

**AMENDMENT NO. 1 TO CONTRACT NO. S20175534B
BETWEEN THE CITY OF PALO ALTO AND
HDL COREN & CONE**

This Amendment No. 1 (this "Amendment") to Contract No. S20175534B (the "Contract" as defined below) is entered into as of March 2, 2023, by and between the CITY OF PALO ALTO, a California chartered municipal corporation ("CITY"), and HDL COREN & CONE, a California corporation, located at 120 South State Boulevard, Suite 200, Brea, CA 92821 ("CONSULTANT"). CITY and CONSULTANT are referred to collectively as the "Parties" in this Amendment.

RECITALS

A. The Contract (as defined below) was entered into by and between the Parties hereto for the provision of providing property tax information and reporting services for the City's Treasury, Debt, and Investments Division, as detailed therein.

B. The Parties now wish to amend the Contract in order to extend the term of the Contract from March 1, 2023 through September 1, 2023, and to increase the total not-to-exceed amount of compensation by Eight Thousand Four Hundred Dollars (\$8,400), for a new total not-to-exceed amount of the Contract of \$68,400, as detailed herein.

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and provisions of this Amendment, the Parties agree:

SECTION 1. Definitions. The following definitions shall apply to this Amendment:

- a. **Contract.** The term "Contract" shall mean Contract No. S20175534B between CONSULTANT and CITY, dated March 1, 2020.
- b. **Other Terms.** Capitalized terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Contract.

SECTION 2. Section 1, "SCOPE OF SERVICES" of the Contract is hereby amended to read as follows:

"CONSULTANT shall perform the Services described in Exhibit A in accordance with the terms and conditions contained in this Agreement. The performance of all Services shall be to the reasonable satisfaction of CITY."

SECTION 3. Section 2, "TERM", of the Contract is hereby amended to read as follows:

"The term of this Agreement shall be from the date of its full execution through September 1, 2023 unless terminated earlier pursuant to Section 19 (Termination) of this Agreement."

SECTION 4. Section 4, "NOT TO EXCEED COMPENSATION", of the Contract is hereby amended to read as follows:

"The compensation to be paid to CONSULTANT for performance of the Services shall be based on the compensation structure detailed in Exhibit C, entitled "COMPENSATION," including any reimbursable expenses specified therein, and the maximum total compensation shall not exceed **Fifty One Thousand Six Hundred Dollars (\$51,600)**. The hourly schedule of rates, if applicable, is set out in Exhibit C-1, entitled "SCHEDULE OF RATES." Any work performed or expenses incurred for which payment would result in a total exceeding the maximum compensation set forth in this Section 4 shall be at no cost to the CITY.

☒ Optional Additional Services Provision (This provision applies only if checked and a not-to-exceed compensation amount for Additional Services is allocated below under this Section 4.)

In addition to the not-to-exceed compensation specified above, CITY has set aside the not-to-exceed compensation amount of **Sixteen Thousand Eight Hundred Dollars (\$16,800)** for the performance of Additional Services (as defined below). The total compensation for performance of the Services, Additional Services and any reimbursable expenses specified in Exhibit C, shall not exceed **Sixty-Eight Thousand Four Hundred Dollars (\$68,400)**, as detailed in Exhibit C.

"Additional Services" means any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described at Exhibit A. CITY may elect to, but is not required to, authorize Additional Services up to the maximum amount of compensation set forth for Additional Services in this Section 4. CONSULTANT shall provide Additional Services only by advanced, written authorization from CITY as detailed in this Section. Additional Services, if any, shall be authorized by CITY with a Task Order assigned and authorized by CITY's Project Manager, as identified in Section 13 (Project Management). Each Task Order shall be in substantially the same form as Exhibit A-1, entitled "PROFESSIONAL SERVICES TASK ORDER". Each Task Order shall contain a specific scope of services, schedule of performance and maximum compensation amount, in accordance with the provisions of this Agreement. Compensation for Additional Services shall be specified by CITY in the Task Order,

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based on whichever is lowest: the compensation structure set forth in Exhibit C, the hourly rates set forth in Exhibit C-1, or a negotiated lump sum.

To accept a Task Order, CONSULTANT shall sign the Task Order and return it to CITY's Project Manager within the time specified by the Project Manager, and upon authorization by CITY (defined as counter-signature by the CITY Project Manager), the fully executed Task Order shall become part of this Agreement. The cumulative total compensation to CONSULTANT for all Task Orders authorized under this Agreement shall not exceed the amount of compensation set forth for Additional Services in this Section 4. CONSULTANT shall only be compensated for Additional Services performed under an authorized Task Order and only up to the maximum amount of compensation set forth for Additional Services in this Section 4. Performance of and payment for any Additional Services are subject to all requirements and restrictions in this Agreement."

