



Board Agenda Item 21

DATE: May 19, 2026

TO: Board of Supervisors

SUBMITTED BY: Oscar J. Garcia, CPA, Auditor-Controller/Treasurer-Tax Collector

SUBJECT: Agreement with RZ Title Services, Inc. for Parties of Interest Searches on Tax-Defaulted Property

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute an Agreement with RZ Title Services, Inc. for title search to discover parties of interest for purposes of giving notices of the County's annual sale of tax-defaulted properties, effective May 19, 2026, through May 18, 2029, with no more than two optional one-year extensions, total not to exceed \$650,000.

Approval of the recommended action would authorize RZ Title Services, Inc. to provide party of interest reports related to the County's annual sale of tax-defaulted property pursuant to California Revenue and Taxation Code, Division 1, Part 6, Chapter 7. The maximum amount of the contract, including the two one-year renewals upon written approval of both parties at least 30 days before the first day of the next one-year extension period, will not exceed \$650,000, or \$130,000 per year, with no increase in Net County Cost. The item is countywide.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, the department would be required to perform this work internally. The Auditor-Controller/Treasurer-Tax Collector (Tax Collector) is required by law to conduct a tax sale, and to give notices to parties of interest in the properties to be sold. Parties of interest include lienholders of record and titleholders of record for each property to be sold. The department does not have adequate internal staffing to perform the title search work to discover parties of interest for all the tax-defaulted properties in the County. The Tax Collector conducts a tax sale on average once a year, and it has not been feasible for the department to maintain dedicated staff with the expertise needed to perform this work.

FISCAL IMPACT:

There is no increase in Net County Cost related to this agreement. Sufficient appropriations are included in the FY 2025-26 Org 0410 Adopted Budget to cover the cost related to these services. The actual cost to conduct the title search is recouped by the approved Parties of Interest Search, under the Auditor-Controller/Treasurer-Tax Collector Master Schedule of Fees. Costs for services provided under this agreement will be added to tax-defaulted properties and included in the minimum bid. The cost of this agreement will be completely offset by the proceeds of the tax-defaulted property sale.

DISCUSSION:

Approval of the recommended agreement will allow the Tax Collector to utilize RZ Title Services, Inc. for title searches, ensuring that title holders and lienholders of record receive appropriate notices. A completed tax

sale deprives lienholders and titleholders of property ownership. Specific procedural requirements have been legislated to ensure that lienholders and titleholders are afforded consistent and appropriate opportunities to retain their property interests. Not less than 45 days nor more than 120 days before a proposed sale of tax-defaulted properties, the Tax Collector is required to notify the assessee and any other parties of interest of the Tax Collector's power and intend to sell the property for nonpayment of taxes. All parties of interest reports must be completed sufficiently before the deadline so the County can timely send notices to all parties of interest before conducting a proposed tax sale.

The Tax Collector does not have adequate internal staffing to perform the title searches that are necessary to discover parties of interest for all of the tax-defaulted properties in the County. For many years, the Tax Collector has contracted with a vendor to perform title search services.

The previous contract with Harmony Research, another vendor that provides similar services, expired on January 24, 2026.

Pursuant to Chapter 4 of the County's Purchasing Manual, the County may join other public entities in the collective preparation of specifications and request for quotations or proposals, and in making an award to a bidder in compliance with the requirements of the Purchasing Manual. The recommended Agreement will piggyback off an existing agreement between RZ Title Services, Inc. and the County of Riverside, dated July 11, 2023. The County of Riverside released their Request for Proposal (RFP) No. RIVCO-0000647 on January 24, 2023. A total of 15 potential bidders were sent notification to bid, but only one bid was received from RZ Title Services, Inc. their incumbent provider.

Under this agreement, the fee for each parties of interest report has been adjusted compared to the Riverside agreement from \$220 to \$230 per parcel. This increase reflects the additional costs incurred by the vendor to upgrade their insurance coverage to align with the County's insurance provisions, which require higher coverage limits than Riverside. Aligning the vendor's coverage with the County's standards proactively mitigates potential financial exposure and ensures the County is adequately protected throughout the term of the recommended agreement.

The agreement's initial term expires on May 18, 2029, with an option to extend for two optional one-year extensions. The Tax Collector will monitor to ensure satisfactory contractor performance prior to implementing the renewal option.

REFERENCE MATERIAL:

BAI #19, January 24, 2023

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with RZ Title Services, Inc.

CAO ANALYST:

Paige Benavides