

RESOLUTION NO. 2006-544

Adopted by the Sacramento City Council

July 25, 2006

REVENUE AUDIT AND REVENUE RECOVERY CONSULTANT SERVICES AGREEMENT AWARD TO MBIA MUNISERVICES COMPANY (MMC)

BACKGROUND

- A. Since 1986, the City has used revenue auditing and revenue recovery consultant services to assist City staff in maximizing sales, utility user, business operations, and transient occupancy tax revenues due the City. In addition to providing auditing, detection, and compliance services to maximize revenues, the analysis and reporting services assist City staff with financial forecasting.
- B. The current revenue auditing and recovery services agreement expires on July 31, 2006. In May 2006, the City issued an RFP for which two proposals were received. An interview and evaluation committee chose MBIA MuniServices Company (MMC) as the best choice, based on qualifications, experience, scope of services, and cost.
- C. As this revenue auditing and recovery services agreement will cost in excess of \$100,000, City Council approval is required.
- D. The City Council is fully advised in this matter

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Council finds and determines that the Background Statements A through D are true and correct.
- Section 2. The City Council hereby awards the revenue auditing and recovery services agreement to MBIA MuniServices Company (MMC).
- Section 3. The City Manager, or authorized designee, is hereby authorized to sign and execute a Consultant Services Agreement with MBIA MuniServices Company (MMC) to provide revenue audit and revenue recovery services.
- Section 4. Services provided under the agreement are to be paid on a contingency basis on a percent of new revenues recovered by the City due to MMC's audit and recovery services, plus an annual fixed fee amount not to exceed \$55,000 for on-

going sales and use tax information services and utility user tax revenue protection services, and if requested, a total not to exceed \$87,000 for transient occupancy tax audit and seminar services.

Section 5. The initial term of the agreement shall be three (3) years, effective August 1, 2006 through July 31, 2009, and shall automatically renew for two (2) additional one-year terms unless either party provides notice of its intention not to renew 15 days prior to the end of the then current term.

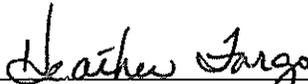
Adopted by the City of Sacramento City Council on July 25, 2006 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None

Absent: None



Mayor, Heather Fargo

Attest:



Shirley Concolino, City Clerk