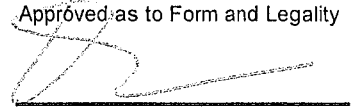


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REVISED PER FINANCE AND MANAGEMENT COMMITTEE APRIL 10, 2018

Approved as to Form and Legality

# OAKLAND CITY COUNCIL

  
\_\_\_\_\_  
City Attorney

RESOLUTION No. \_\_\_\_\_ C.M.S.

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**RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR, OR DESIGNEE, TO AMEND AND EXTEND THE ORIGINAL AGREEMENT WITH MUNISERVICES, LLC. FOR AN ADDITIONAL FIXED FIVE-YEAR TERM, WITH TWO ONE-YEAR OPTIONS, FOR THE REVENUE MANAGEMENT AND ENHANCEMENT SERVICES OF THE SUGAR-SWEETENED BEVERAGE DISTRIBUTION TAX AT THE COMPENSATION RATE OF TWO PERCENT (2%) OF THE TAX PROCEEDS COLLECTED AND REMITTED TO THE CITY AND APPROPRIATE AN ADDITIONAL \$70,000 FOR THE ADMINISTRATION AND MANAGEMENT OF THE TAX FOR THE CURRENT FISCAL 2017-2018.**

WHEREAS, prior to the adoption of this Resolution, Oakland City Council adopted Resolution 86161 C.M.S calling and giving notice, on its own motion, for a consideration of the ballot measure to enact a one cent (\$0.01) per ounce tax on the distribution of sugar-sweetened beverage products; and

WHEREAS, On November 8, 2016, Oakland voters approved Measure HH and authorized the City to levy a General Tax of one cent (\$0.01) per fluid ounce on the privilege of distributing sugar-sweetened beverage products in the city beginning on July 1, 2017; and

WHEREAS, the Finance Director of the City of Oakland, following the passage of Measure HH and in accordance with contracting rules, procedures and requirements, as outlined in the Oakland Municipal Code Title 2, Chapter 2.04, prepared and a released a Request for Qualifications ("RFQ") for the Sugar-Sweetened Beverage Distribution Tax Research, Outreach, Communication Campaign, Revenue Management and Enhancement Services; and

WHEREAS, the objective of the RFQ was to retain qualified consultant(s) to either independently deliver the research, outreach and communication campaign or the revenue management and enhancement services or both; and

WHEREAS, the City received three proposals, all of which met proposal requirements and implementation deadline, and were invited to the continue through the selection process; and

WHEREAS, a three-member evaluation team was created to fairly, objectively and systematically evaluate all aspects of the proposals; and

WHEREAS, after a thorough and complete evaluation of proposals, the City Administrator, as duly authorized under Oakland Municipal Code Section 2.04.020, executed a one-year agreement, set to expire on June 30,2018, with the top ranked proposer, MuniServices, LLC, for the research, outreach, communication campaign and revenue management and enhancement services for a compensation rate of two percent (2%) of the tax proceeds collected and remitted to the City; and

WHEREAS, MuniServices, LLC successfully planned and executed the outreach and education campaign that ensured smooth implementation of the Sugar-Sweetened Beverage Distribution Tax program; and

WHEREAS, MuniServices, LLC's administration and management of the program has resulted in a revised revenue forecast upward by approximately 95%, increasing from \$5.9 million to \$11.25 million for the Fiscal Year 2017-2018; and

WHEREAS, \$180,000 for the expenditure associated with the initial year of the agreement with MuniServices, LLC are already included in the Finance Department's Fiscal Years 2017-2019 Operating Budgets. Funding changes for Fiscal Year 2018-2019 and beyond will be incorporated as part of Midcycle Budget the baseline bi-annual budgets; and

WHEREAS, the Agreement will also include a detailed statement of work, which defines the deliverables, enhancements and compensation schedule tied to the successful collection and remittance of the Sugar-Sweetened Beverage Distribution Tax and to be paid upon the City's acceptance; now, therefore be it

**RESOLVED:** that the City Council does hereby authorize the City Administrator to negotiate, amend and extend the Professional and Specialized Services Agreement between the City of Oakland and MuniServices, LLC. to provide Revenue Management and Enhancement Services related to the Sugar-Sweetened Beverage Distribution Tax for a five-year (5) term with two (2) one-year option in an amount not to exceed two percent (2%) of the Sugar-Sweetened Beverage Distribution Tax collected and remitted to the City; and be it

**FURTHER RESOLVED** that the City Council does hereby authorize an additional appropriation of \$70,000 ~~to the General Purpose Fund and the Organization in Fund 1030,~~ Sugar-Sweetened Beverage Distribution Tax Fund, in fiscal year 2017-18 to ensure sufficient funds are available to cover the initial year cost for the administration and management of the Sugar-Sweetened Beverage Distribution Tax; and be it

**FURTHER RESOLVED** that \$180,000 for the expenditure associated with the initial year of the agreement with MuniServices, LLC are already included in the Finance Department's Fiscal Years 2017-2019 Operating Budgets under Miscellaneous Contract. Funding changes for Fiscal Year 2018-2019 and beyond will be part of the development of the Midcycle Budget and the bi-annual operating budgets and approval from the City Council; and be it

**FURTHER RESOLVED** that the City Council does hereby authorize the City Administrator the option to exercise the two (1) one-year options without returning to the City Council for approval as long as the City Administrator determined that it is in the best interest of the City to do so; and be it

FURTHER RESOLVED that the agreement authorized hereunder is subject to City Attorney approval for form and legality and shall be placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY,  
GUILLEN, KALB, KAPLAN, AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: \_\_\_\_\_

LaTonda Simmons  
City Clerk and Clerk of the Council  
of the City of Oakland, California