



Legislation Text

File #: 19-665, **Version:** 1

Approve a contract with First Corporate Solutions Inc. in the amount of \$60,000 for 3 years, with options for 2 additional years at \$20,000 each, for a total not-to-exceed \$100,000 for the term of January 13, 2020 to January 12, 2023, to conduct parties of interest research related to tax sales; and Authorize the County Treasurer-Tax Collector-County Clerk to execute the contract and sign amendments for extensions as outlined in the agreement

Published Notice Required? Yes ☐ No ☒
Public Hearing Required? Yes ☐ No ☒

DEPARTMENTAL RECOMMENDATION:

The Solano County Treasurer- Tax Collector - County Clerk recommends that the Board approve a contract with First Corporate Solutions Inc. in the amount of \$60,000 for 3 years, with options for 2 additional years at \$20,000 each, for a total not-to-exceed \$100,000 for the term of January 13, 2020 to January 12, 2023, to conduct parties of interest research related to tax sales; and Authorize the County Treasurer-Tax Collector-County Clerk to execute the contract and sign amendments for extensions as outlined in the agreement

SUMMARY:

In accordance with California Revenue and Taxation Codes §3691 & §3692, the Solano County Tax Collector conducts tax sales of tax defaulted property for the recovery of delinquent taxes. To ensure all potential parties of interest are afforded due process, the Tax Collector engages in multiple efforts to contact any and all parties who may have an interest in a given defaulted property. These efforts include the retention of a third-party research firm for the conducting of parties of interest research. The cost for this research, as with all costs associated with the conducting of a tax sale, are included in the redemption cost for the parcel and recovered either through redemption or sale of the parcel.

The current vendor contract is near expiration. Given the exemplary level of service provided by First Corporate Solutions over the preceding five years, and in accordance with County Purchasing and Contracting Policy Manual, Sections 1.1.11 4 j. (3) and 4 q. (1, 2, 3), Exemptions to Competitive Bidding, the Tax Collector has elected to leverage a recent RFQ issued by Kern County in which First Corporate Solutions was selected as their vendor of choice. (Attachment B) This action is anticipated to reduce RFQ associated costs, provide the County pricing and services generally associated with a larger scale purchaser, while maintaining what has proven to be a very effective partnership with First Corporate Solutions, Inc.

FINANCIAL IMPACT:

The maximum cost of this three-year contract is \$60,000; with an additional cost of \$40,000 if the contract is extended to five years. Included in these costs are provisions for a base level of research required of all parcel, and an allowance for additional research on a case by case basis where the nature of parcel ownership warrants.

The total cost of this contract with all extensions is \$100,000 with the expectation that these costs will be allocated roughly equally over the next five annual tax sales. Should one tax sale prove larger or costlier than anticipated, it is anticipated that another will prove smaller and less costly as an offset.

All costs associated with the conducting of statutorily mandated tax sales, including parties of interest research costs, are included in the redemption costs for the parcel at issue, and are recovered through fees paid at either the redemption or sale at tax sale of the parcel.

ALTERNATIVES:

The Board could choose not to approve the contract. This is not recommended as the completion of parties of interest research is an essential step in ensuring the timely conducting of statutorily mandated tax sales.

OTHER AGENCY INVOLVEMENT:

The Department of General Services was consulted in the review of County Purchasing and Contracting Policy Manual. County Counsel reviewed the contract as to form.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION