



STAFF REPORT

MEETING DATE: September 27, 2023

PRESENTER: Josefina Alvarez, Finance Director

SUBJECT: Amendment to Agreement with Muniservices, LLC (JA)

RECOMMENDATION: Council by motion adopt Resolution Approving Amendment No. 2 to Consultant Services Agreement with Muniservices, LLC and authorize the City Manager to sign.

EXECUTIVE SUMMARY:

The City of Kerman signed an agreement with Muniservices, LLC in 1996, for consultant services for sales tax information and audit services (STARS). On January 2, 2019, the City entered Amendment Number 1, which included Measure M Sales Tax.

The resolution approving Amendment No. 2 to the agreement adds annual price adjustment language to reflect the increased costs of goods and services will be added. The City was currently paying \$2,000 for a full year. Muniservices, LLC services would increase to \$2,100 or \$525 per quarter or 5%. Starting October 2, 2023, all fees and expenses associated with the Administration Services of the Agreement would increase five percent (5%) annually. The amendment would also extend the term of the agreement for an additional one-year period through October 1, 2024, and the agreement would expire unless extended by both parties via a written agreement.

All other terms of the agreement remain the same.

FISCAL IMPACT:

Increase of \$100 to Professional Services.

ATTACHMENTS:

A. Resolution w/Exhibit

Attachment 'A'

RESOLUTION NO. 23-___

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN APPROVING AMENDMENT NO. 2 TO CONSULTANT SERVICES AGREEMENT BETWEEN CITY OF KERMAN AND MUNISERVICES, LLC

WHEREAS, the City and Muniservices, LLC entered into a Consultant Services Agreement (“Agreement”) on October 2, 1996 to perform, among other things, Sales and Use Tax Audit Services; and

WHEREAS, on January 16, 2019, the City and Muniservices, LLC approved Amendment No. 1 to the Agreement which included Measure M Sales Tax; and

WHEREAS, the parties wish to make further amendments to the Agreement.

NOW THEREFORE, the City Council of the City of Kerman resolves as follows:

1. The foregoing recitals are true and correct and are incorporated by reference.
2. The City Council approves Amendment No. 2 to Consultant Services Agreement with Muniservices, LLC as set forth in Exhibit A which is incorporated by reference.
3. The City Manager is authorized to sign Amendment No. 2.
4. This resolution is effective upon adoption.

The foregoing resolution was adopted at a regular meeting of the City Council of the City of Kerman held on the 27th day of September 2023, and passed at said meeting by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Marci Reyes
City Clerk

Exhibit 'A'

**CONSULTANT SERVICES AGREEMENT
AMENDMENT NO. 2**

This second amendment to Consultant Services Agreement (“Amendment No. 2”) is made by and between Muniservices, LLC, a Delaware limited liability company (“CONSULTANT”), and the City of Kerman, a municipal corporation (“CITY”) collectively the Parties.

RECITALS

WHEREAS on or about October 1, 1996, CITY and Muniservices, LLC entered into a Consultant Services Agreement (“Agreement”) for Sales Tax Information & Audit Services (STARS); and

WHEREAS, the Parties entered Amendment No. 1 to Agreement on January 2, 2019; and

WHEREAS, an amendment and Novation Agreement substituting the Assigning Party (Avenu Insights & Analytics, LLC) for the Assuming Party (Muniservices, LLC) was entered effective June 23, 2021; and

WHEREAS, the Parties desire to extend the term of the Agreement for an additional one-year period through October 1, 2024; and

WHEREAS, Exhibit C, Section 5, Compensation, of the Agreement currently does not include annual Price Adjustment language to reflect the increased costs of goods and services; and

WHEREAS, the Parties now seek to amend the Terms and Conditions of the Agreement to add Price Adjustment language.

AGREEMENT

NOW, THEREFORE, CONSULTANT and CITY (each individually a “party” and collectively, the “parties”) agree as follows:

SECTION 1. The foregoing recitals are true and correct and are incorporated by this reference.

SECTION 2. This Amendment No. 2 is effective on October 2, 2023 (“Amendment Effective Date”).

SECTION 3. The Term of the Agreement is renewed for an additional one (1) year through October 1, 2024, and the Agreement will expire on that date unless extended by the parties by mutual written agreement.

SECTION 4. Exhibit C, Section 5, Compensation of the Agreement is amended to read as follows:

Consultant shall provide the Sales Tax Analysis and Reporting Service for Five Hundred Twenty-Five Dollars (\$525) per quarter or for Two-Thousand One Hundred Dollars (\$2,100) for the full year.

Price Adjustment

Commencing on October 2, 2023, all fees and expenses associated with the Administration Services of this Agreement are adjusted annually at the beginning of each Term Year of the Agreement by five percent (5%).

SECTION 5. All other terms and conditions of the Agreement, except as modified by this Amendment No. 2, shall remain in full force and effect.

CONSULTANT

Muniservices, LLC, a California limited partnership

By: _____

Date: _____

CITY

CITY OF KERMAN,
a municipal corporation

By: _____

John Jansons, City Manager

Date: _____

ATTEST:

Marci Reyes, City Clerk

APPROVED AS TO FORM:

MONTOY LAW CORPORATION

By: _____

Hilda Cantu Montoy, City Attorney

Date: _____