

CONTRACT TO PROVIDE SERVICES
RELATIVE TO HOTEL-MOTEL TAX OPERATION AND COMPLIANCE ENHANCEMENT
PROGRAM
BETWEEN
THE GEORGIA MUNICIPAL ASSOCIATION
AND
THE CITY OF

This Contract is entered into this _____ day of _____, _____, by and between the Georgia Municipal Association (hereinafter referred to as "GMA") and the City of _____, a municipal corporation organized under the laws of the State of Georgia (hereinafter referred to as "CITY").

WHEREAS, the CITY receives revenues from Hotel-Motel Taxes; and,

WHEREAS, GMA presently offers certain services to its member municipalities by way of a contractual arrangement with Tax Revenue.US, a Texas limited liability company d/b/a The Resource Professionals Group (hereinafter referred to as "TRGP"), which services are designed to assist cities in recovering revenue to which they are entitled from Hotel-Motel Taxes; and

WHEREAS, the CITY desires to utilize said services to ensure payment of amounts due for Hotel-Motel Taxes from companies conducting business within the CITY.

NOW THEREFORE, the CITY and GMA hereto mutually agree as follows:

EMPLOYMENT OF GMA.

The CITY agrees to engage GMA and GMA hereby agrees to perform the services as outlined herein. The CITY acknowledges and agrees that GMA has contracted with TRGP to administer certain of GMA's obligations under this Agreement. The CITY hereby agrees that GMA may utilize TRGP to perform some or all of its obligations under this Agreement. When referring to the services to be provided herein, the term "GMA" shall include GMA and its agents, subcontractors, officers, and employees.

1.SCOPE OF SERVICES.

GMA shall perform the following services:

- Communicate with CITY's designated staff to review service objectives, scope and schedule of work, public relations and logistical matters. GMA will also establish an appropriate liaison with the CITY

and establish logical checkpoints for reviewing progress.

- Review applicable provisions of the CITY's municipal code and ordinances adopted by the CITY.
- Examine records pertaining to hotel-motel taxes to ensure accuracy and to identify errors or omissions that may result in deficient payment to the CITY.
- For each error or omission identified and confirmed, submit substantiating documentation to designated CITY staff in order to facilitate recovery of revenues due to the CITY.
- Meet with designated CITY official(s) as necessary to review findings and recommendations.

Specifically, for hotel-motel tax operation reviews, GMA shall:

Provide a HOTEL-MOTEL TAX Program consisting of Operation and Compliance Enhancement Review services (Operation/Enhancement Service), Lodging Provider Audit services (Compliance Enhancement Service) and Seminar services. The City may elect to only receive the Compliance Services. Field Audit services can only be performed after completion of the Compliance Services and must be requested by City, including distributing required documents to lodging providers, no more than ninety (90) days after completion of the Compliance Services unless there is mutual agreement as to any further delay.

The HOTEL-MOTEL TAX Program includes the following services at the option of the City:

COMPLIANCE ENHANCEMENT SERVICE:

- Obtain and analyze lodging provider return information in the possession of the City for the immediately prior three year period;
- Review applicable provisions of the City's municipal code and ordinances, process, and procedures to identify potential areas for improved compliance and efficacy (this shall not be treated by either party as or construed to be legal advice);
- Perform discovery services designed to identify and locate lodging providers not properly registered with the City and not appearing on the City rolls as Hotel-Motel Tax remitters;
- Analyze lodging provider return information from the past three years in order to identify unusual or suspicious reporting and/or activities that warrant further review;

- Provide a report to the City identifying lodging properties recommended for additional investigation or review to determine their compliance with the City's Hotel-Motel Tax ordinance;
- Provide up to ten (10) hours of additional consulting time to assist the City in evaluating or implementing of the proposed actions suggested by the above report. Additional consulting services beyond ten (10) hours may be provided at an additional charge on a time and materials basis at a rate of \$125 per hour plus any pre-approved expenses.

FIELD AUDIT SERVICES

- Working with the designated City staff, develop a list of lodging properties to be subject to a field review of lodging and tax records;
- Provide City staff with a list of records required to be made available by lodging providers for the reviews, together with a draft engagement announcement letter to be sent to each lodging provider;
- In coordination with City staff, schedule and conduct reviews at each property location to examine records pertaining to Hotel-Motel Tax;
- Conduct on-site collection of information on each property, including number of rooms, occupancy rate, property's condition, and business dynamics;
- Conduct analysis of tax return data for each lodging provider;
- Verify accuracy of filed Hotel-Motel Tax returns with daily and monthly activity summaries;
- Review a random sample of daily and monthly summaries to determine if the daily summaries reconcile to the monthly summaries;
- Review bank statements to verify that deposits reconcile with the reported revenue on the Hotel-Motel Tax returns';
- Review exempted revenue for proper qualifying documentation;
- Review a random sample of exempted guest revenue and trace registration and/or other source documents to verify compliance with the City ordinance;
- Where possible, compare the state and federal tax filings with the Hotel-Motel Tax returns;
- For each error/omission identified and confirmed, submit substantiating documentation to designated City staff in order to facilitate recovery of revenue due from lodging providers for prior periods;
- Coordinate with designated City official(s) as necessary to review findings and recommendations;

- Provide assistance to City in reviewing matters submitted in extenuation and mitigation by lodging providers in contesting a deficiency determination.
- Prepare and document changes to the review findings and provide revised tax, interest or penalty amounts due the City.

