



**COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR**

KENNETH HAHN HALL OF ADMINISTRATION
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May 1, 2003

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The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors

**RECOMMENDATION TO APPROVE AMENDMENT TO EXTEND
TERM OF CONTRACT WITH KENNEDY-WILSON INTERNATIONAL FOR
REAL PROPERTY AUCTIONEERING SERVICES
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Chair to sign an amendment to the current contract with Kennedy-Wilson International for the provision of real property auctioneering services related to administration of Public Administrator decedent estates on a contingency fee basis of 4.25% commission, for a term not to exceed ninety (90) days, effective June 1, 2003.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Probate Code authorizes estate representatives to sell real property of decedent or conservatee estates under administration, when necessary for the best interest of the estates. As Public Administrator for Los Angeles County, the Treasurer and Tax Collector (TTC) has contracted with private real estate auction firms since the 1980's to sell real property on behalf of Public Administrator probate and Public Guardian conservatee estates.

Kennedy-Wilson International has provided TTC with real property auction sales since 1999, services include extensive marketing, auction sale, support during the court confirmation process, and follow-up to close of escrow. The current contract with Kennedy-Wilson is scheduled to expire on May 31, 2003. The proposed amendment

will extend services provided by Kennedy-Wilson not to exceed ninety (90) calendar days.

On June 1, 1999, the Board approved the existing contract with Kennedy-Wilson for the provision of real property auctioneering services. TTC is preparing all of the Request For Proposal re-solicitation documents to replace the existing contract but requires additional time to permit sufficient review. The amendment will allow TTC no more than 90 days to complete the entire process and return to your Board with a contract award recommendation.

Real Property auctioneering services are critical to support mandated operations of the TTC Public Administrator. This amendment will allow TTC to continue to sell real property of decedent or conservatee estates under its administration, until the re-solicitation process has been completed.

Implementation of Strategic Plan Goals

The approval of this contract amendment is consistent with the County's Strategic Plan Goal of Organizational Effectiveness. The amendment provides for the continuity of real property auctioneering services provided by the contractor which supports mandated services provided by the TTC Public Administrator Operations.

FISCAL IMPACT/FINANCING

There is no net County cost as commissions are paid to the auctioneer from the sale of estate property. Kennedy-Wilson absorbs all costs associated with the marketing and auction of the real properties. The 4.25% commission rate is paid at the close of escrow from the sales proceeds.

FACTS AND PROVISIONAL/LEGAL REQUIREMENTS

The original Contract with Kennedy-Wilson International, Contract No. 72137, was adopted by the Board on June 1, 1999. The amendment will become effective June 1, 2003, upon your Board's approval. County Counsel has approved this amendment as to form. There is no negative impact to County employees as these services are provided under contract on an as-needed, intermittent basis

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IMPACT ON CURRENT SERVICES

The recommended amendment, extending the term of the existing contract, will ensure uninterrupted real property auctioneering services so there will be no disruption in service.

CONCLUSION

Instruct the Executive Officer/Clerk of the Board to return two (2) signed originals of the Amendment to the Treasurer and Tax Collector.

Respectively submitted,



MARK J. SALADINO
Treasurer and Tax Collector

MJS:MH:dhh

d:kennedy-wilson amendment-extension blt-agr

Attachments

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller
Department of Mental Health