

MEMORANDUM
OFFICE OF THE COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors

FROM: Thomas M. Miller, Placer County Executive Officer
By Allison Carlos, Principal Management Analyst

DATE: March 8, 2011

SUBJECT: Hausrath Economic Group Contract Amendment

ACTION REQUESTED:

Authorize the County Executive Officer to execute a contract amendment with Hausrath Economics Group for fiscal and economic analytical services in the amount of \$75,000, total contract not to exceed \$175,000.

BACKGROUND:

On July 13, 2010, your Board authorized the County Executive Officer to execute a contract with Hausrath Economics Group in an amount not to exceed \$100,000 for ongoing fiscal, finance, and economic analytical services. Typical analyses performed have included fiscal impact modeling, capital facility impact fee updates and reporting, and tax sharing analyses related to annexations in Placer County. The firm further serves as a readily available resource to provide technical expertise on an 'as needed basis' for fiscal and economic issues that arise for the County.

This amendment does not change the scope of work, terms, or conditions of the original contract, but provides additional funding for services for the remainder of the FY 2010/11. Hausrath Economics Group will continue to provide a broad range of economic and fiscal services including those pertaining to revenue sharing strategies and tax sharing agreements.

FISCAL IMPACT:

The contract amount is amended to increase the maximum amount by \$75,000 from \$100,000 to \$175,000. Funding is contained within the County Executive Office FY 2010-11 budget.

Attached: Exhibit A - Contract Amendment

First Amendment to Consulting Services Agreement

Contract No. 12917

Whereas, Placer County (County) and Hausrath Economics Group (Contractor) have entered a contract dated July 13, 2010 whereby fiscal, economic, and finance services and studies for a broad range of land development related issues would be provided to County, and

Whereas, the parties now desire to amend said contract.

Now, therefore, it is mutually agreed by and between the parties as follows:

A. That paragraph 4 of the original contract, entitled Amount of Payment, is hereby amended to increase the original contract maximum amount by \$75,000 (SEVENTY FIVE THOUSAND DOLLARS) from \$100,000 (ONE HUNDRED THOUSAND DOLLARS) to \$175,000 (ONE HUNDRED SEVENTY FIVE THOUSAND DOLLARS).

Except as specifically modified above, all of the remaining terms and conditions of the Agreement shall remain and continue in full force and effect. Amended by Hausrath Economics Group and the County on the 8th day of March 2011 and effective, as of the last date of execution set forth below.

COUNTY OF PLACER ("COUNTY")

By _____

Thomas M. Miller
County Executive Officer

_____ Date

"SECOND PARTY"
HAUSRATH ECONOMICS GROUP

By Sally Nielsen

Sally Nielsen
Vice President/Secretary
Hausrath Economics Group

February 24, 2011
Date

By Linda H. Hausrath

Linda Hausrath
President
Hausrath Economics Group

February 24, 2011
Date

County Counsel
Approved as to form: [Signature]

3/2/11
Date

**SCOPE OF WORK
PROFESSIONAL SERVICES CONTRACT**

**HAUSRATH ECONOMICS GROUP
FISCAL YEAR 2010-2011**

Hausrath Economics Group (HEG) agrees to provide professional services on an "as needed" basis to Placer County. This agreement will include assignments related to fiscal issues such as analyses relative to annexations, specific development projects, and technical assistance relative to the fiscal impact model, impact fees and other financing programs.

It is expected that these assignments will involve less than one week (40 hours) of a HEG staff member's time or involve meetings that may span up to six months. Assignments that are more extensive than described may be outside this scope, depending on mutual agreement between HEG and the County.

Second Party will provide an estimate of expected professional time and cost prior to accepting an assignment and communicate them orally, unless either HEG or the County requests a written estimate. HEG will provide monthly or bi-monthly invoices describing the work performed and itemizing the hours of each staff person. HEG will notify the County prior to exceeding the estimates. HEG staff time will be billed at our current hourly rates. HEG will notify the County prior to any changes in these rates. These rates are shown below:

<u>Position</u>	<u>2010/2011 Hourly Rate</u>
Principal	\$125 - \$165 per hour
Economists	\$75 - \$110 per hour

These rates include all office related overhead and minor materials. They do not include any travel expenses or materials in excess of \$50 (e.g., large volume reproduction of reports, data acquisition). Travel and large material expenses will be billed separately but assumed to be within the \$175,000 budget limit.