SECTION 5. The following exhibit(s) to the Contract is/are hereby amended or added, as indicated below, to read as set forth in the attachment(s) to this Amendment, which is/are hereby incorporated in full into this Amendment and into the Contract by this reference:

- a. Exhibit "A" entitled "SCOPE OF SERVICES", AMENDED, REPLACES PREVIOUS.
- b. Exhibit "B" entitled "SCHEDULE OF PERFORMANCE", AMENDED, REPLACES PREVIOUS.
- c. Exhibit "C" entitled "COMPENSATION", AMENDED, REPLACES PREVIOUS.

SECTION 6. Legal Effect. Except as modified by this Amendment, all other provisions of the Contract, including any exhibits thereto, shall remain in full force and effect.

SECTION 7. Incorporation of Recitals. The recitals set forth above are terms of this Amendment and are fully incorporated herein by this reference.

(SIGNATURE BLOCK FOLLOWS ON THE NEXT PAGE.)

SIGNATURES OF THE PARTIES

IN WITNESS WHEREOF, the Parties have by their duly authorized representatives executed this Amendment effective as of the date first above written.

CITY OF PALO ALTO

Purchasing Manager (Contract over \$85k)

APPROVED AS TO FORM:

City Attorney or Designee
(Contract over \$25k)

HDL COREN & CONE

Officer 1

DocuSigned by:
By: *Paula Cone*
7B7696DF768C432...
Name: Paula Cone

Title: President

Officer 2 (Required for Corp. or LLC.)

DocuSigned by:
By: *Nichole Cone*
04178854FC2E46B...
Name: Nichole Cone

Title: CFO

Attachments:

- EXHIBIT A: SCOPE OF SERVICES, AMENDMENT NO.1 (AMENDED, REPLACES PREVIOUS)
- EXHIBIT B: SCHEDULE OF PERFORMANCES, AMENDMENT NO. 1 (AMENDED, REPLACES PREVIOUS)
- EXHIBIT C: COMPENSATION, AMENDMENT NO. 1 (AMENDED, REPLACES PREVIOUS)

EXHIBIT A
SCOPE OF SERVICES, AMENDMENT NO. 1
(Amended, Replaces Previous)

CONSULTANT will provide the following services and deliverables pursuant to this Agreement:

PROPERTY TAX INFORMATION SERVICES & REPORTING

CONSULTANT will furnish a variety of reports detailing property and revenue trends for the entire CITY and for custom defined geographic areas. These reports can be used for budgeting purposes, planning, economic development and public information. Among the CITY reports available are top 25, 50, 100-property owner/taxpayer listings, multiple ownership properties, non-owner- occupied parcels, identification of property ownership transfers and completed construction projects for tracking of reassessments. Reports are also available from prior years if needed. These reports are available in pdf, Microsoft Word and Excel formats for use in staff presentations.

Reports in the portfolio of data criteria will include but are not limited to:

- Five-year history of the values within the CITY, and custom (CITY defined) geographic areas;
- Listing of the largest value changes, positive and negative between tax years;
- An annual parcel listing of properties with parcel number changes between tax years identifying parcel splits and combines;
- Listing of the major property owners for the CITY including the combined assessed values of their property and property use code designation;
- Listing of property transfers which occurred since the lien date ordered by month— sales listing;
- Listing of parcels that have not changed ownership since the enactment of Proposition 13;
- Analysis of recent sales of properties not sold since prior to Proposition 13.
- comparison of property within the CITY by county use-code designation;
- multiple year comparison of growth by use code designation over a 5- year period;
- Listing by parcel of new construction activity to identify non-residential parcels with new construction activity and to provide reports for use in the CITY 's preparation of Proposition 4 and 111 State Appropriation Limit calculations;
- Listing of multiple owned parcels;
- Listing of absentee owner parcels;
- Calculate an estimate of property tax revenue anticipated to be received for the fiscal year by the CITY based upon the initial information provided by the County and subject to modification; and
- Analyses based on geo areas designated by the CITY to include assessed valuations and square footage computations for use in economic analysis and community development planning.

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- One and five-year budget projections for the city general fund and special districts. This report is interactive for tax modeling.

