

Tab J

ARTICLE IV. - RENTAL HOUSING INSPECTION AND LICENSING PROGRAM

Sec. 7-50. - Definitions.

As used in this article, the following terms shall have the meanings indicated:

Code violations. Violations of any applicable federal, state or local statute, ordinance or regulation, including but not limited to the Code of Virginia (1950) as amended, the Uniform Statewide Building Code, the Colonial Beach Code of Ordinances and the Colonial Beach Zoning Ordinance.

Person. An individual, group of individuals, partnership, joint venture, corporation, association and any other entity, however named or called.

Rental housing unit. Any space in any building which, for a consideration, is made available by any person to another for dwelling purposes. A rental housing unit shall not include space in any building operated as a hotel, motel, bed and breakfast, tourist home, or rooming house in accordance with the provisions of the Colonial Beach Zoning Ordinance.

(Ord. No. 466)

Sec. 7-51. - Purpose.

The purpose of this article is to assure compliance with all laws, ordinances and regulations applicable to rental housing units within the corporate limits of the town. It is further the purpose of this article to promote the health, safety and welfare of the residents of the town by ensuring safe, healthy and habitable housing conditions in rental housing units, to prevent deterioration of rental housing units and to encourage responsible management, maintenance and use of rental housing units through the inspection of these units.

(Ord. No. 466)

Sec. 7-52. - Enforcement.

The town may initiate proceedings in the circuit court for Westmoreland County or any other court of competent jurisdiction to enforce the provisions of this article.

(Ord. No. 466)

Sec. 7-53. - License required.

Any person renting for habitation any rental housing unit shall obtain a rental license. The holder of a license shall be the owner of the rental housing unit. Application for a rental license shall be on forms prescribed by the town. If applicable, all owners shall certify to the town the name, address and telephone number of an agent qualified to accept notice and authorize repairs on behalf of the owner. The application shall contain a consent to inspection for building code violations during reasonable hours for the entire term of the license.

(Ord. No. 466)

Sec. 7-54. - Review of license application.

The town clerk shall receive all applications and coordinate a review process involving the building official, zoning administrator, fire marshall and other appropriate local or state agencies. All rental

licenses shall be issued or denied within fourteen (14) days of the receipt of an application. A denial shall be in writing, setting forth the code violation(s) and reason(s) for such denial. The issuance of a license is not to be construed as proof or acknowledgment that the subject property complies with codes.

(Ord. No. 466)

Sec. 7-55. - Inspection of rental housing units.

- (a) An inspection of the property for which application has been made may be conducted by the building official prior to the issuance of a license upon recommendation of any reviewing agency. If an inspection indicates that a rental facility is not in compliance with all applicable laws, the license application may be denied until the violation(s) are abated.
- (b) The building official upon recommendation of any appropriate local or state agency or official, shall cause the inspection of a rental housing unit when there exists the belief that a property is not in compliance with all applicable laws. Inspection procedures as set forth in the Uniform Statewide Building Code shall be followed. Refusal to permit an inspection shall be grounds for immediate revocation of the rental license. If an inspection indicates that a rental housing unit is not in compliance with all applicable laws and codes, the license may be subject to revocation or other remedial action as determined by the building official. A license may be revoked or suspended if the landlord, after ten days' written notice, fails to eliminate or initiate bona fide efforts to eliminate code violations. Revocation or suspension of a license shall be in addition to and not substitution for such other penalties as may be provided for in other laws or ordinances.
- (c) Any inspection performed under the authority of this section shall be conducted at reasonable times and upon reasonable notice.
- (d) Inspections shall be conducted in accordance with the Uniform Statewide Building Code under which, as a general rule, structures, additions, or alterations thereto must comply with the Building Code in effect at the time the structure, addition, or alteration was constructed, subject to the minimum building regulations for existing buildings to ensure the protection of public health, safety and welfare.

(Ord. No. 466)

Sec. 7-56. - Mandatory penalty for over-occupancy.

If an inspection indicates that a rental housing unit is not in compliance with the maximum occupancy as determined by the Property Maintenance Code as incorporated by the Uniform Statewide Building Code, the building official shall charge the owner of said rental housing unit with a violation of § 36.106 of the Code of Virginia (1950) as amended.

(Ord. No. 466)

State Law reference— Section 36-106 of the Code of Virginia provides that violations of the Building Code are a misdemeanor punishable with fines up to twenty-five hundred dollars (\$2,500.00). However, there is a minimum fine for subsequent convictions, eventually reaching a minimum fine of fifteen hundred dollars (\$1,500.00) for the third conviction within ten (10) years.

Sec. 7-57. - Term of license; fee

Licenses shall be issued for a term of one year subject to payment of a license fee to help defray the costs of administrating the rental housing licensing procedures. The yearly license fee shall be twenty-five

dollars (\$25.00) for the first rental housing unit owned plus five dollars (\$5.00) for each additional rental housing unit hereafter.

(Ord. No. 466)

Sec. 7-58. - Display of license.

A copy of the license shall be kept on the premises and made available for review during the entire period it is effective. The maximum occupancy as determined by the Property Maintenance Code as incorporated by the Uniform Statewide Building Code shall be stated on the face of the license.

(Ord. No. 466)

Sec. 7-59. - Transfer of license.

Licenses issued hereunder shall not be transferable, and subsequent title holders of a rental housing unit shall be required to obtain a separate license. The continued rental by the subsequent owner without a new license shall be deemed to be a consent to the terms and conditions hereunder, including the consent to inspection.

(Ord. No. 466)

Sec. 7-60. - Violations of article generally.

It shall be unlawful for any person to violate any of the provisions of this article. Unless otherwise provided, any such violation shall constitute a class 4 misdemeanor. Any day any such violation shall continue shall constitute a separate offense.

(Ord. No. 466)

Tab K

E

The Law Office of
Andrea G. Erard

TO: The Honorable Mayor of the Town of Colonial Beach
The Honorable Members of the Colonial Beach Town Council

FROM: Andrea G. Erard, Town Attorney

RE: New Pier Construction at 729 Irving Avenue

DATE: July 6, 2018

The Town Manager has asked whether the new pier that is being constructed at 729 Irving Avenue in accordance with applicable laws.

I have asked the Department of Planning to send me all documents related to the pier at 729 Irving. Based on my review of the documents, it appears that all proper procedures have been followed. The property owners obtained permission to use the town property through a License Agreement dated February 27, 2018 and it is valid for one year. They have submitted a pier application, received a zoning permit as well as a building permit and they have obtained the necessary approvals from VMRC. All applicable fees have been paid.

State law does not require that the Town of Colonial Beach adopt a pier ordinance prior to entering into a License Agreement.

Based upon my review of the file, the property owners at 729 Irving Avenue are lawfully constructing a pier.

E

The Law Office of
Andrea G. Erard

TO: The Honorable Mayor of the Town of Colonial Beach
The Honorable Members of the Colonial Beach Town Council
Quinn Robertson, Town Manager

FROM: Andrea G. Erard, Town Attorney

RE: Piers

DATE: July 11, 2018

Enclosed please find a copy of the old pier ordinance. I do not think that a pier ordinance is necessary, although the Town Manager may wish to outline a process for the leasing of piers. That can be done on a staff level. While a pier ordinance is not required, I can certainly prepare one for Council's consideration, just let me know what you would like to include.

To date I have received one application to lease a pier. Council directed me to advertise for approximately ten leases at one time, so I am awaiting additional applications to prepare the advertisement for a public hearing. Any other issues regarding the logistics of inviting citizens to apply for pier leases is a staff function.

ORDINANCE NO. 674 AMENDS THE COLONIAL BEACH TOWN CODE, CHAPTER 5, "BEACHES, WATERWAYS, BOARDWALK, PARKS, RECREATIONAL AREAS AND FACILITIES," BY DELETING ARTICLE II, "CONSTRUCTION AND MAINTENANCE OF PIERS OR WHARVES AND SHORELINE MAINTENANCE AGREEMENTS ON TOWN PROPERTY" IN ITS ENTIRETY.

