

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 3.47
(ID # 30097)**

MEETING DATE:

Tuesday, March 24, 2026

FROM : EXECUTIVE OFFICE

SUBJECT: EXECUTIVE OFFICE: Ratify and Approve Amendment No. 1 to the Sales and Use Tax, and Prop 172 Public Safety Sales Tax Auditing and Consulting Services Agreement with Hinderliter de Llamas & Associates to increase the annual compensation to a not to exceed amount of \$289,000 for the period of March 1, 2025 through February 28, 2026. All Districts. [Total cost \$289,000 - 100% General Fund] (4/5 Vote Required)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and Approve Amendment No. 1 to the Sales and Use Tax, and Prop 172 Public Safety Sales Tax Auditing and Consulting Services Agreement with Hinderliter, de Llamas & Associates to increase the annual compensation to a not to exceed amount of \$289,000 for the period of March 1, 2025 through February 28, 2026, and authorize the Chairman of Board to sign the Amendment on behalf of the County; and,
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved as to form by County Counsel to: (1) sign amendments to the Agreement including modifications of the statement of work that stay within the intent of the Agreement, and (2) sign amendments to the compensation provisions that do not exceed the sum total of \$25,000 annually; and
3. Direct the Purchasing Agent to issue Purchase Orders for invoices received for good/services rendered that do not exceed the Board of Supervisor's approval amount; and
4. Approve and direct the Auditor-Controller to make the budget adjustment shown in Schedule A; and
5. Direct the Clerk of the Board to retain one (1) copy and return two (2) copies of the agreement to the Executive Office for distribution.


ACTION:Policy, 4/5 Vote Required


Cliff Van Wageningen, County Executive Officer 3/19/2026

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Gutierrez, seconded by Supervisor Washington and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez
Nays: None
Absent: None
Date: March 24, 2026
xc: EO

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$289,000	\$0	\$289,000	\$0
NET COUNTY COST	\$289,000	\$0	\$289,000	\$0
SOURCE OF FUNDS: General Fund: Fund 10000			Budget Adjustment:	Yes
			For Fiscal Year:	25/26

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On February 25, 2025, the Board of Supervisors approved the agreement with Hinderliter, de Llamas & Associates (HdL) for sales and use tax auditing and consulting services. The contract was secured as a result of a Request for Proposal conducted by County Purchasing on behalf of the Executive Office. The contract is for a five-year term with two optional one-year renewals afterwards.

HdL has provided effective revenue recovery and sales and use tax analysis to the County for many years. As part of the service they provide, HdL contacts the business as well as the State, and processes the necessary paperwork to ensure that future payments and any allowable back quarter adjustments are allocated to the County. Over the past six fiscal years, the County has recovered in excess of \$10 million in sales and use tax through this effort.

Impact on Residents and Businesses

There is no negative impact to Residents and Businesses. This contract will continue to ensure sales and use tax revenues owed to the County of Riverside are allocated accurately to support public services and that sales and use tax filing and allocation errors are resolved and recovered timely in the most efficient and cost-effective manner.

Additional Fiscal Information

The current contract is for a five-year term with two optional one-year renewals afterwards.

Although the estimated annual cost is \$250,000, the actual amount will vary relative to the amount of sales and use tax revenue recovered by HdL on behalf of the County any given year. A recent and substantial recovery processed by HdL resulted in the need for an increase in budgeted appropriation for the remaining contracted period. A budget adjustment is included in action today in the amount of \$39,000 to cover projected costs through February 28, 2026.

Contract History and Price Reasonableness

County Purchasing and Fleet Services on behalf of the Executive Office released Request for Proposals (RFP) EOARC-071 for Sales and Use Tax, and Prop 172 Public Safety Sales Tax Auditing and Consulting Services. The RFP was advertised on Public Purchase with solicitations being sent to one hundred twenty-six (126) organizations. Two (2) responses were

COUNTY OF RIVERSIDE
AMENDMENT NO. 1 TO THE SALES AND USE TAX, AND PROP 172 PUBLIC SAFETY SALES
TAX AUDITING AND CONSULTING SERVICES AGREEMENT
WITH
HINDERLITER, DE LLAMAS & ASSOCIATES

Agreement Term:	3/1/25 through 2/28/30
Effective Date of Amendment:	3/1/25
Annual Maximum Agreement Amount:	\$250,000
Amended Maximum Agreement Amount:	\$289,000 for 3/1/25 through 2/28/26
Contract ID:	EOARC-001268

This AMENDMENT NO. 1 TO THE SALES AND USE TAX, AND PROP 172 PUBLIC SAFETY SALES TAX AUDITING AND CONSULTING SERVICES AGREEMENT (“First Amendment”), is entered into by and between the County of Riverside (“COUNTY”), a political subdivision of the State of California, on behalf of its Executive Office, and HINDERLITER, DE LLAMAS & ASSOCIATES (“CONTRACTOR”), a California corporation, sometimes collectively referred to as the “Parties”.

RECITALS

WHEREAS, the Parties entered into that certain Sales and Use Tax, and Prop 172 Public Safety Sales Tax Auditing and Consulting Services Agreement, effective March 1, 2025, Contract #EOARC-001268 (“Agreement”).

WHEREAS, the Parties now desire to ratify and amend the Agreement to increase the annual compensation.

NOW, THEREFORE, for good and valuable consideration the receipt and adequacy of which is hereby acknowledged, the Parties to ratify and amend the Agreement as follows:

1. Recitals. The above recitals are true and correct and are incorporated herein by reference.
2. Section 3 (Compensation). The second sentence of Subsection 3.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

“For the period of March 1, 2025 through February 28, 2026, maximum payments by COUNTY to CONTRACTOR shall not exceed two hundred eighty-nine thousand dollars (\$289,000) including all expenses. For the period of March 1, 2026 through February 28, 2030, maximum payments by COUNTY to CONTRACTOR shall not exceed two hundred fifty thousand dollars (\$250,000) annually including all expenses.”

3. Capitalized Terms/Amendment to Prevail. Unless defined herein or the context requires otherwise, all capitalized terms herein shall have the meaning defined in the Agreement, as heretofore amended. The provisions of this First Amendment shall prevail over any inconsistency or conflicting provisions of the Agreement, as heretofore amended, and shall supplement the remaining provisions thereof.
4. Miscellaneous. Except as amended or modified herein, all the terms of the Agreement shall remain in full force and effect and shall apply with the same force and effect. Time is of the essence in this First Amendment and the Agreement and each and all of their respective provisions. Subject to the

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HINDERLITER, DE LLAMAS & ASSOCIATES

provisions of the Agreement as to assignment, the agreements, conditions and provisions herein contained shall apply to and bind the heirs, executors, administrators, successors and assigns of the parties hereto. If any provisions of this First Amendment or the Agreement shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of the Agreement and all such other provisions shall remain in full force and effect. The language in all parts of the Agreement shall be construed according to its normal and usual meaning and not strictly for or against either COUNTY or CONTRACTOR.

5. Effective Date. This First Amendment shall be effective March 1, 2025, notwithstanding the date of execution.

6. Ratification. Each party ratifies and confirms that its respective actions were taken in accordance with and in compliance with the terms and conditions of this First Amendment from March 1, 2025, to the date of execution.

7. Electronic Signatures. This First Amendment may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party to this First Amendment agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ((“CUETA”) Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this First Amendment. The parties further agree that the electronic signatures of the parties included in this First Amendment are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (h) of Section 1633.2 of the Civil Code.

[Signature Page Follows]

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TAX AUDITING AND CONSULTING SERVICES AGREEMENT
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HINDERLITER, DE LLAMAS & ASSOCIATES

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this First Amendment.

COUNTY OF RIVERSIDE, a political
subdivision of the State of California

By: *Karen S. Spiegel*
Karen Spiegel
Chair, Board of Supervisors

Dated: MAR 2 4 2026

HINDERLITER, DE LLAMAS &
ASSOCIATES, a California corporation

By: *[Signature]*
Andrew Nickerson (Mar 13, 2026 22:16:35 CDT)
Name: Andrew Nickerson
Title: President/Chief Executive Officer

Dated: 03/13/26

ATTEST:

Kimberly A. Rector
Clerk of the Board

By: *[Signature]*
Deputy

By: *Richard Park*
Name: Richard Park
Title: Chief Financial Officer

Dated: 03/13/26

APPROVED AS TO FORM

Minh Tran
County Counsel

By: *Tawny Lieu*
Tawny Lieu (Mar 16, 2026 02:35:30 PDT)
Tawny Lieu,
Supervising Deputy County Counsel

MAR 2 4 2026 3 . 4 7












Amendment #1 - HDL Final

Final Audit Report

2026-03-16

Created:	2026-03-12
By:	Andrew Johnson (AndJohnson@RIVCO.ORG)
Status:	Signed
Transaction ID:	CBJCHBCAABAAJUtkuEtL-GdoyiK-FtLmjdVd5Ur1aQX-

"Amendment #1 - HDL Final" History

-  Document created by Andrew Johnson (AndJohnson@RIVCO.ORG)
2026-03-12 - 10:13:16 PM GMT
-  Document emailed to Richard Park (rpark@hdlcompanies.com) for signature
2026-03-12 - 10:13:20 PM GMT
-  Email viewed by Richard Park (rpark@hdlcompanies.com)
2026-03-13 - 11:32:48 PM GMT
-  Document e-signed by Richard Park (rpark@hdlcompanies.com)
Signature Date: 2026-03-13 - 11:33:03 PM GMT - Time Source: server
-  Document emailed to Andrew Nickerson (anickerson@hdlcompanies.com) for signature
2026-03-13 - 11:33:05 PM GMT
-  Email viewed by Andrew Nickerson (anickerson@hdlcompanies.com)
2026-03-14 - 0:05:00 AM GMT
-  Document e-signed by Andrew Nickerson (anickerson@hdlcompanies.com)
Signature Date: 2026-03-14 - 3:16:35 AM GMT - Time Source: server
-  Document emailed to Tawny Lieu (tlieu@rivco.org) for signature
2026-03-14 - 3:16:37 AM GMT
-  Email viewed by Tawny Lieu (tlieu@rivco.org)
2026-03-15 - 3:20:00 AM GMT
-  Document e-signed by Tawny Lieu (tlieu@rivco.org)
Signature Date: 2026-03-16 - 9:35:30 AM GMT - Time Source: server
-  Agreement completed.
2026-03-16 - 9:35:30 AM GMT