



**COUNTY OF NEVADA
COUNTY EXECUTIVE OFFICE**

Eric Rood Administrative Center

950 Maidu Avenue

Nevada City, CA 95959

(530) 265-7040

Fax 265-9839

NEVADA COUNTY BOARD OF SUPERVISORS

Board Agenda Memo

MEETING DATE: December 5, 2023

TO: Board of Supervisors

FROM: Alison Lehman, CEO

SUBJECT: Resolution approving Amendment 4 to Purchasing Contract by and between MuniServices, LLC and the County of Nevada for Sales Tax Audit and Informational Services and Recovery of Misallocated Sales and Use Tax for the County of Nevada, increasing the contract amount by \$30,000 for a not to exceed amount of \$77,500 and authorizing the Purchasing Agent to execute the amendment.

RECOMMENDATION: Approve the attached Resolution and associated contract amendments.

FUNDING: Funding for these services is included in the Fiscal Year 2023-24 Other Financing Uses & Sources budget (SBU 10206). No budget amendment is required and there is no additional impact to the General Fund.

BACKGROUND: The County has a contract with MuniServices, LLC which was first executed under Purchasing Agent authority in 2020. That contract has been amended three times previously to enact the following changes:

- Amendment No. 1, executed February 2021, clarified confidentiality requirements of the California Department of Tax and Fee Administration (CDTFA)
- Amendment No. 2, executed August 2021, extended the term of the agreement from June 30, 2021 through June 30, 2022
- Amendment No. 3, executed June 2022, extended the term of the agreement from June 30, 2022 through June 30, 2024 and increased the maximum contract amount from \$32,500 to \$47,500

As part of the services provided under this contract, MuniServices conducts an audit that focuses on County-based business from which the County has not been receiving sales and use tax revenue, and conducts recovery activities that result in new or “found”

revenue for the County. Per the payment terms of the contract, MuniServices is to be compensated for these “found” revenues at a rate of 15%.

In the time since the third contract amendment, MuniServices has identified sufficient misallocated tax revenue to require the maximum contract price to be increased above what was anticipated back in June of 2022. The proposed amendment takes into account all known and anticipated activities through June 30, 2024, at which time the current contract will expire.

Item Initiated by: Barry Anderson, Sr. Management Analyst

Approved by: Alison Lehman, County Executive Officer