



**MEMORANDUM
COUNTY EXECUTIVE OFFICE
ADMINISTRATION**
County of Placer

TO: Honorable Board of Supervisors
 FROM: David Boesch, County Executive Officer
 By: Bekki Riggan, Deputy CEO
 DATE: June 21, 2016
 SUBJECT: Contract Extension for Placer Dispute Resolution Services

ACTION REQUESTED

Approve a contract extension with Placer Dispute Resolution Service (PDRS) to provide community-based mediation services from July 1, 2016 through December 31, 2016 totaling \$29,500.

BACKGROUND

The Dispute Resolution Programs Act of 1986 provides for the establishment and funding of voluntary, informal dispute resolution services to individuals, business groups, public agencies and other organizations within each county. The program also functions as an alternative for resolving conflicts outside of the formal judicial system. State law authorizes an \$8 fee for each paper filed in civil court to fund the local program and a county administrative cost of up to 20%.

Since June 22, 2004, Placer County has offered this service through contracts with PDRS, fully funded by the \$8 civil court filing fee surcharge. The current two-year contract in the amount of \$124,800 expires June 30, 2016. Placer County Superior Court and program clients have expressed satisfaction with PDRS. However, civil court filings and therefore program revenues have decreased in recent years, with a continued downward trend projected. Although filing fee reserves are currently being used, this funding model appears unsustainable.

| Average Monthly Revenue | County 20% | PDRS Payment | (Loss) or Gain After Payments | Current Fund Balance | Projected Months Remaining |
|-------------------------|------------|--------------|-------------------------------|----------------------|----------------------------|
| \$4,508 | \$902 | \$5,200 | -\$1,594 | \$18,369 | 11.5 |

Currently, the program has a monthly shortage of \$1,594 per month. With the current Dispute Resolution Program fund balance of \$18,369, less than twelve (12) months remain for program sustainability. Suspending the County's 20% administrative costs recovery would leave the monthly revenues short by \$700 and with the current Dispute Resolution Program fund balance of \$18,369, approximately 26 months remain for program sustainability.

In order to continue services while allowing time to explore options in conjunction with the Placer County Superior Court, the County Executive Office requests your Board to authorize a

six-month contract extension with PDRS for the period of July 1, 2016 – December 31, 2016. County staff is proposing a 5.8% decrease to the monthly contract amount, for a six-month total of \$29,500.

FISCAL IMPACT

The four-month contract extension with Placer Dispute Resolution Services from July 1, 2016 through December 31, 2016 will total \$29,500, a 5.8% decrease from the current contract. The contract extension is fully funded by an \$8 civil court filing fee.

| Placer Dispute Resolution Service FY 2016-17 Payment Schedule | | |
|--|------------|-----------------|
| FY 2016-2017 | | \$29,500 |
| July-16 | \$4,916.67 | \$24,583.33 |
| August-16 | \$4,916.67 | \$19,666.66 |
| September-16 | \$4,916.67 | \$14,749.99 |
| October-16 | \$4,916.67 | \$9,833.32 |
| November-16 | \$4,916.66 | \$4,916.66 |
| December-16 | \$4,916.66 | \$0 |
| Contract Amendment Total | | \$29,500 |

Attachment 1: PDRS Contract

ALTERNATE DISPUTE RESOLUTION PROGRAM

CONTRACT AMENDMENT

THIS AMENDMENT to the CONTRACT for DISPUTE RESOLUTION SERVICES IN THE COUNTY OF PLACER, by and between the County of Placer, hereinafter referred to as "COUNTY" and Placer Dispute Resolution Service (PDRS) a non-profit community mediation program hereinafter referred to as "CONTRACTOR", mutually agree as follows:

WHEREAS, COUNTY and CONTRACTOR previously entered into Contract # 12617 commencing on July 1, 2008 and terminating on June 30, 2010, and in Contract #12617A entered into July 1, 2010 through June 30, 2012, and in Contract #12617-B entered into July 1, 2012 through June 30, 2014, and in Contract #12617-C entered into July 1, 2014 through June 30, 2016, and;

WHEREAS, COUNTY and CONTRACTOR desire to formally amend said Agreement to extend the time frame for the services to be provided herein, and

NOW, THEREFORE, the Agreement is amended as follows:

1. That Section 3, **Total Contract Value** for the six month period of this Amendment shall be reduced to \$29,500, payable in six (6) monthly installments, unless funds available through the COUNTY Dispute Resolution Trust Fund become deficient pursuant to Section 5.5. herein. If the court filing fees distributed exceed the amount paid to PDRS and the 20 percent County administration fee for three consecutive months, an adjustment to the contract amount will be considered.
2. That Section 2, **Scope of Work** is hereby amended to decrease the number of presentations from ten (10) annually, to Placer Dispute Resolution Service will make itself available for presentations.

This amendment is effective July 1, 2016.

In all other respects, except for the above-stated amendment, the original Agreement terms and July 1, 2010, July 1, 2012 and July 1, 2014 Amendments remains in full force and effect. These documents and any attachments hereto, constitute the entire understanding between the COUNTY and CONTRACTOR concerning the subject matter contained herein.

WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Agreement as of the day and year first above stated:

CONTRACTOR:

Alan Lowe

Alan Lowe, President

Date: 6/9/16

Karen Green

Karen Green, Treasurer

Date: 6-9-16

COUNTY OF PLACER:

Chair, Board of Supervisors

Date: _____

Approved as to form:
Office of Placer County Counsel

[Signature]

Placer County Counsel

Date: _____