SEMINAR SERVICES

The seminar provides a forum for the dissemination and discussion of information intended to enhance the collection and administration of the City's Hotel-Motel Tax ordinance. The seminar entails two components:

- Conduct a seminar session with City staff to present and discuss issues pertaining to HOTEL/MOTEL administration. Key topics for normal city staff sessions include applicable state and federal law, return analysis, deficiency determination techniques and collections. City may add select topics of City concern to be reviewed at this session;
- Conduct a seminar session for local lodging providers to disseminate information intended to further the providers' understanding of their duties and responsibilities under the City's HOTEL/MOTEL ordinance, their responsibilities for collections and record keeping, and to address any points requiring clarification in the lodging providers' application of the City's HOTEL/MOTEL ordinance;

City staff shall be encouraged to attend both seminar sessions so as to become familiar with the issues and concerns facing local lodging providers and to interact directly with the lodging providers.

2. TIME OF PERFORMANCE.

The services to be performed hereunder by GMA shall be undertaken and completed in such sequence as to ensure their expeditious completion and best carry out the purposes of the agreement. The project will be started within 15 days after notice to proceed and GMA's receipt of a signed contract from the CITY. The compliance review report(s) shall be delivered within 90 business days after the receipt of necessary data to complete the compliance review, except for exigencies beyond the control of GMA.

3. COMPENSATION.

For Hotel-Motel Audits the CITY agrees to pay GMA on the following basis. (initial which service(s) the city requires):

COMPLIANCE SERVICES

Initial Here _____

GMA shall provide the Compliance Services for a fixed fee of five hundred dollars (\$500) per lodging property located in the City limits. Payment in the amount of one-half of the total contract amount is due prior to work commencing. Upon receipt of the final report, the CITY will be billed the remaining one-half which will be due within 30 days.

4. FIELD AUDIT SERVICES

Initial Here _____

GMA shall provide the Field Audit Services for a fixed fee of five hundred dollars (\$500) per lodging property to be examined. Field Audit Services require that a minimum of three (3) lodging properties be subject to review in accordance with this Agreement. Payment in the amount of one-half of the total contract is due prior to work commencing. Upon receipt of the final report, the CITY will be billed the remaining one-half which will be due within 30 days. If the City desires that less than three (3) lodging properties be subject to Field Audit Services, the City shall be billed at the rate of one-hundred and twenty five dollars (\$125) per hour, plus additional expenses upon completion of the final report.

SEMINAR SERVICES

Initial Here _____

GMA shall provide the Seminar Services for a fixed fee of one thousand dollars (\$1,000). The Fixed Fee shall be invoiced upon completion of the seminar and shall be payable within 30 days. Additional services, including multiple seminars, requested by the City shall be billed at the rate of one-hundred and twenty five dollars (\$125) per hour, plus pre-approved expenses.

5. CHANGES.

The CITY may from time to time request changes in the scope of the services to be performed hereunder. Such changes which are mutually agreed upon by and between the CITY and GMA shall be incorporated in written amendment to this agreement, subject to any approval which may be required by third parties with whom GMA may have contracted to perform its obligations hereunder. Services performed pursuant to a written amendment shall be billed as outlined in such written agreement.

6. PRINCIPAL-AGENT.

The CITY authorizes GMA to act as its agent for the purpose of performing its obligations under this Agreement. No other principal-agent relationship between the parties is created by this contract. GMA and its agents, subcontractors, officers and employees, shall have the authority to do all things necessary and appropriate to carry out GMA's obligations under this Agreement. No agent, subcontractor, officer, or employee of GMA will be considered an employee or officer of the CITY for any purpose and no agent, subcontractor, officer or employee of GMA is entitled to any of the benefits and privileges of a CITY employee or officer under any provision of the statutes of State of Georgia and/or ordinances of the CITY.

7. SERVICES AND MATERIALS TO BE FURNISHED BY THE CITY.

The CITY shall furnish GMA with all available necessary information, data, and material pertinent to the performance of this agreement in a timely manner. The CITY shall also provide adequate CITY office space, staff, and facilities necessary to the performance of this Agreement, including desks, chairs, and telecommunication equipment. The _____ or his/her designee shall serve as the CITY's representative for liaison with GMA.

8. TERMINATION OF AGREEMENT.

The Agreement shall terminate absolutely and without further obligation on the part of the CITY at the close of the calendar year in which it is executed and at the close of each succeeding calendar year for which it may be renewed. The total obligation of the CITY for the calendar year of execution and in each calendar year renewal term, if renewed, shall be determined by the services utilized by CITY as the purchaser of such services pursuant to Section 2. The Agreement shall obligate the CITY only for those sums payable during the calendar year of execution or for those sums payable in the individual calendar year renewal term. Title to any supplies, materials, equipment or other personal property of GMA or its subcontractors shall remain in GMA or its subcontractors.

