

RESOLUTION NUMBER R- 304740

DATE OF FINAL PASSAGE APR 01 2009

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO TO APPROVE AN AGREEMENT BETWEEN THE CITY OF SAN DIEGO AND MUNISERVICES LLC FOR REVENUE ENHANCEMENT AND INFORMATION SERVICES

WHEREAS, the City Council of the City of San Diego [City] deems it desirable and necessary for authorized representatives of the City to examine confidential sales and use tax records of the State Board of Equalization [Board] pertaining to sales and use taxes collected by the Board for the City; and

WHEREAS, Section 7056 of the California Revenue and Taxation Code sets forth certain requirements and conditions for the disclosure of Board records; and establishes criminal penalties for the unlawful disclosure of information contained in, or derived from, the sales and use tax records of the Board; and

WHEREAS, the City issued a Revenue Enhancement and Information Services Request for Proposal dated October 9, 2008 [RFP]; and

WHEREAS, MuniServices LLC [MuniServices] submitted a bid in response to the City's RFP and was selected to provide revenue enhancement and information services for two (2) years with an option to renew for three (3) additional one (1) year periods; and

WHEREAS, the terms of the agreement between the City and MuniServices are expressed in the RFP, MuniServices' submitted proposal dated October 21, 2008, and a Best and Final Offer dated January 15, 2009, [collectively, the Agreement]; and

WHEREAS, the current agreement for revenue enhancement and information services terminates in March of 2009; and

WHEREAS, the City shall compensate MuniServices based solely on a portion of the new revenues realized by the City as a result of MuniServices' services as specified in the Agreement, which is self-funded and does not create an expenditure impact on the City's budget; and

WHEREAS, the activity is exempt from California Environmental Quality Act pursuant to CEQA guidelines section 15060(c)(2); NOW, THEREFORE,

BE IT RESOLVED by the City Council of the City of San Diego, as follows:

Section 1. That the foregoing recitals are true and correct.

Section 2. That the Mayor, the Chief Operating Officer or the Chief Financial Officer, or other officer, employee, retained consultant or representative of the City designated in writing by the City to the Board [City's Authorized Representative], is hereby appointed to represent the City with authority to examine sales and use tax records of the Board pertaining to sales and use taxes collected for the City by the Board.

Section 3. That the City's Authorized Representative shall examine those sales and use tax records of the Board, for purposes related to the following governmental functions of the City:

- a. Detect, document and assist in correcting the sales and use tax reporting errors of businesses that, based on the location of their activities, are not properly registered with the City;

- b. Detect, document and assist in correcting the reporting of businesses that are improperly reporting sales tax as use tax, resulting in a reduction of sales tax revenue for the City;
- c. Detect, document and assist in correcting sales and use tax reporting errors or omissions and thereby generate previously unrealized revenue for the City;
- d. Provide the City with business-to-business use tax monitoring; and
- e. Provide Geo-coding in order to allow City staff to complete analyses of specific geographic areas by type and economic activity.

The information obtained by examination of Board records shall be used only for those governmental functions of the City listed above.

Section 4. That MuniServices is hereby designated the City's Authorized Representative in order to examine the sales and use tax records of the Board pertaining to sales and use taxes collected for the City by the Board. MuniServices shall meet the following conditions:

- a. has an existing agreement with the City to examine those sales and use tax records;
- b. is required by that agreement to disclose information contained in, or derived from, those sales and use tax records only to the officer or employee authorized under Section 1 of this resolution to examine the information;
- c. is prohibited by that agreement from performing consulting services for a retailer during the term of that agreement; and

- d. is prohibited by that agreement from retaining the information contained in, or derived from those sales and use tax records, after that agreement has expired.

The information obtained by examination of Board records shall be used only for purposes related to the collection of City sales and use taxes by the Board for purposes relating to the governmental functions of the City listed in section 2 resolution.

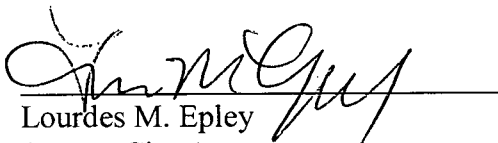
Section 5. This resolution supersedes all prior resolutions of the City Council of the City of San Diego adopted pursuant to Section 7056, subdivision (b) of the Revenue and Taxation Code.

Section 6. That the Mayor, the Chief Operating Officer or the Chief Financial Officer, in consultation with the City Attorney, is hereby authorized and directed to cause to be executed the Agreement with MuniServices for revenue enhancement and information services under the terms and conditions set forth in the aforementioned Agreement, which is on file in the Office of the City Clerk as Document No. RR- 304740.

Section 7. Effective Date. This Resolution shall take effect immediately upon its adoption.

APPROVED: JAN I. GOLDSMITH, City Attorney

By


Lourdes M. Epley
Deputy City Attorney

LME:jdf
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I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 24 2009.

ELIZABETH S. MALAND
City Clerk

By Jana Richards
Deputy City Clerk

Approved: 4-1-09
(date)

JSL
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor