

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: JILL SCOTT, RIGHT OF WAY AGENT

SUBJECT: FIRST AMENDMENT TO PROFESSIONAL SERVICES
AGREEMENT – FIRST AMERICAN TITLE COMPANY

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the City's Right Of Way Agent that the Council, by resolution, approve a First Amendment to Professional Services Agreement Number F001200 with First American Title Company to increase compensation under the Agreement for City-wide title and escrow services by \$120,000 for a total amount not to exceed \$170,000, paid out of various project keys as approved by the Chief Financial Officer.

EXECUTIVE SUMMARY

This resolution will amend the Professional Services Agreement (PSA) with First American Title Company for City-wide title and escrow services for an additional amount of up to \$120,000 over the next two years. This increase is due to an anticipated larger volume of City-wide activity in acquisition, potential development, disposition and loan programs. Associated funds will come from various projects throughout City Departments.

BACKGROUND

On June 27, 2016, the City entered into a Professional Services Agreement with First American for City-wide title and escrow services. The contract provides services as needed for the City's use in an amount not to exceed \$50,000, which the City has easily exhausted.

With the City-wide anticipated increase for title and escrow services, staff is requesting a contract amendment increase of up to \$120,000 over the next two years.

The funds associated with this contract and the proposed amendment will come from various projects and charge numbers from City wide departments.

PRIOR CITY COUNCIL REVIEW

Not applicable.

ANALYSIS

In 2016 City staff solicited proposals for title company services to meet the City-wide need for such services. First American Title Company was the only proposal received. On June 27, 2016 the City entered into a PSA with First American for City-wide title and escrow services in the amount of \$50,000, the term of which is anticipated to continue until February 2021. The City has easily exhausted those funds in a little over two years.

With the additional anticipated increase in development activity on City property, potential property disposition, Cal Home Disaster Recovery Loan Program, the ending of the Dairy Loan Program and regular City real estate business expanding, there is a greater need for these services. Staff is requesting an increase of up to, and not to exceed amount, of \$120,000, with no changes to the standard charges already negotiated, to meet all City Department needs.

Because this is a City-wide contract and used throughout the Departments, the funds are paid out of various project keys as approved by the Chief Financial officer, on an as-needed basis, and not encumbered in any one department or project budget.

FISCAL IMPACT

Title and escrow services are paid out of projects on an as-needed basis from various charge numbers throughout City Departments.

ENVIRONMENTAL IMPACT

Not applicable.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/First Amendment to Professional Services Agreement

CONTACT

Jill Scott,
jscott@srcity.org
(707) 543-4246