BE IT ORDAINED by the Colonial Beach Town Council that the Colonial Beach Town Code, Chapter 5, "Beaches, Waterways, Boardwalk, Parks, Recreational Areas and Facilities," shall be amended by deleting Article II, "Construction and Maintenance of Piers or Wharves and Shoreline Maintenance Agreements on Town Property" in its entirety as follows:

~~ARTICLE II. - CONSTRUCTION AND MAINTENANCE OF PIERS OR WHARVES AND SHORELINE MAINTENANCE AGREEMENTS ON TOWN PROPERTY~~

~~DIVISION 1. - GENERALLY~~

~~Sec. 5-21. - Violation of article:~~

~~Any person who violates any provision of this article, shall be guilty of a class 3 misdemeanor:~~

~~Sec. 5-22. - Required:~~

~~In addition to any other permits required by law:~~

- ~~(1) It shall be unlawful for any person to construct or maintain any pier or wharf, which abuts on town property, unless they have a current permit to do so issued by the town.~~
- ~~(2) It shall be unlawful for any person to construct or maintain any rip rap or sea wall, on town property, unless they have a shoreline maintenance agreement.~~

~~DIVISION 2. - PERMITS AND LEASES FOR PIERS ON TOWN OWNED PROPERTY~~

~~Sec. 5-23. - Application:~~

~~(a) Application for a permit required by this article shall be made to the town. Such application, if for the initial construction of a pier or wharf, shall be accompanied by construction plans, drawn or approved by a registered engineer, or any professional customarily employed in design of such plans. The applicant shall agree to construct such pier or wharf in accordance with such plans.~~

~~(b) Persons having a valid town permit issued prior to December 11, 1997, may elect to allow the existing agreement to expire as provided therein or may apply for a new permit under the terms and conditions of this article, at their option. When existing agreements expire, renewal shall be in accordance with the provisions contained in this article.~~

~~(c) The town manager may grant new five-year permits only to owners of property located directly adjacent to the proposed site of the pier. Such property may be separated from the~~

site of the proposed pier by only public property or right-of-way. Other applications may be submitted for consideration by town council.

~~(d) Piers or wharves that are recorded on town records as existing prior to December 11, 1997, shall be exempt from subsection (c) above, and a permit shall be issued or renewed, if they meet all other provisions of this article, except as noted herein. Such preexisting piers or wharves shall also be exempt from [section 5-27](#) unless their existing configuration is modified.~~

Sec. 5-24. -- Applicant's insurance.

~~Prior to issuance of a permit under this article, the applicant shall furnish evidence that they have in full force and effect, a general liability insurance policy, to save the town harmless from any accidents occurring on the pier or wharf. For private piers or wharves, the policy shall be in the minimum amount of three hundred thousand dollars (\$300,000.00). For piers or wharves used for commercial purposes or open to the public, the policy shall be in the minimum amount of five hundred thousand dollars (\$500,000.00). Such policy shall be maintained in full force and effect for the term of any permit issued under this article. The Town of Colonial Beach shall be named as additional insured on the pier or wharf on such policy.~~

Sec. 5-25. -- Applicant's responsibilities.

~~Prior to the issuance of a permit under this article, the applicant shall enter into an agreement with the town as prescribed by the town attorney, embodying the terms and conditions set forth in this article, including:~~

- ~~(1) That the value of the pier or wharf shall be determined by the town treasurer or his agent and its assessed value be included in the assessment of the applicant's property adjacent to the pier or wharf;~~
- ~~(2) That the pier or wharf shall be recorded on the property tax assessment documents of the town or Westmoreland County, should they be acting as the town's authorized agent;~~
- ~~(3) That the applicant shall agree to pay taxes on the value of the pier or wharf as included in the property assessment;~~
- ~~(4) That the applicant agrees to maintain the pier or wharf in a safe condition and remove the pilings from the pier or wharf when the same is abandoned, becomes unsafe or the permit is not renewed as provided in this article.~~

Sec. 5-26. -- Fees.

~~(a) Application fee. An administrative processing and filing fee of fifty dollars (\$50.00) must be paid at the time the five-year, or forty-year application is submitted. If the application is denied, the fee shall be refunded. There shall be no administrative fee for renewal applications.~~

~~(b) Yearly fee. In the case of a five-year pier lease there shall be an annual fee of one hundred dollars (\$100.00) each year the lease remains in effect. This fee shall be adjusted every five (5) years to reflect the cumulative effect of inflation during this period. The adjustment shall be no greater than the increase in the department of labor, consumer price index for this region, or United States Government approved replacement, should it be discontinued.~~

~~(e) Yearly fee. In the case of a five-year pier permit when issued in conjunction with a shoreline maintenance agreement there shall be no annual permit fee each year the lease and the shoreline maintenance agreement remain in effect.~~

~~Sec. 5-27. -- Issuance.~~

~~The permit required by this article shall only be issued by the town when the applicant complies with the provisions of this article including the requirements listed herein:~~

- ~~(1) That new piers or wharves must be perpendicular to the land to which they are attached and piers or wharves cannot cross the applicant's property line as extended perpendicularly from the applicant's property boundary lines.~~
- ~~(2) That piers or wharves shall not be over one hundred (100) feet long unless authorized by resolution of town council as an exception to policy because of special circumstances which require different footage.~~
- ~~(3) That outer spring line pilings shall not be more than twenty (20) feet from the pier or wharf decking.~~
- ~~(4) That piers shall not be more than ten (10) feet wide and wharves more than twelve (12) feet wide, unless otherwise authorized by resolution of town council.~~
- ~~(5) That the center of the proposed pier or wharf shall be at least one hundred (100) feet from the center of adjacent piers or wharves unless otherwise authorized by resolution of town council.~~
- ~~(6) That pier or wharf owners must agree to maintain the landscape of the town property surrounding the pier or wharf, and across from the property boundaries as identified in subsection (1) above. This includes maintenance of the grass, removal of weeds and maintaining this area in an orderly manner.~~
- ~~(7) That construction of the pier or wharf must be completed within twelve (12) months of the date the permit was issued or the permit becomes invalid.~~
- ~~(8) That pier or wharf permits are issued to an individual in accordance with [section 5-28](#) and are considered a part of the property across from the pier or wharf's location per [section 5-25](#) and cannot be transferred except with the sale of the property, with the exception of piers and wharves that have been previously recorded on town records as not located directly across from the permit holder or applicant's property.~~

~~Sec. 5-28. -- Permits.~~

~~Five-year permit: A permit issued under this article shall expire in five (5) years from the date of issue. No such permit shall be issued or renewed unless:~~

- ~~(1) The applicant pays the prescribed fee(s) and complies with all the terms and conditions of this article, including but not limited to [section 5-24](#), [section 5-25](#) and [section 5-27](#).~~
- ~~(2) Upon inspection, the town building inspector determines that the pier or wharf is safe for use.~~

~~The town treasurer or his agent, shall send a permit renewal notice to permit holders not less than thirty (30) days before permit expiration and shall receive the permit renewal applications.~~

~~Sec. 5-29. -- Effect of failure to renew or comply with this article.~~

~~(a) In the event the applicant fails to comply with the terms and conditions of this article, the town manager or his agent, shall send the applicant written notice explaining the nature of the violation or noncompliance. The applicant shall be given thirty (30) days to submit a written plan to comply with the article and not more than six (6) months to comply with the article. Extensions of these limits may be approved by town council resolution in event of special circumstances. In the event a safety condition exists, the applicant shall be required to take immediate action to eliminate the safety hazard or the town shall take action at the applicant's risk and expense. The town attorney shall advise the town manager on how to proceed based on the circumstances and situation.~~

~~(b) In event the applicant fails to comply with [section 5-29\(a\)](#), the town shall notify the applicant of the termination of the permit. The applicant shall be required to remove the pier or wharf and all pilings within sixty (60) days of the effective date of the termination. The town building inspector shall make a final inspection to determine if the pier or wharf and all pilings have been removed. Anything remaining shall be removed in accordance with [section 5-25](#) at the owner's risk and expense.~~

~~(c) If the applicant does not intend to renew a permit, the pier or wharf and its pilings are subject to [section 5-29\(b\)](#), starting at the date the existing permit expires.~~

~~Sec. 5-30. -- Reserved.~~

~~DIVISION 3. -- SHORELINE MAINTENANCE AGREEMENTS FOR TOWN OWNED PROPERTY~~

~~Sec. 5-31. -- Purpose.~~

~~This article is intended to develop a method of protecting the town's shoreline property from erosion at no expense to the town without withdrawing the rights of town citizens who currently enjoy and use the water front for recreational purposes.~~

~~Sec. 5-32. -- Application.~~

~~Town owned property along the shoreline in sections corresponding to existing property lines of private property that are immediately across from and adjacent to such property shall be eligible for a shoreline maintenance agreement. The town or any interest party may from time to time identify property which may be subject to a shoreline maintenance agreement. Such identification shall be made in the form of a formal application. After verification of the eligibility of the subject property, the town manager shall cause these easement agreements to be placed out to public bid for a forty-year term with the following terms and conditions:~~

- ~~(1) The successful bidder must agree to rip rap or construct another type of approved sea wall to the town's reasonable specifications, along the entire length of the property, including up to ten (10) feet over each end, if necessary, to tie it into the bank. For any eligible property bordering on the body of water known as Monroe Bay the successful bidder must construct the rip rap or sea wall in such a manner that it extends to the top of the bank. For any other eligible property the successful bidder is encouraged to construct the rip rap or sea wall in such a manner that it extends to the top of the bank.~~

- ~~(2) The successful bidder must agree to maintain the rip rap or sea wall during the entire forty-year term of the agreement. This includes maintenance of the property, cutting the grass, care of trees, removal of weeds and keeping the area clean of debris and litter.~~
- ~~(3) The successful bidder must acknowledge that any existing piers, wharves or structures are exempt from this agreement as pre-existing structures. They shall be governed by the town pier ordinance or other town ordinances and are private property. However the owners of the structures shall be allowed to repair them and shall not be denied water, electricity or such other reasonable improvements to make the pier, wharf or structure function to its intended purpose.~~
- ~~(4) The successful bidder shall acknowledge that the property subject to the shoreline maintenance shall continue to be open to the public for all to enjoy the shoreline, as it is now, with exception of the privately owned piers, wharves or structures, and the bidder's only right shall be to maintain the property in return for the promise made by the town in the agreement.~~
- ~~(5) The town shall agree, in return for the successful bidder's pledge to use their funds and resources:
 - ~~a. To not sell or lease the property;~~
 - ~~b. To allow ingress and egress to the rip rap or sea wall to permit construction and/or repairs in accordance with the agreement; and~~
 - ~~c. To not allow any structures to be built on the easement with the exception that preexisting piers, wharves or structures are exempt from this requirement and shall be allowed to remain or to be expanded. Should the piers, wharves or structures be removed by the owner, such cannot be replaced, not even by the holder of the agreement. Nothing in this provision shall be construed to prohibit the owner of a pier or wharf which existed prior to the commencement of the shoreline maintenance agreement from maintaining, repairing or replacing such pier.~~~~
- ~~(6) The town shall:
 - ~~a. Assist the successful bidder in obtaining permits, access; and~~
 - ~~b. Cooperate with the successful bidder to initially rip rap or sea wall the shoreline; and~~
 - ~~c. Allow the successful bidder to maintain the shoreline over the term of the forty-year agreement.~~~~
- ~~(7) The town shall agree to allow the holder of the agreement, or estate to subjugate or transfer the agreement to other individuals to fulfill its terms and conditions should they move or sell their property.~~
- ~~(8) The successful bidder shall acknowledge that the work performed becomes the property of the town upon the completion and acceptance of such work by the town. Work shall be inspected and accepted for the town by the town building inspector.~~
- ~~(9) The successful bidder shall submit plans for the initial construction of the new, or maintenance of the existing, rip rap or sea wall, drawn or approved by a registered engineer, or any professional customarily employed in design of such plans. The successful bidder shall agree to comply with such plans during construction and/or maintenance.~~
- ~~(10) A successful bidder with an existing, approved rip rap or sea wall, shall be granted a shoreline maintenance agreement as long as they meet the terms and conditions of this article.~~

Sec. 5-33. -- Successful bidder's insurance.

~~Prior to the commencement of work under this article, the successful bidder shall furnish evidence that they or the contractor performing the work, have in full force and effect, a general liability insurance policy, to save the town harmless from any accidents occurring during construction or maintenance. The policy shall be in the minimum amount of three hundred thousand dollars (\$300,000.00). For easements used for commercial purposes or open to the public, the policy shall be in the minimum amount of five hundred thousand dollars (\$500,000.00). Such policy shall be maintained in full force and effect for the term of the period of construction and the Town of Colonial Beach shall be named as an additional insured on such policy.~~

~~**Sec. 5-34. -- Successful bidder's responsibilities:**~~

~~The successful bidder shall be responsible for the maintenance of the rip rap or sea wall at their expense and if the area becomes unsafe or is not maintained and erosion is evident, the agreement shall be subject to termination in accordance with the provisions of this article.~~

~~**Sec. 5-35. -- Expiration:**~~

~~An agreement issued under this article shall expire on its anniversary date, forty (40) years from its date of issue.~~

~~**Sec. 5-36. -- Effect of failure to comply with terms and conditions of this article:**~~

~~(a) In event the successful bidder fails to comply with the terms and conditions of this article, the town manager or his agent, shall send the successful bidder written notice explaining the violation or nature of the noncompliance. The successful bidder shall be given thirty (30) days to submit a written plan to comply with the article and not more than six (6) months to comply with the article. Extensions of these limits may be approved by town council resolution in the event of special circumstances. In event a safety condition exists, the successful bidder shall be required to take immediate action to eliminate the safety hazard or the town shall take action at the successful bidder's risk and expense. The town attorney shall advise the town manager on how to proceed based on the circumstances and situation.~~

~~(b) In the event the successful bidder fails to comply with subsection (a) above, the town shall notify the successful bidder of the termination of the agreement.~~

~~**Secs. 5-37 -- 5-39. -- Reserved."**~~

THIS IS TO CERTIFY THIS IS A TRUE COPY OF AN ORIGINAL ORDINANCE,
adopted by the Town Council at a Regular Meeting of Council held Thursday, April 14, 2016
at the Colonial Beach Town Center, with a quorum of Council being present.

Kathleen Flanagan, Town Clerk

Upon motion made by Mr. Blunt and seconded by Mr. Lyburn, Ordinance No. 674, as written, passed with a 6-0 vote, with one abstention by Mr. DiRosario.

Tab L



Proposal for License & Tax Compliance Services



Town of Colonial Beach, Virginia

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07.06.2018

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Transmittal Letter

July 06, 2018

Quinn Robertson
Town Manager
315 Douglas Avenue
Colonial beach, VA 22443

RE: Proposal for License and Tax Compliance

Dear Mr. Robertson:

Thank you for your interest in Avenu's (formerly MuniServices) Business Tax and License Compliance Services. We appreciate your engagement and willingness to develop a pilot of our services in VA and offer the attached proposal inclusive of our discounted rate which reflects our partnership in this joint pilot for your consideration. Avenu and its affiliates employ over 250 professional level staff members who are completely dedicated to the success of each unique public entity we serve, and our mission is to provide compliance services and other revenue enhancement options exclusively to local government clients on a nationwide basis.

Avenu is committed to partnering with the Town of Colonial beach to develop a strategic plan designed to maintain and enhance the City's revenues and economic base using our tax expertise, cutting-edge technologies, advanced analytical methodologies and qualified and experienced project team. We are confident that our team will meet or exceed all the City's requirements by identifying unregistered and non-compliant businesses operating within the City, accurately identifying and resolving instances of non-compliance on the part of your taxpayers, assisting in the collection of any amounts found to be unpaid, and educating taxpayers to enhance compliance going forward.

Avenu's strengths include:

Experience: For over 35 years, Avenu has provided revenue enhancement, administration, information services and misallocation and compliance auditing to 1,000 municipalities and counties nationally and has recovered over \$2.4 billion in new tax revenue for its clients.

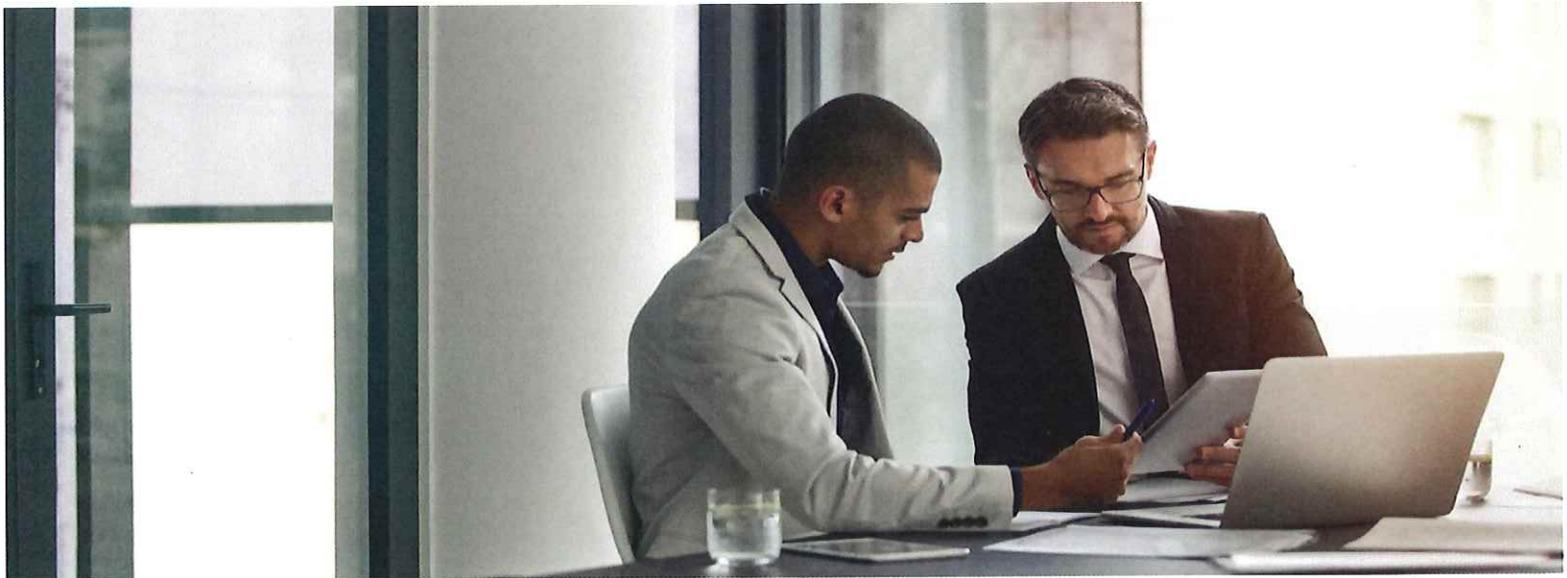
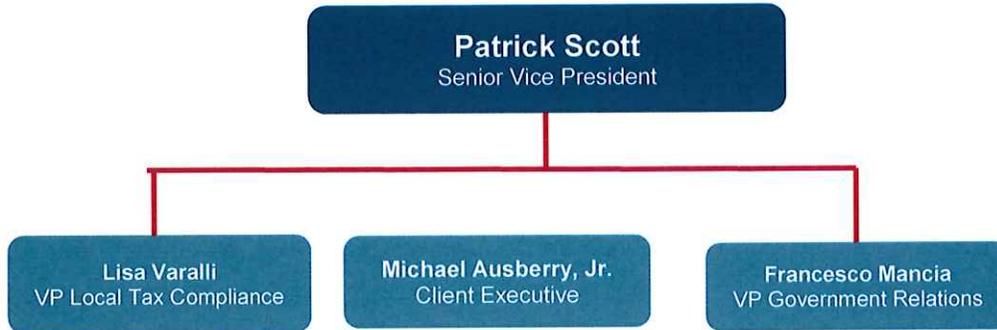
Focus: Avenu works solely for public-sector clientele; thereby avoiding any real or perceived conflicts of interest which allow us to focus our efforts entirely from a governmental perspective. This exclusive public-sector focus qualifies us to review confidential taxpayer information and other confidential data that is not available to other consulting firms.

Michael Ausberry, Client Service Manager, will serve as the Town's primary contact for this project and may be reached by email at Michael.Ausberry@avenueinsights.com or by phone at 980-495-2043.

We are confident that Avenu offers the Town the greatest opportunity for success and look forward to the opportunity to serve the Town and its residents. This offer is valid for a period of at least 90 days from the date of this proposal.

Sincerely,
Patrick Scott, SVP East Operations

Organizational Chart





Executive Management

Patrick Scott, SVP Operations

Patrick Scott will serve as Executive Client Services Leader for whom all employees on the City's contract(s) will report up to. Patrick will ensure that all the City's goals and objectives are met and will be the City's direct point of contact to MuniServices Executive Management Team to quickly address any issues with the project or the project team.

Patrick joined MuniServices as a Senior Analyst and was subsequently promoted to Senior Vice President East Operations and Subsidiary IT Group. For over 20 years, Patrick has been the leader shaping our business development. Patrick is instrumental in the management of tax compliance programs in numerous municipalities, including the District of Columbia, Detroit, Philadelphia, and California. He supervises forty-five employees on and offsite and contributes to contract agreements and specifications. Patrick has over 20 years of direct, day-to-day management experience in the information technology, operations, municipal consulting and compliance. As part of the MuniServices senior management team, Patrick has successfully led partnerships with state and local governments providing revenue enhancement and compliance services to maximize clients' revenues, expand their tax base and increase compliance Patrick began his professional career in New York working on a collaboration between IBM, CBS and Sears as a programmer and support specialist in the membership services division. This collaboration gave birth to the first fully graphical online service known today as PRODIGY. **Education:** Studied Computer Science at Pace University-Pleasantville/Briarcliff Campus.

Project Director

Lisa Varalli, VP Local Tax Compliance

Lisa Varalli will have overall responsibility for the implementation of the collections and compliance projects. Responsibilities will include meeting due dates for deliverables, reviewing project status, and facilitating communication among project team members. Lisa will participate in discussions about key project decisions and will resolve any issues that arise in project execution. In summary, Lisa will have responsibility for the following: work with Executive Management Contact and client to establish performance objectives; reporting project status to client; monitoring project progress against the work plan; and organizing and training the project team.

Lisa has over 28 years of experience servicing municipal clients in the day-to-day management of collections of tax and municipal debt, litigation support, receipts and controls, current tax administration and tax base expansion. Past and present clients serviced include but are not limited to, Pittsburgh, Bensalem, Philadelphia, and Harrisburg PA, District of Columbia, New Jersey, Raleigh the City of Los Angeles, Fresno, Santa Barbara, Santa Rosa, Oklahoma, and Detroit. Lisa is currently working as the VP of Local Tax Compliance Operations, managing MuniServices' national Local Tax Compliance Operations in the delivery of tax discovery, auditing, delinquent collections and compliance services for approximately 50 clients. Lisa has a proven record of success and excellent leadership skills, directing her team to provide clients with the highest level of customer service and collection results. **Education:** Lisa graduated Magna Cum Laude with a Bachelor of Science degree in Accounting from Rowan University, Rohrer College of Business.



Client Services

Michael Ausberry Jr., Business Development Executive

Michael Ausberry Jr is the Business Development Executive for this project and will have direct responsibility for managing the day-to-day client contact and will work to ensure the project meets the City's expectations and requirements from initial implementation through completion of the project.

Michael Ausberry Jr has over 30 years in multi-region management in proposing solutions that add value, based on business needs to build solutions that increases revenue and customer satisfaction.



Government Relations

Francesco D. Mancía, MBA VP Government Relations

Fran is responsible for overseeing company Legislative, Regulatory, and Government Relations work at the state and federal level as well as business development in the western region of the country. Fran has a strong working knowledge of local government general fund tax laws and state and federal regulatory and legislative issues that impact local governments. He monitors, analyzes and leads company lobbying efforts related to legislation, state mandates, and regulatory changes and policies that affect client revenue streams. Fran currently serves as a member of the League of California Cities Revenue and Taxation Policy Committee and was the 2007 and 2008 President of the League's Partner Program. Currently Fran serves as Advisor and Chairman of the California Contract Cities Association, Associate Members Program and is a member of the Board of Trustees of the California County Management Foundation. **Education:** Fran graduated from the University of California, Santa Barbara and earned a Bachelor of Arts degree in Communications, and attended the University of San Francisco where he earned an MBA.

Avenu's Background and Qualifications

Avenu provides revenue enhancement technology and consulting services to various government agencies throughout the U.S. We are the premier provider of revenue enhancement products and services for state and local governments throughout the United States. We have offices strategically located throughout the country and currently employ over 200 professional managers and staff who are dedicated to the success of each jurisdiction that we serve. We work exclusively in the public sector and do not provide any auditing services directly to businesses. Consequently, we have no possible conflict of interest in which we might find ourselves representing both our government client and a taxpayer doing business in the client's jurisdiction.

Avenu offers revenue administration, compliance and collection services encompassing all general sources of local government tax revenues including Sales/Use, (including and accommodating special categories such as beer, wine, tobacco, gas, rentals etc.) Business License, Lodging, Insurance, Utility Users and Franchise Fees. Each tax typically involves its own tax basis, rate structure, filing schedule, taxpayer forms and notices, etc., all of which we configure specifically for our client's needs. Avenu undertakes an annual SSAE 16 (formerly SAS-70 Level II) independent audit of our data and funds disbursement processes and associated administration procedures and can provide the report from our latest audit upon request.

Avenu has over 35 years of experience in providing state and local governments with license and tax compliance, tax administration, and auditing services designed to ensure taxpayer and other revenue source compliance. Our client base comprises more than 1000 city and county governments in Alabama, Arizona, California, Delaware, Georgia, Kentucky, Louisiana, Michigan, Nevada, North Carolina, Oklahoma, Pennsylvania, Texas, and Washington, as well as the District of Columbia. Over the years, our license and tax compliance services have resulted in the recovery of billions in revenues for our clients, plus the prevention of even more in potential tax revenue leakage, assisting them to meet their budgets, deliver public services, and better serve their citizens.

References

As references for our Business License Discovery and Recovery service, we encourage you to contact:

City of Raleigh, North Carolina

Attn: Robin Rose, Deputy CFO
222 West Hargett Street, Raleigh, NC 27601
Telephone: 919.996.3215
Email: robin.rose@raleighnc.gov

Relationship: Since 2013

Description: Avenu (formerly MuniServices) has provided the City with Discovery and Audit services since 2013. We have collected over \$933,403 in new business license revenue for the City.

