment No.2 to Agreement with Hinderliter de Llamas	
Source Envelope:	
Document Pages: 30	Signatures: 3
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Maria Papurello
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	PapurelloM@co.monterey.ca.us
	IP Address: 192.92.176.114

## Record Tracking

Status: Original	Holder: Maria Papurello	Location: DocuSign
6/3/2020 3:30:10 PM	PapurelloM@co.monterey.ca.us	
Security Appliance Status: Connected	Pool: StateLocal	
Storage Appliance Status: Connected	Pool: Auditor/Controller	Location: DocuSign

## Signer Events

Stacy Saetta  
saettasl@co.monterey.ca.us  
Deputy  
County of Monterey  
Security Level: Email, Account Authentication (None)

## Signature


DocuSigned by:  
  
C0ECE1B99F444A9...  
Signature Adoption: Pre-selected Style  
Using IP Address: 192.92.176.115

## Timestamp

Sent: 6/3/2020 3:50:21 PM  
Resent: 6/16/2020 9:51:50 AM  
Viewed: 6/3/2020 3:58:59 PM  
Signed: 6/16/2020 10:10:37 AM

**Electronic Record and Signature Disclosure:**  
Accepted: 6/3/2020 3:58:58 PM  
ID: ce1bbe95-5fea-40d2-8bab-a2868aeb6757

Burcu Mousa  
MousaB@co.monterey.ca.us  
Assistant Auditor-Controller  
County of Monterey  
Security Level: Email, Account Authentication (None)

DocuSigned by:  
  
811C333563B9474...  
Signature Adoption: Pre-selected Style  
Using IP Address: 98.207.93.62

Sent: 6/16/2020 10:10:40 AM  
Viewed: 6/16/2020 10:20:35 AM  
Signed: 6/16/2020 10:20:46 AM

**Electronic Record and Signature Disclosure:**  
Accepted: 5/4/2020 4:16:39 PM  
ID: bcb71809-89ea-403b-a3a3-804eaca508f0

Rupa Shah  
shahr@co.monterey.ca.us  
Auditor-Controller  
County of Monterey  
Security Level: Email, Account Authentication (None)

DocuSigned by:  
  
5020CB565A18490...  
Signature Adoption: Drawn on Device  
Using IP Address: 76.102.223.198

Sent: 6/16/2020 10:20:51 AM  
Viewed: 6/24/2020 3:15:48 PM  
Signed: 6/24/2020 3:34:18 PM

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

## In Person Signer Events

## Signature

## Timestamp

## Editor Delivery Events

## Status

## Timestamp

## Agent Delivery Events

## Status

## Timestamp

## Intermediary Delivery Events

## Status

## Timestamp

## Certified Delivery Events

## Status

## Timestamp

<b>Carbon Copy Events</b>	<b>Status</b>	<b>Timestamp</b>
---------------------------	---------------	------------------

<b>Witness Events</b>	<b>Signature</b>	<b>Timestamp</b>
-----------------------	------------------	------------------

<b>Notary Events</b>	<b>Signature</b>	<b>Timestamp</b>
----------------------	------------------	------------------

<b>Envelope Summary Events</b>	<b>Status</b>	<b>Timestamps</b>
--------------------------------	---------------	-------------------

Envelope Sent	Hashed/Encrypted	6/16/2020 10:20:51 AM
Certified Delivered	Security Checked	6/24/2020 3:15:49 PM
Signing Complete	Security Checked	6/24/2020 3:34:18 PM
Completed	Security Checked	6/24/2020 3:34:18 PM

<b>Payment Events</b>	<b>Status</b>	<b>Timestamps</b>
-----------------------	---------------	-------------------

<b>Electronic Record and Signature Disclosure</b>
---

## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, Auditor/Controller (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

**How to contact Auditor/Controller:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [urenael@co.monterey.ca.us](mailto:urenael@co.monterey.ca.us)

**To advise Auditor/Controller of your new email address**

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at [urenael@co.monterey.ca.us](mailto:urenael@co.monterey.ca.us) and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

**To request paper copies from Auditor/Controller**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to [urenael@co.monterey.ca.us](mailto:urenael@co.monterey.ca.us) and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

**To withdraw your consent with Auditor/Controller**

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an email to [urenae1@co.monterey.ca.us](mailto:urenae1@co.monterey.ca.us) and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

### **Required hardware and software**

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

### **Acknowledging your access and consent to receive and sign documents electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify Auditor/Controller as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by Auditor/Controller during the course of your relationship with Auditor/Controller.