



MEMORANDUM
ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES
County of Placer

TO: Board of Supervisors
FROM: Brett Wood, Purchasing Manager
SUBJECT: Revenue Enhancement Services for Lodging Taxes and Franchise Fees –
MuniServices, LLC

ACTION REQUESTED

Approve the award of competitive Request for Proposals No. 10524 to MuniServices, LLC of Fresno, CA to provide revenue enhancement services in the maximum contract award amount of \$175,000. Funding is provided by the Lake Tahoe Tourism and Promotion Fund to be recommended with the FY 2016-17 Proposed Budget; and

Authorize the Purchasing Manager to sign all required documents.

BACKGROUND

The Administrative Services Department's Revenue Services Division administers the County's Transient Occupancy Tax (TOT) program in accordance with Revenue Taxation Code 7280 and Placer County Code, Article 4.16.

The Revenue Services Division manages approximately 3,900 operators registered to collect and remit transient occupancy taxes on occupancy of overnight lodging within the unincorporated areas of Placer County. TOT taxes collected and remitted during fiscal year 2015 was \$13,872,076. TOT taxes paid by visitors help fund initiatives that benefit the County as a whole including public safety, transportation, libraries, public parks, infrastructure improvements, and historical and environmental preservation projects.

To ensure compliance with the TOT program, the Administrative Services Department (Department) will periodically enlist the assistance of the Auditor-Controller's Office Internal Audit Division to inspect operators' records. Unfortunately, due to the large quantity of operators and resources necessary to perform thorough inspections on a more frequent basis, the Internal Audit Division is not adequately staffed to support the increased workload attributed for additional field inspections and desk audits.

To meet the increasing need to conduct more frequent inspections of records, the Department enlisted the assistance of the Procurement Services Division to develop Request for Proposals (RFP) No. 10524 to identify qualified consulting firms able to provide revenue enhancement services in support of the TOT and Franchise Fees programs.

Nine (9) firms were notified of the RFP, four (4) firms accessed the documents and a sole response was submitted by MuniServices, LLC. An evaluation panel comprised of representatives from the Administrative Services Department, Auditor-Controller's Office, and County Executive Office reviewed the response in accordance with the evaluation criteria contained within the RFP. As a result of their review, the evaluation panel determined that MuniServices, LLC is qualified to effectively and efficiently perform the responsibilities defined within the RFP including TOT discovery, analysis and compliance reviews, vacation rental discovery services and franchise fee compliance review services.

Staff has negotiated a mutually agreeable contract that supports the Department's objectives for meeting the RFP requirements and retaining a qualified consulting firm for revenue enhancement services. No bid protests were received regarding the award recommendation.

Therefore, your Board's approval is required to proceed with the award and contract execution in the maximum amount of \$175,000.

FISCAL IMPACT

Funding for the requested revenue enhancement services in the maximum amount of \$175,000 is budgeted within the Lake Tahoe Tourism and Promotions Fund to be recommended with the FY 2016-17 Proposed Budget and would be offset by new revenues generated through the auditing process.

cc: Andrew Sisk, Auditor-Controller
Andy Heath, Assistant County Executive Officer
Jerry Gamez, Director of Administrative Services