District of Columbia, Office of Tax and Revenue

Attn: Keith Richardson, Deputy CFO
1101 4th Street S.W., Suite W750
Telephone: 202-442-6383
Email: keith.richardson@dc.gov

Relationship: Since 1996

Description: Avenu (formerly MuniServices) has provided the District Discovery, Audit and Delinquent tax collection services since 1996. We have collected over \$30M in new business tax revenue for the District.

Fulton County, Georgia

141 Pryor Street, Suite 10027
Atlanta, GA 30303
Contact(s):
Rex Croff, Treasury Manager
(404) 612-7709 or rex.croff@fultoncountyga.gov
Jane Simon, Accounts Receivable Manager
(404) 612-7628 or jane.simon@fultoncountyga.gov

Avenu (formerly RDS) provides the License & Tax Compliance service to the County as well as administers their Business License program. Since 2013, we have administered over \$40 million in revenue to the county. As Georgia's most populous county with over 1 million people, Avenu's compliance efforts have added over \$100K to the county's annual revenue stream with an additional 605 businesses.

City of Vestavia Hills, Alabama

513 Montgomery Highway
Vestavia Hills, AL 35216-1807
Contact:
Jeff Downes, City Manager
(205) 978-0102 or jdownes@ci.vestaviiahills.al.us



Avenu (formerly RDS) provides the License & Tax Compliance service to the City as well as administers Sales/Use, Business License, Alcohol, Lodging and Rental/Lease Taxes. Vestavia Hills has been a client for over ten years, contracting for a variety of services, including Business License Discovery/Recovery, Auditing (across multiple tax types), and complete revenue administration of the City's local Sales/Use, Business License, Rental/Lease, Lodging, and Alcohol taxes. These contracts go back as far as 2004, and all are ongoing. From 2004 to date, we have recovered a total of over \$910,000 from approximately 2,250 previously unregistered business locations. Annual audit findings returned to the City under this contract in recent years have averaged approximately \$175,000.

Township of Radnor, Pennsylvania

Attn: Bob Tate, Assistant Finance Director
301 Iven Avenue, Wayne, PA 19087
Telephone: 610.688.5600
Email: rtate@radnor.org

Relationship: Since 2013

Description: Avenu (formerly MuniServices) has provided the Township with Discovery and Audit services since 2013. We have collected over \$282,000 in new business license revenue for the Township.

City of Antioch, California

Attn: Ms. Dawn Merchant, Finance Director
City Hall – 200 H Street, Antioch, CA 94531
Telephone: 925.779.6135
Email: dmerchant@ci.antioch.ca.us

Relationship: Since 1998 Avenu (formerly MuniServices) has provided a variety of services to the City of Antioch since 1988 and have Provided Local Tax Compliance services since 2015. In 2017 we discovered over 680 new and/or delinquent accounts.

City of Sacramento

Ms. Leyne Milstein, Director of Finance
915 I Street, Fifth Floor, Sacramento, CA 95814
Telephone: 916.808.5845
Email: lmilstein@Cityofsacramento.org

Relationship: Since 1987

Description: Avenu (formerly MuniServices) has a full-service contract with the City of Sacramento that includes business operations tax services. This contract for discovery and collection services has yielded over \$2.5 million to the City. The City of Sacramento utilized an internal business license staff for their enforcement objectives up until Avenu began its efforts in October 2003. It had been a long-standing philosophy that the City's business license was a relatively small percentage of their overall general fund; therefore, there was little funding or incentive to pursue a full-service discovery program internally. Avenu's project complemented the City's staff by pursuing a discovery program that yielded very significant results without taking valuable staff time away from existing City efforts.

City of Richmond

Mr. Antonio Banuelos, Finance Dept. Revenue Manager
450 Civic Center Plaza, 2nd Floor, Richmond, CA. 94804
Telephone: 510 620-6741
Email: Abanuelos@ci.richmond.ca.us

Relationship: Since 2016

Description: Avenue (formerly MuniServices) has provided the City with Discovery and Audit services since 2016 collecting over \$1.71 million with 1,601 new licenses to date. Anticipated increase in future annual revenue to the City will be approximately \$360,000.



Local Tax Compliance Services

Objectives and Methods

Avenu's Business License & Tax Compliance / Discovery Recovery Service (LTC/DRE) for municipalities is designed to capture the most possible revenue from the Business License and tax program. Through our multiple data sources, Avenu will assist the Town in identifying and registering any person engaged in or carrying on any profession trade, occupation, or business within the Town who are not properly registered, and to calculate and collect all appropriate payments due to the Town. Avenu has found that we can produce significant added revenues for our clients, both immediately and in future years, when fees for the discovered businesses are collected.

Our Local Tax Compliance (LTC) Services are intended to assist cities in maximizing the generation of local business tax and license revenue

The collection of tax revenues is often critical to the economic health of a Town. It is not uncommon for a Town to have taxpayers not register or misreport the tax monies they should be paying. Avenu's LTC services have evolved from identification, review and audits of businesses to include a cooperative, educational and informative exchange offering suggestions of experience that are designed to help businesses stay in compliance with Town ordinances. The intent of the increased offering of service is to enhance the collection of the Town's business license and tax.

Scope of Work



Discovery Service

1. **Initial Meeting.** Avenu meets with the Town staff to review the procedures and objectives of the LTC service, business entity relations and logistical matters, including establishing an appropriate liaison with Town management and staff and logical checkpoints for measuring progress (the "Initial Meeting"). Avenu and Town shall schedule the meeting within 10 days after Avenu receives the fully signed copy of the Agreement.
2. **Workplan.** Based on the Initial Meeting, Avenu develops a workplan that incorporates the logistical matters agreed to in the Initial Meeting and describes in detail how, the objectives of the service shall be met (the "Workplan").
3. **Commencement of services.** After the Workplan is developed, Avenu begins the approved process.
4. **Discovery Services.** Discovery Services are designed to provide a full-service solution to the Town's business license enforcement procedures. It does not replace current functions but provides a focused and fulltime solution to the identification of entities subject to taxation by the Town, which are not properly registered, or otherwise not reporting taxes to the Town.
5. **Deficiency Audit Services.** Deficiency Audit Services are designed to identify entities subject to taxation by the Town that are not properly reporting the full amount of tax, which they are subject to under the Town's

ordinances. Deficiency Audit Services also identifies entities that are potentially underreporting, or not reporting all applicable taxes. Avenu reviews entities records to ensure compliance with the Town's taxes.

Identify businesses within the Town limits

There is a wide variety of reasons for why an owner may not be in compliance. Avenu's LTC services for municipalities is designed to capture the most possible revenue from the tax compliance program. Through our multiple data sources, Avenu will assist the Town in identifying and registering any person conducting business within the Town who are not properly registered, and to calculate and collect all appropriate payments due to the Town. Avenu has found that we can produce significant added revenues for our clients, both immediately and in future years, when fees for the discovered properties are collected. Our proven methods of compliance in this area allow the Town's staff and resources to focus solely on assisting the community in their operations.

In order to achieve the desired objectives of increasing compliance and revenue, Avenu will:

1. **Identify data sources:** We use a number of proprietary and public-domain data sources to establish the true geographical area of the Town, identify the business community participants and to gather important demographic information for those participants. Over the last 35 years, we have isolated the most reliable, accurate and useful datasets to improve the accuracy of our lists and to reduce the costs of projects. We are able to pass those cost savings on to our clients.
2. **Integrate data with records in our data warehouse:** As a natural evolution of gathering data for compliance projects over the past 35 years, we have developed an enormous data warehouse containing over 11 terabytes of data. We integrate the Town's existing taxpayer list with various databases aggregated from disparate systems and resources to identify previously unknown businesses operating within the Town without paying the appropriate business license fee.
3. **Taxpayer Communication:** Send Town-approved notices to those businesses, advising them of their legal obligation to obtain a business license in accordance with the Town's ordinance, and including a Business License Application form.
4. **Taxpayer Assistance:** Provide a toll-free taxpayer assistance line and support for taxpayers who may have questions regarding these forms, and pro-actively contact taxpayers until forms are returned or account status is resolved.
5. **Human factor:** Once our system completes its analysis we refine the list further through human analysis. Analysts comb through the output listing and conduct additional research to confirm, exclude or add additional entities to the final list.
6. **Analyze Taxpayer Information:** Verify information on each form received and calculate assessments based on the amount of gross receipts attributable to the Town and any other information necessary to calculate the amount due the City.
7. **Invoicing Business Owners:** Invoice the taxpayer, as needed, monitor and pursue payments, and

promptly disburse to the Town amounts received.

8. Taxpayer Education: Educated entities regarding the Town's reporting requirements to prevent recurring deficiencies in future years.
9. Ongoing Monitoring: Monitor and analyze the business license registration files for the Town each quarter in order to determine non-reporting businesses.

