



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 19-107, Version: 1

- a. Approve Amendment No. 3 between the County of Monterey, by and through the Monterey County Treasurer-Tax Collector, and HDL Software, LLC, to extend the term of the existing HdL Prime- Business License Software System and Web Modules facilitating the business licenses and transient occupancy and cannabis tax collection process, for an additional three (3) year term of June 1, 2019 to June 30, 2022 at an increased cost not to exceed \$26,748.69 for the extended three-year period, resulting in a revised total contract amount not to exceed \$119,358.69; and
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to sign and execute Amendment No. 3.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve Amendment No. 3 between the County of Monterey, by and through the Monterey County Treasurer-Tax Collector, and HDL Software, LLC, to extend the term of existing HdL Prime - Business License Software System and Web Modules facilitating the business licenses and transient occupancy and cannabis tax collection process, for an additional three (3) year term of June 1, 2019 to June 30, 2022 at an increased cost not to exceed \$26,748.69 for the extended three-year period, resulting in a revised total contract amount not to exceed \$119,358.69; and
- b. Authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to sign and execute Amendment No. 3.

SUMMARY AND DISCUSSION:

On June 1, 2016, the County of Monterey, by and through the Treasurer-Tax Collector, entered into an agreement with HDL Software, LLC, a prime web application module that allows customers to conduct business with the County 24 hrs./day, seven days/week for business license registration and on-line payments, when applicable, of Transient Occupancy Tax (TOT) and Cannabis Business Tax Programs, for a term of two (2) years for the period of June 1, 2016 to May 31, 2018. The parties amended the original participating agreement on May 12, 2017 due to the need for additional services, with a revised total sum not to exceed \$78,500. A second amendment extended the terms an additional year, to May 31, 2019 with a price increase and a new contract total not to exceed \$92,600.

The Treasurer-Tax Collector wishes to continue to retain the services of HDL Software, LLC. The Treasurer-Tax Collector is recommending Board approval to Amendment No. 3 to extend the Agreement between HDL Software, LLC, for the continuation of existing HdL Prime - Business License Software System and Web Modules that support business licenses and transient occupancy and cannabis tax collections. Authority to enter into Amendment No. 3 is requested for an additional three (3) year term of June 1, 2019 to June 30, 2022, at an amount not to exceed \$26,748.69, resulting in an overall contractual cap of \$119,358.69.

OTHER AGENCY INVOLVEMENT:

Amendment No. 3 has been reviewed and approved by County Counsel as to form.

FINANCING:

Approval of the recommended action does not require additional General Funds. Agreement services facilitate cost-effective collection of TOT and cannabis business taxes, two significant sources of discretionary revenue to the General Fund. The cost for the additional term of June 1, 2019 to June 30, 2022 added by Amendment No. 3 totals \$26,748.69, and results in a revised total Agreement cost of \$119,358.69. The Amendment No. 3 year-one cost of \$8,916.23 is included in the current year budget. Annual costs of \$8,916.23 for each of the next two years will be included in budget requests for those respective fiscal years.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Increase County Resources through a collaborative effort with HDL Software, LLC for business license registration and on-line payments of Transient Occupancy and Cannabis Taxes.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Kristina Parson, Management Analyst III, x5317

Approved by: Mary Zeeb, Treasurer-Tax Collector, x5015

All attachments are on file with the Clerk of the Board:

- Exhibit A: Amendment #3
- Exhibit B-3: Payment Provision
- Exhibit C: Amendment #2
- Exhibit D: Amendment #1
- Exhibit E: Original Contract w/Attachments-6.1.16-5.31.18