WEB-BASED SOFTWARE APPLICATION

The CONSULTANT will make available for use on CONSULTANT's Property Tax Web Application, a web-based software application that provides the CITY with a user-friendly tool to store, search, access and analyze the CITY's property tax data (also called the "software application" or "software" in this Agreement. Data in the software application will be updated monthly to reflect changes in ownership and deed recordings. Assessment appeals data is updated quarterly. As modifications and enhancements are made to the program, the CITY receives the enhanced version of the software at no additional cost. The CITY is granted a site license for the software application under this Agreement, which does not limit the number of users. The software can be used to access secured, unsecured, cross reference, possessory interest, mineral rights and SBE non-operating unitary tax rolls. Unsecured assessments are linked to the corresponding secured parcels where parcel numbers match. This allows users to see all property tax records at a particular location.

Geographic areas as defined by the CITY can be created in the software by CITY staff or, upon supplying maps with the boundary area of each requested geo defined, will be created by the CONSULTANT and are included in the cost of this scope of services. Additional areas can be created at no cost as they become necessary.

Property transfer information is updated monthly and the prior sales transactions are stored with each record for reference. Filtering is available for Pre-Prop 13 owned properties, non-owner-occupied properties (absentee owners), specific focused uses, targeted values, and selection of various other property characteristics. The data can be sorted by parcel number, owner, situs address, county use code designation and tax rate area. Data can be exported from the software to Excel, CSV, Text or Html to allow for further analysis through an easy-to-use export feature. Custom exports are also available to link or integrate with city building or code enforcement products.

Training will be provided annually at no additional cost to the CITY and CONSULTANT will provide support for the CITY's use of the software, answering questions, providing phone assistance and troubleshooting issues that arise between scheduled training events at no additional cost to the CITY.

The property tax web-base services, where provided by CONSULTANT's online-hosted software will include all related services and support necessary to implement the Services detailed in this Scope of Services, including, for example and without limitation, data/content migration, software licensing, online- hosting, maintenance, updates, upgrades, security, and technical and user support as detailed in this Scope of Services and elsewhere in this Agreement, in CONSULTANT's proposal, and in the Documentation.

Property Tax Audits

Upon execution of this Agreement and authorization to proceed by the CITY, the CONSULTANT will perform an analysis of the Assessor Rolls to identify all parcels on the secured, unsecured and cross reference tax rolls and verify that parcel assessed valuations and the resulting taxes are correctly allocated to the CITY. This analysis is accomplished using specialized computer software, assessor maps, CITY GIS maps, CITY records, other pertinent documents, and field investigations. The review will include the lien date rolls noted for the current tax year as well as historical data back for a total of four (4) tax years.

A report is prepared related to the properties requiring corrective action with a suggested tax rate area (TRA) and/or correct address and APN and then transmitted to the County Assessor's office for reviewing corrections and to the CITY at the same time. Once the Assessor's staff has reviewed and corrected the misplaced TRAs, the County returns to our office an accounting of the properties that were corrected and transmitted to the Auditor's office for tax reassignment. That report is then provided to the client as verification that corrections were made. If necessary, we will review our findings and recommendations with designated CITY project manager.

DELIVERABLES

CONSULTANT will provide the property tax reports annually, quarterly or monthly as appropriate by performing the tasks to include but are not limited to the following:

- a. Acquisition of data from the Assessor, Auditor Controller and Clerk of the Board;
- b. Data decoded and read into CONSULTANT's System;
- c. Post updated data on CONSULTANT Web-based property tax portal;
- d. Data reconciliation and processing;
- e. Prepare Reports for delivery;
- f. Analyze information for meeting prepare newsletter, produce additional handouts, prepare electronic files with reports;
- g. Update database with sales transaction monthly
- h. Revenue projections
- i. Addendum report preparation and dissemination
- j. Software training
- k. Travel for delivery meeting and training

ON-GOING CONSULTATION (ADDITIONAL SERVICES)

Upon mutually written Task Order detailed therein (Exhibit A-1 form) per Section 4 of the Agreement, CONSULTANT will perform:

1. Secured and unsecured audits; and
2. Ongoing requests, special projects not within the Scope of Service.

EXHIBIT B
SCHEDULE OF PERFORMANCES, AMENDMENT NO.1
(Amended, Replaces Previous)

CONSULTANT will perform the Services so as to complete each milestone within the number of days/weeks specified below. The time to complete each milestone may be increased or decreased by mutual written agreement of the Project Managers for CONSULTANT and CITY so long as all work is completed within the term of the Agreement. CONSULTANT will provide a detailed schedule of work consistent with the schedule below within 2 weeks of receipt of the notice to proceed ("NTP") from the CITY.