Non-Filer/Delinquent Collection

This service is designed to complement our LTC Discovery service and provide a full-service solution to the Town's tax enforcement procedures. It does not replace current functions but provides a focused and fulltime solution to the identification of entities subject to taxation by the Town, which are not properly filing, or otherwise not reporting taxes to the Town.

In performing the Non-Filer/Delinquent Collections service, Avenu shall:

1. Review the Town's comprehensive inventory of the entities registered and subject to taxation and licensing by the Town;
2. For non-reporting entities identified and confirmed, assist the entities, as necessary, to determine the amount of tax due for current and prior periods (plus applicable interest and penalties, where appropriate);
3. Invoice entities (including supporting documentation) on behalf of the Town for the amount of identified or delinquent deficiencies, with payment to be remitted to Avenu;
4. Ensure that all submitted forms are completed correctly and in their entirety;
5. Monitor and analyze the business license registration files of the Town each quarter in order to determine any additional non-reporting and delinquent businesses.

Deficiency Audit Service



Local Tax Deficiency Audit service is designed to identify entities subject to taxation by the Town that are not properly reporting the full amount of tax to which they are subject to under the City's ordinances. This Audit service identifies entities that are potentially underreporting, or not reporting all applicable taxes, and Avenu reviews the entity's records to ensure compliance with the Town's taxes.

In performing the Audit service, Avenu will:

1. Establish a comprehensive inventory of the registered entities subject to taxation by the Town and the database elements needed to facilitate an analysis of records of those entity's current and prior year's tax remittance;
2. Compare Avenu's records with the Town's records to identify potential under-reporting entities subject to taxation;

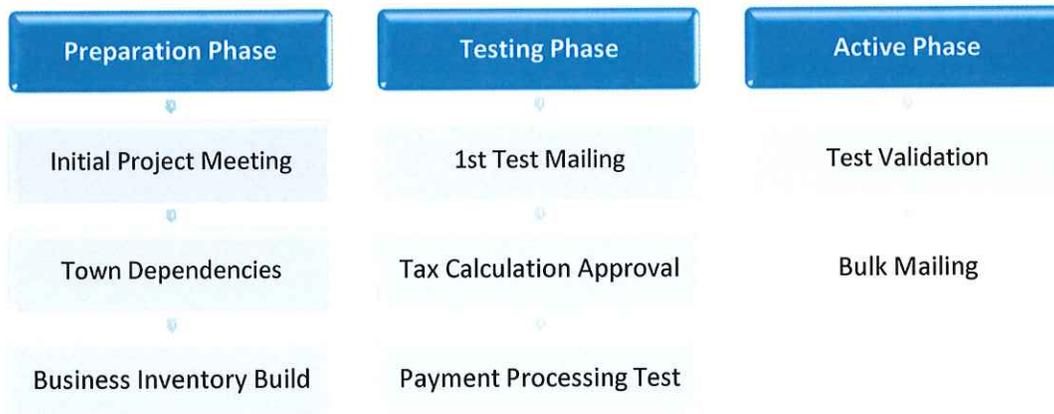
3. Invoice entity for the amount of identified deficiencies, together with supporting documentation, and remit payment received to the Town;
4. Educate entity regarding the Town’s reporting and filing requirements under its local ordinances to prevent recurring deficiencies in future years.

Avenu provides the Town with progress updates and reports to include:

1. Status of work in progress, including copies of reports provided to taxpayers/intermediaries addressing each reporting error/omission individually, including where applicable the business name, address, telephone number, account identification number, individuals contacted, date(s) of contact, nature of business, reason(s) for error/omission and recommended corrective procedure
2. Actual revenue produced for the Town by Avenu's service on a quarterly and cumulative basis
3. Alphabetical listing of all errors/omissions detected for the Town by Avenu, including the account number, correction status, payment amount received by the Town, period to which payment is related and payment type (e.g., reallocation, deficiency assessment) for each one.

Timeline for Discovery Project Implementation

Avenu implements its new projects in phases. The phased approach ensures the highest quality of service to both our client and their constituents. The Project will be executed in three phases. Each phase and projected timing will be discussed briefly below.



Phase 1: Preparation Phase

The Preparation Phase will allow Avenu to make certain that all necessary steps are accomplished to lay the foundation for a successful project. These steps include meeting with the Town to obtain a thorough understanding of the client’s processes and requirements, obtaining data from both the client and external sources, standardizing this data for use in Avenu’s proprietary database integration software, generating correspondence and forms, and implementing modifications to our Compliance Administration System to calculate delinquent taxes.

The standard timing of this phase is approximately 30 days. This timeframe is dependent on items such as timely receipt of data and client requirements. Because of this, the timeframe may be shortened or lengthened as necessary.

Initial Project Meeting/Draft Work Plan Review

The first draft version of the work plan will be completed and submitted to the Town for their review on this date. Revisions to the work plan will be implemented in conjunction with the Town after the initial meeting and throughout the duration of the project.

Town Dependencies

Prior to execution of the discovery program, Avenu needs certain items from the Town to ensure the highest level of performance.

1. Registration Database – Avenu will need a copy of the business tax registry in electronic format. A Business Tax File Layout form will be included with the project plan for additional information on the data transfer process.
2. Supporting Town Data Files – Avenu would also like to receive additional Town database files to include in the master business inventory build for the Town. Examples include a copy of the commercial utility billing records, licensed contractors, Town issued permits, real property parcel listings and a copy of Town preferred vendors.
3. Registration Forms – Avenu will need a copy of the business tax application currently used by the Town (in Microsoft Word if available).
4. Tax Ordinances – Avenu will need a copy of all applicable tax ordinances.

Business Inventory Build

The tax registration file(s) provided by the Town will be integrated with multiple public and private database files. The end result will be an inventory of the compliant and non-compliant entities operating in the Town. At this stage, our staff of tax specialists can review the potential non-compliant accounts or “leads” for accuracy.

Phase 2: Testing Phase

During this phase we will begin to test the processes and procedures developed during the preparation phase. Prior to bulk mailing, a smaller test batch of notifications will be mailed to ensure that the processes outlined are functioning correctly. During this phase any modifications to process can be initiated in a timely manner. During the testing phase, Avenu will work with the Town to refine the processes and ensure accuracy prior to the volumes associated with the active phase. The standard timing of this phase is 60 days.

1st Test Mailing

Avenu will prepare a mailing designed to assess the procedures outlined in the work plan. The test batch usually consists of 100 - 150 notices and will be tracked closely to determine impact on Avenu as well as Town staff. During the testing phase, Avenu and the Town can make immediate modifications to the processes to ensure the highest level of effectiveness prior to the start of bulk notifications.

Application & Batch Forwarding

Avenu will submit to the Town the first batch of applications where payment has been received by the taxpayer.

Invoice & Tax Calculation Approval

Once the first round of respondents has been processed, Avenu will submit sample account statements for the Town's review. This allows the Town to validate tax calculations and classifications prior to invoicing of the non-compliant entities.

Payment Process Test

This procedure will validate Avenu payment posting and application processing procedures. Avenu and the Town will ensure funds are transmitted in a timely manner and that documentation for each payment batch meets the Town's guidelines.

Testing Validation

Upon completion of the testing phase, Avenu will review the processes with the Town and review any additions or modifications to the procedures outlined in the work plan

Phase 3: Active Phase

This phase will be the execution of the work plan developed by Avenu for the notification and registration of non-compliant entities. Avenu will continue to modify the timing related to new milestones of the active phase as the project continues.

Bulk Mailing - Active Phase

The active phase begins with Avenu's first bulk mailing. Each mailing will continue the processes refined during the testing phase and continue on a weekly basis throughout the duration of the project.

Town Assistance

The City agrees to:

1. Provide an electronic copy of the City's Business Registration File to Avenu, together with any other information necessary for Avenu to compute Avenu's billing for services.
2. Notify Avenu within 10 days following receipt by the Town of payments, if there is any, resulting from deficiencies identified by Avenu.
3. For accounts that remain uncollected after Avenu has exhausted its efforts to collect through the standard process, Avenu and the Town may mutually agree to special procedures that will make further attempts to collect amounts still outstanding.
4. The Town shall have the right, at the City's option, to elect not to proceed with recovery of any identified deficiencies. Deficiencies which are uncollectible due to insolvency or dissolution of the entity liable, or for deficiencies which are otherwise incapable of collection (e.g. statute of limitations expiration or other legal defense) shall not be considered an "election" by the Town for the purposes of this Agreement. For deficiencies otherwise collectable but for which the Town elects not to collect, the Town shall notify Avenu of its election not to pursue ("waive") collection of said deficiencies. Avenu shall be entitled to one-half (%) of the fee Avenu would have been entitled to for the waived portion of the deficiency.

