



Legislation Details (With Text)

**File #:** ID 24-389      **Version:** 1      **Name:**  
**Type:** Action Item      **Status:** Passed  
**File created:** 3/7/2024      **In control:** City Council  
**On agenda:** 3/21/2024      **Final action:** 3/21/2024

**Title:** Actions pertaining to the First Amendment to the Consultant Services Agreement with HdL Companies for Sales and Use Tax auditing, Information services, Quarterly sales tax reporting and Revenue projection analysis (Forecasting) and auditing sales tax records:  
1. Approve the First Amendment to the Consultant Services Agreement with HdL Companies for Sales and Use Tax auditing, Information services, Quarterly sales tax reporting and Revenue projection analysis (Forecasting) and auditing sales tax records;  
2. Authorize the City Manager, or designee, to sign the First Amendment to the Consultant Services Agreement with HdL Companies on behalf of the City.

**Sponsors:** Budget and Management Studies Department

**Indexes:**

**Code sections:**

**Attachments:** 1. 24-389 Original Consultant Services Agreement, 2. 24-389 First Amendment

Date	Ver.	Action By	Action	Result
3/21/2024	1	City Council	ADOPTED	Pass

**REPORT TO THE CITY COUNCIL**

**FROM:** HENRY FIERRO, Budget Director  
Budget and Management Studies Department

**BY:** PEDRO RIVERA, Budget Manager  
Budget and Management Studies Department

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Budget and Management Studies Department

**SUBJECT**

Actions pertaining to the First Amendment to the Consultant Services Agreement with HdL Companies for Sales and Use Tax auditing, Information services, Quarterly sales tax reporting and Revenue projection analysis (Forecasting) and auditing sales tax records:

1. Approve the First Amendment to the Consultant Services Agreement with HdL Companies for Sales and Use Tax auditing, Information services, Quarterly sales tax reporting and Revenue projection analysis (Forecasting) and auditing sales tax records;
2. Authorize the City Manager, or designee, to sign the First Amendment to the Consultant Services Agreement with HdL Companies on behalf of the City.

**RECOMMENDATION**

Staff recommends that City Council approve the First Amendment to the Consultant Services Agreement with HdL Companies to incorporate required provisions pertaining to Confidentiality Information under Section 7056 of the State of California Revenue and Taxation Code into the Agreement as requested by the California Department of Tax and Fee Administration (CDTFA).

## **EXECUTIVE SUMMARY**

Approval of the First Amendment to the Consultant Services Agreement is required by CDTFA for HdL Companies to have access and examine all services corresponding to sales tax records both the Bradley-Burns 1% from the State transactions and use tax and Fresno Clean and Safe Neighborhood Parks Tax - Measure P transactions and use tax ordinance.

## **BACKGROUND**

The CDTFA received the City of Fresno's Resolutions approved by Council on February 1, 2024 that authorized HdL Companies to examine all of the sales and transactions and use tax records of the Agency pertaining to all sales and use taxes collected for City and any transaction and use taxes collected for City under the following Transactions and Use Tax Ordinances and any future Transactions and Use Tax Ordinances that may be enacted in the City; Bradley-Burns 1% from the State transactions and use tax and Fresno Clean and Safe Neighborhood Parks Tax - Measure P .375% transactions and use tax. However, the CDTFA requested an Amendment to the approved Agreement to include a confidentiality information clause to meet CDTFA's requirements. Once the First Amendment to the Consultant Services Agreement for Sales and Use Tax auditing, Information services, Quarterly sales tax reporting and Revenue projection analysis (Forecasting) and auditing sales tax records with HdL Companies is signed, HdL Companies will be authorized to access and examine all services in the agreement.

## **ENVIRONMENTAL FINDINGS**

This item is not a project as defined by the California Environmental Quality Act.

## **LOCAL PREFERENCE**

Yes, HdL Companies certified their qualifications as a local business pursuant to Fresno Municipal Code Section 4-109 with their branch office located in Fresno, CA.

## **FISCAL IMPACT**

There is no impact to the General Fund as appropriations to perform this service for the City currently exists in the budget. Compensation to HdL Companies occurs when corrections generate new sales tax revenue to the City.

Attachment:

Original Consultant Services Agreement  
First Amendment