Milestones	Completion Number of Days/Weeks (as specified below) from NTP
<p>1. Property Tax Information Services & Reporting and Web-based Software Application – Year 1 through 3</p> <p>Deliverables:</p> <ul style="list-style-type: none"> a. Acquisition of data from the Assessor, Auditor Controller and Clerk of the Board; b. Data decoded and read into CONSULTANT's System; c. Post updated data on CONSULTANT Web-based property tax portal; d. Data reconciliation and processing; e. Prepare Reports for delivery; f. Analyze information for meeting prepare newsletter, produce additional handouts, prepare electronic files with reports; g. Update database with sales transaction monthly h. Revenue projections i. Addendum report preparation and dissemination j. Software training (previously completed) k. Travel for delivery meeting and training (previously completed) 	<p>Quarterly by the end of the following month of each quarter in January 2021-2023, April 2020-2023, July 2020-2023 and October 2020-2022.</p> <p>Option to deliver annually or monthly as directed from CITY Project Manager.</p>

☒ Optional Schedule of Performance Provision for On-Call or Additional Services Agreements.
(This provision only applies if checked and only applies to on-call agreements per Section 1 or agreements with Additional Services per Section 4.)

The schedule of performance will be as provided in the approved Task Order, as detailed in Section 1 (Scope of Services) in the case of on-call Services, or as detailed in Section 4 in the case of Additional Services, provided in all cases that the schedule of performance will fall within the term as provided in Section 2 (Term) of this Agreement.

EXHIBIT C
COMPENSATION, AMENDMENT NO. 1
(Amended, Replaces Previous)

CITY agrees to compensate CONSULTANT for Services performed in accordance with the terms and conditions of this Agreement, and as set forth in the budget schedule below. Compensation will be calculated based on the rate schedule attached as Exhibit C-1 up to the not to exceed budget amount for each task set forth below.

CITY's Project Manager may approve in writing the transfer of budget amounts between any of the tasks or categories listed below, provided that the total compensation for the Services, including any specified reimbursable expenses, and the total compensation for Additional Services (if any, per Section 4 of the Agreement) do not exceed the amounts set forth in Section 4 of this Agreement.

CONSULTANT agrees to complete all Services, any specified reimbursable expenses, and Additional Services (if any, per Section 4), within this/these amount(s). Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth in this Agreement will be at no cost to the CITY.

BUDGET SCHEDULE

TASK	NOT TO EXCEED AMOUNT
Task 1 (Property Tax Information Services & Reporting and Web-based Software Application – Year 1 through 3, Deliverables: <ul style="list-style-type: none"> a. Acquisition of data from the Assessor, Auditor Controller and Clerk of the Board; b. Data decoded and read into CONSULTANT's System; c. Post updated data on CONSULTANT Web-based property tax portal; d. Data reconciliation and processing; e. Prepare Reports for delivery; f. Analyze information for meeting prepare newsletter, produce additional handouts, prepare electronic files with reports; g. Update database with sales transaction monthly h. Revenue projections i. Addendum report preparation and dissemination j. Software training k. Travel for delivery meeting and training) 	<ul style="list-style-type: none"> a. \$1,863 b. \$6,271 c. \$3,135 d. \$2,329 e. \$1,165 f. \$4,193 g. \$8,385 h. \$7,794 i. \$2,329 j. \$6,271 k. \$7,865
Sub-total for Services	\$68,400

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Reimbursable Expenses (if any)	\$0
Total for Services and Reimbursable Expenses (\$46,000 total Services cost rendered & previously paid)	\$68,400
Additional Services (if any, per Section 4) - Secured and unsecured audits performed (\$3,120) - Ongoing requests, special projects not within scope of service (\$13,680)	\$16,800
Maximum Total Compensation	\$51,600

REIMBURSABLE EXPENSES

CONSULTANT'S ordinary business expenses, such as administrative, overhead, administrative support time/overtime, information systems, software and hardware, photocopying, telecommunications (telephone, internet), in-house printing, insurance and other ordinary business expenses, are included within the scope of payment for Services and are not reimbursable expenses hereunder.

Reimbursable expenses, if any are specified as reimbursable under this section, will be reimbursed at actual cost. The expenses (by type, e.g. travel) for which CONSULTANT will be reimbursed are: **Travel for delivery meeting and training** up to the not-to-exceed amount of **\$6,585.00**.

A. Travel outside the San Francisco Bay Area, including transportation and meals, if specified as reimbursable, will be reimbursed at actual cost subject to the City of Palo Alto's policy for reimbursement of travel and meal expenses.

B. Long distance telephone service charges, cellular phone service charges, facsimile transmission and postage charges, if specified as reimbursable, will be reimbursed at actual cost.

All requests for reimbursement of expenses, if any are specified as reimbursable under this section, will be accompanied by appropriate backup documentation and information.