Compensation

Avenu's compensation for providing LTC service shall be a contingency fee of 20% of the additional revenue received by the Town from the services (this fee has been discounted for the joint pilot program). The 20% shall apply to the current

tax year, all eligible prior period revenues, and any applicable penalties, interest, and late charges. The contingency fee only applies to revenue received by the City. The term "current tax year" shall mean the most recent tax year for which local taxes are due and payable to the Town and in which Avenu has identified deficiencies. If the Town identifies, documents, and notifies Avenu of a particular business entity that has not been reporting, or misreported its business license taxes properly, the Town shall notify Avenu within ten (10) days after the discovery.

Completion of Services

Because Avenu' LTC Service may result in collection of deficiencies after termination of the Agreement, the City's obligation to collect fees and notify Avenu, and Avenu's right to continue to receive contingency fees, shall survive termination of the Agreement for any reason.

The Town will have the right, at the City's option, to elect not to proceed with recovery of any identified deficiencies. Deficiencies which are uncollectible due to insolvency or dissolution of the entity liable, or for deficiencies which are otherwise incapable of collection (e.g. statute of limitations expiration or other legal defense) will not be considered an "election" by the Town for the purposes of the Agreement. For deficiencies otherwise collectable but for which the Town elects not to collect, the Town will notify Avenu of its election not to pursue ("waive") collection of said deficiencies. Avenu will be entitled to one-half (½) of the fee Avenu would have been entitled to for the waived portion of the deficiency.

Confidentiality

Avenu agrees that it shall keep all information it receives concerning Town taxpayers confidential and shall use it solely for tax administration and/or compliance purposes.

Compensation Overview

Local Tax Compliance Services

20% of Recovered Revenue (discounted pilot program fee)

Additional Consulting Services

The Town may request that Avenu provide additional consulting services at any time during term of the Agreement. If Avenu and the Town agree on the scope of the additional consulting services requested, then Avenu shall provide the additional consulting services on a Time and Materials basis. Depending on the personnel assigned to perform the work, Avenu's standard hourly rates range from \$75 per hour to \$200 per hour.

The following are sample hourly rates based on the job classification:

- Principal: \$200 per hour
- Project Manager: \$175 per hour
- Client Services: \$150 per hour
- Information Technology (IT) support: \$175 per hour



- Operational Support:
 - Director or Manager: \$175 per hour
 - Senior Analyst: \$125 per hour
 - Analyst: \$100 per hour
 - Administrative: \$75 per hour

These additional consulting services will be invoiced at least monthly based on actual time and expenses incurred.

Note: The additional services are optional and available if required by the City.

Consultant Services Agreement

This Consultant Services Agreement (the "Agreement") is made as of the _____ day of _____, 2018 ("Effective Date") by and between The Town of Colonial Beach, a municipal corporation of the State of Virginia ("Town") and Avenu Holdings, LLC, a Delaware limited liability company ("CONSULTANT"), collectively the Parties. In consideration of the mutual promises herein contained and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Parties agree as follows:

A. Services

1. CONSULTANT will provide TOWN with the services described in EXHIBIT A which is attached hereto and incorporated by reference. CONSULTANT shall provide said services at the time, place, and in the manner specified in EXHIBIT A.
2. CONSULTANT shall furnish at its own expense all labor, materials, equipment and other items necessary to carry out the terms of this Agreement.

B. Compensation

1. In consideration for the services to be performed by CONSULTANT, TOWN agrees to pay CONSULTANT the fees outlined in Exhibit B of this Agreement. TOWN shall pay CONSULTANT within thirty (30) days of receipt of CONSULTANT's invoice.

C. General Provisions

1. Term of the Agreement: The initial term of this Agreement shall be for a period of three (3) years following the date of execution, and automatically renew for two (2) subsequent one-year terms or TOWN shall have the option to renew for successive one (1) year terms, if neither party has cancelled (the "Term"). Either party shall have the right to terminate this Agreement in the event of a material breach by the other party. Any such termination may be made only by providing sixty (60) days written notice to the other party, specifically identifying the breach or breaches on which termination is based. Following receipt of such notice, the party in breach shall have thirty (30) days to cure such breach or breaches. In the event that such cure is not made, this Agreement shall terminate in accordance with the initial sixty (60) days' notice. Notwithstanding the foregoing, either party may terminate the Agreement at any time and for any reason by providing thirty-days (30) written notice to the other party; provided however, that if CONSULTANT has not breached the Agreement and has commenced services identified in EXHIBIT A prior to the date of termination, CONSULTANT shall be entitled to payment as described in EXHIBIT B.
2. Effect of Termination: Notwithstanding non-renewal or termination of this Agreement, TOWN shall be obligated to pay CONSULTANT for services performed through the effective date of termination for which CONSULTANT has not been previously paid. In addition, because the services performed by CONSULTANT prior to termination or non-renewal of this Agreement may result in the TOWN's receipt of revenue after termination which are subject to CONSULTANT' fee, the TOWN shall remain obligated after termination or non-renewal to provide to CONSULTANT such information as is necessary for CONSULTANT to calculate compensation due as a result of the receipt of revenue by the TOWN.
3. Independent Contractor: It is understood that CONSULTANT and its subcontractors, if any, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and shall not act as an agent or employee of the TOWN. TOWN understands that CONSULTANT may perform similar services for

others during the term of this Agreement and agrees that CONSULTANT representation of other government sector clients is not a conflict of interest. CONSULTANT shall obtain no rights to retirement benefits or other benefits which accrue to TOWN's employees, and CONSULTANT hereby expressly waives any claim it may have to any such rights.

4. Subcontractors: CONSULTANT shall have the right to hire subcontractors to provide the services described herein. CONSULTANT, in rendering performance under this Agreement shall be deemed an independent contractor and nothing contained herein shall constitute this arrangement to be employment, a joint venture, or a partnership. CONSULTANT shall be solely responsible for and shall hold TOWN harmless from any and all claims for any employee related fees and costs including without limitation employee insurance, employment taxes, workman's compensation, withholding taxes or income taxes.
5. Notice: Any notice required to be given under this Agreement shall be in writing and either served personally, sent prepaid first class mail, or by express mail courier (i.e. FedEx, UPS, etc.). Any such notice shall be addressed to the other party at the address set forth below. All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by regular mail, or the next day if sent overnight delivery.

If to TOWN:

Town of Colonial Beach
Attn:
315 Douglas Ave
Phone: 804.224.7181
Facsimile:
Email: qrobertson@colonialbeachva.net

If to CONSULTANT:

Avenu Holdings, LLC
Attn: Contract Department
7625 N. Palm Ave., Ste. 108
Fresno, CA 93711
Phone: 559.271.6852
Email: contracts@muniservices.com

6. Representative or designees: CONSULTANT's Primary Representative/Project Manager shall be:

----, Client Services Manager
7625 N. Palm Ave., Ste. 108, Fresno, CA 93711
Phone: 800.800.8181 ext. ---/Email: Michael.Ausberry@Avenuinsights.com

For the convenience of the TOWN, a short list of helpful contacts is attached and incorporated herein as EXHIBIT C.

7. Indemnity: CONSULTANT shall indemnify, defend, and hold harmless the TOWN, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) to extent occurring or resulting from CONSULTANT's negligent or unlawful performance of its obligations under or breach of the terms of this Agreement, unless such claims, liabilities, or losses arise out of, or are caused at least in part by the sole negligence or willful misconduct of the TOWN. "CONSULTANT's performance" includes CONSULTANT's action or inaction and the action or inaction of CONSULTANT's officers, employees, agents and subcontractors.
8. Limitation of Liability: In no event shall CONSULTANT, its employees, contractors, directors, affiliates and/or agents be liable for any special, incidental, or consequential damages, such as, but not limited to, delay, lost data, disruption, and loss of anticipated profits or revenue arising from or related to the services, whether liability is asserted in contract or tort, and whether or not CONSULTANT has been advised of the possibility of any such loss or damage. In addition, CONSULTANT's total liability hereunder, including reasonable attorneys'

fees and costs, shall in no event exceed an amount equal to the fees described in EXHIBIT B. The foregoing sets forth the TOWN'S exclusive remedy for claims arising from or out of this Agreement. The provisions of this section allocate the risks between CONSULTANT and the TOWN and CONSULTANT's pricing reflects the allocation of risk and limitation of liability specified herein.