Both the CITY and GMA shall have the right to terminate this agreement by giving at least 30 days prior written notice of such termination to the other party and specifying the effective date thereof. GMA shall be entitled to payment for services rendered to the CITY, including any out-of-pocket expenses incurred through the effective date of termination.

9. INDEMNIFICATION.

Each party shall be responsible for its own acts and neither party will be responsible for any damages, costs, fees and expenses which arise out of

the performance of this Agreement and which are due to the other party's own negligence, tortious acts or other unlawful conduct or the negligence, tortious acts or other unlawful conduct of the other party's respective agents, subcontractors, officers, and employees. For this purpose, neither GMA nor the CITY shall be deemed an agent of the other.

10. LIMITATION OF LIABILITY.

The CITY agrees that the aggregate limit of liability of GMA and its subcontractor TRGP hereunder (whether contractual, statutory, in tort or otherwise) for damages on any one or more or all claims (regardless of the number of different or other claims, claimants or occurrences) shall not exceed the professional fees paid under this contract. The CITY agrees that GMA and its subcontractor TRGP shall not be liable to CITY for any indirect, incidental, special or consequential damages, any lost profits or any claim or demand against CITY by any other party, arising out of or in connection with the performance of services hereunder.

11. MATTERS TO BE DISREGARDED.

The titles of the several sections, subsections, and paragraphs set forth in this contract are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this contract.

12. COMPLETENESS OF CONTRACT.

This contract and any additional or supplementary document or documents incorporated herein by specific reference contain all the terms and conditions agreed upon by the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this contract or any part thereof shall have any validity or bind any of the parties hereto.

13. VENUE.

This agreement shall be governed by and construed in accordance with the laws of the State of Georgia.

14. NOTICES.

Any notices, bills, invoices, payments or reports required by this Agreement shall be sent by the parties via United States mail, postage prepaid. If to GMA they shall be addressed to the Executive Director, Georgia Municipal

Association, PO Box 105377, Atlanta, Georgia 30348. If to the CITY they shall be addressed to the Mayor of the CITY at the CITY's official address.

15. CONSULTING SERVICES

None of the services provided pursuant to this agreement shall be regarded or treated as the practice of law or as legal advice.

16. GEORGIA SECURITY AND IMMIGRATION COMPLIANCE ACT

GMA attests compliance with the requirements of O.C.G.A. §13-10-91 and Rule 300-10-1-.02 by the execution of the contractor affidavit attached as Appendix A as shown in Rule 300-10-1-.07, or a substantially similar contractor affidavit, which document is attached to and made a part of this contract as Exhibit A.

GMA agrees that, in the event GMA employs or contracts with any subcontractor(s) in connection with the covered contract, GMA will secure from such subcontractor(s) attestation of the subcontractor's compliance with O.C.G.A. 13-10-91 and Rule 300-10-1-.02 by the subcontractor's execution of the subcontractor affidavit shown in Rule 300-10-1-.08 or a substantially similar subcontractor affidavit, and maintain records of such attestation for inspection by the City at any time.

IN WITNESS WHEREOF, the CITY and GMA have executed this agreement as of the date first written above.

ATTEST:

CITY OF

City Clerk

By: _____

Mayor

APPROVED AS TO FORM:

GEORGIA MUNICIPAL ASSOCIATION

City Attorney

By: _____

Executive Director

EXHIBIT A

CONTRACTOR AFFIDAVIT AND AGREEMENT

By executing this affidavit, the undersigned contractor verifies its compliance with O.C.G.A. §13-10-91, stating affirmatively that the individual, firm, or corporation which is contracting with the City of _____ has registered with and is participating in a federal work authorization program [any of the electronic verification of work authorization programs operated by the United States Department of Homeland Security or any equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, pursuant to the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603], in accordance with the applicability provisions and deadlines established in O.C.G.A. §13-10-91.

The undersigned further agrees that, should it employ or contract with any subcontractor(s) in connection with the physical performance of services pursuant to this contract with the City of _____, contractor will secure from such subcontractor(s) similar verification of compliance with O.C.G.A. §13-10-91 on the Subcontractor Affidavit provided in Rule 300-10-01-.08 or a substantially similar form. Contractor further agrees to maintain records of such compliance and provide a copy of each such verification to the City of _____ at the time the subcontractor(s) is retained to perform such service.

EEV / Basic Pilot Program User Identification
Number: 69371

BY: Authorized Officer or Agent of GMA:

Title of Authorized Officer or Agent of
GMA: _____

Printed Name of Authorized Officer or
Agent: _____

Date: _____

SUBSCRIBED AND SWORN
BEFORE ME ON THIS THE
____ DAY OF _____, 201__

Notary Public: _____
Print Name: _____

SEAL
My Commission Expires: _____