9. Insurance: CONSULTANT shall keep in full force and effect insurance coverage during the term of this Agreement, including without limitation statutory workers' compensation insurance; employer's liability and commercial general liability insurance; comprehensive automobile liability insurance; professional liability and fidelity insurance. The insurance certificate shall name the TOWN, its agents, officers, servants and employees as additional insureds under the CGL and Automobile policies with respect to the operations and work performed by the named insured as required by written contract. The General Liability policy is Primary & Non-Contributory. Waiver of Subrogation applies under the General Liability and Workers' Compensation policies. The CGL insurance minimum coverage shall be at least \$1,000,000 per incident, claim or occurrence and \$2,000,000 aggregate. The Automobile Liability insurance minimum coverage shall be at least \$1,000,000 covering all owned, non-owned, and hired vehicles. The certificate shall provide that there will be no cancellation, termination, or non-renewal of the insurance coverage without a minimum 30-day written notice to the TOWN, except in the case of cancellation for non-payment of premium which shall be at least 10-days written notice.
10. Equal Opportunity to Draft: The parties have participated and had an equal opportunity to participate in the drafting of this Agreement. No ambiguity shall be construed against any party upon a claim that that party drafted the ambiguous language.
11. Assignment: This Agreement shall be binding upon and inure to the benefit of the parties, their successors, representatives and assigns. CONSULTANT shall not assign this Agreement, or delegate its duties or obligations under this Agreement, without the prior written consent of TOWN, which consent shall not be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, CONSULTANT may assign this Agreement, in whole or in part, without the consent of TOWN to any corporation or entity into which or with which CONSULTANT has merged or consolidated; any parent, subsidiary, successor or affiliated corporation of CONSULTANT; or any corporation or entity which acquires all or substantially all of the assets of CONSULTANT. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties and their successors or assigns.
12. Ownership of Documents: Except for CONSULTANT preexisting proprietary information and processes, any and all documents, including draft documents where completed documents are unavailable, or materials prepared or caused to be prepared by CONSULTANT pursuant to this agreement shall be the property of the TOWN at the moment of their completed preparation.
13. Intellectual Property Rights: The entire right, title and interest in and to CONSULTANT's database and all copyrights, patents, trade secrets, trademarks, trade names, and all other intellectual property rights associated with any and all ideas, concepts, techniques, inventions, processes, or works of authorship including, but not limited to, all materials in written or other tangible form developed or created in the course of this Agreement (collectively, the "Work Product") shall vest exclusively in CONSULTANT or its subcontractors. The foregoing notwithstanding, in no event shall any TOWN-owned data provided to CONSULTANT be deemed included within the Work Product.
14. Public Release and Statements: Neither party or its representatives or agents shall disseminate any oral or written advertisement, endorsement or other marketing material relating to each other's activities under this Agreement without the prior written approval of the other party. Neither party shall make any public release or statement concerning the subject matter of this Agreement without the express written consent and approval of

the other party. No party or its agent will use the name, mark or logo of the other party in any advertisement or printed solicitation without first having prior written approval of the other party. The parties shall take reasonable efforts to ensure that its subcontractors shall not disseminate any oral or written advertisement, endorsement or other marketing materials referencing or relating to the other party without that party's prior written approval. In addition, the parties agree that their contracts with all subcontractors will include appropriate provisions to ensure compliance with the restrictions of this Section.

15. Force Majeure: CONSULTANT shall not be in default of its obligations hereunder to the extent that its performance is delayed or prevented by causes beyond its control, including but not limited to acts of God, government, weather, fire, power or telecommunications failures, inability to obtain supplies, breakdown of equipment or interruption in vendor services or communications.
16. Entire Agreement: This Agreement constitutes the entire agreement between the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter contained herein. Said Agreement shall not be amended, altered, or changed, except by a written amendment signed by both parties.
17. Counterparts: This Agreement may be signed in separate counterparts including facsimile copies. Each counterpart (including facsimile copies) is deemed an original and all counterparts are deemed on and the same instrument and legally binding on the parties.
18. Invalidity: If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
19. Implementation: Implementation should begin as soon as possible from the signing of this Agreement (the "Effective Date") for the performance of services under the terms of this Agreement.

[Signatures on following page]

IN WITNESS HEREOF, the parties have caused this Agreement to be executed on the date first written above.

"TOWN"

Town of Colonial Beach
a Municipal Corporation

By: _____

Name: _____

Title: _____

ATTEST:

Name: _____

Title: _____

APPROVED AS TO FORM:

Name: _____

Title: _____

"CONSULTANT"

Avenu Holdings, LLC,
a Delaware limited liability company

By: _____

Patrick Scott
Senior Vice President

EXHIBIT A - SCOPE OF WORK LOCAL TAX COMPLIANCE SERVICES (DISCOVERY AND AUDIT)

Objectives and Methods

CONSULTANT's Local Tax Compliance service ("LTC") is designed to assist the TOWN in locating tax revenue that the TOWN may not be receiving from its local tax registry. CONSULTANT provides detection, documentation and correction of errors and omissions causing deficiencies thereby producing new revenue that would not otherwise have been realized by the TOWN. Moreover, our team works in full and collaborative partnership with TOWN revenue staff to supplement the operations and procedures currently in place.

The LTC service also aims to reduce future errors by informing the businesses that are identified as having errors or omissions about the proper methods of compliance. Informing business owners of the requirements of the ordinance helps to prevent future mistakes by businesses making future enforcement efforts by the TOWN less burdensome for the TOWN.

Scope of Work

CONSULTANT provides the LTC service as follows:

- 1.1. Initial Meeting.** CONSULTANT meets with the TOWN staff to review the procedures and objectives of the LTC service, business entity relations and logistical matters, including establishing an appropriate liaison with TOWN management and staff and logical checkpoints for measuring progress (the "Initial Meeting"). CONSULTANT and TOWN shall schedule the meeting within 10 days after CONSULTANT receives the fully-signed copy of the Agreement from the TOWN with this Exhibit attached.
- 1.2. Workplan.** Based on the Initial Meeting, CONSULTANT develops a Workplan that incorporates the logistical matters agreed to in the Initial Meeting and describes in detail how the objectives of the LTC service shall be met (the "Workplan").
- 1.3. Commencement of services.** After the Workplan is developed, CONSULTANT shall begin providing the services described in paragraphs 1.4 thru 1.5 below. CONSULTANT's obligation to provide services is contingent on the TOWN providing the necessary information and cooperation.
- 1.4. Discovery Services.** Discovery Services are designed to provide a full-service solution to the TOWN's business license enforcement procedures. It does not replace current functions but provides a focused and fulltime solution to the identification of entities subject to taxation by the TOWN, which are not properly registered, or otherwise not reporting taxes to the TOWN. In performing the Discovery Services, CONSULTANT shall:
 - a. Establish a comprehensive inventory of the entities subject to taxation by the TOWN and the database elements needed to facilitate a comprehensive comparative analysis with the TOWN's records of those entities that are properly registered;
 - b. Compare CONSULTANT's database of business records with the TOWN's records to identify potential non-reporting and non-registered entities subject to taxation;
 - c. For unregistered or non-reporting entities identified and confirmed, assist the entities, as necessary, to complete the TOWN's applicable registration form(s) and determine the amount of tax due for current and prior periods (plus applicable interest and penalties, where appropriate);
 - d. Invoice entities (including supporting documentation) on behalf of the TOWN for the amount of identified deficiencies, with payment to be remitted to CONSULTANT;

- e. Ensure that all submitted registration forms are completed correctly and in their entirety;
- f. Forward all completed registration forms and associated payments to the TOWN in batches at the frequency directed by the TOWN. Applications will be forwarded with copies of the payments and payments deposited into an account designated by the TOWN;
- g. Collect the amount of identified deficiencies, together with supporting documentation, and remit payment received to the TOWN in bi-weekly batches; typically, on the 15th and by the last business day of each month. (CONSULTANT shall follow the TOWN's business rules in collecting partial payments or the tax in full at the TOWN's direction.);
- h. Establish a call center open during normal business hours to assist entities with questions concerning application of the TOWN's taxes, and reporting and remittance requirements;
- i. Educate entities regarding the TOWN's reporting requirements to prevent recurring deficiencies in future years;
- j. Contact personnel in sales, operations and/or tax accounting at each target business to determine whether a business license fee is due, when necessary and appropriate. This is accomplished with the highest regard to discretion and professional conduct. CONSULTANT's LTC audits are predicated on a non-controversial, constructive public relations approach that emphasizes the importance of each business to the TOWN and the mutual benefits of correcting non-reporting errors;
- k. Provide reports addressing each taxpayer not reporting, including the business name, address, and telephone number to the TOWN; and
- l. Monitor and analyze the business license registration files of the TOWN each quarter in order to determine non-reporting businesses.

1.5. Deficiency Audit Services. Deficiency Audit Services are designed to identify entities subject to taxation by the TOWN that are not properly reporting the full amount of tax which they are subject to under the TOWN's ordinances. Deficiency Audit Services also identifies entities that are potentially underreporting, or not reporting all applicable taxes. CONSULTANT reviews entities records to ensure compliance with the TOWN's taxes. In performing the Deficiency Audit Services, CONSULTANT shall:

- a. Establish a comprehensive inventory of the registered entities subject to taxation by the TOWN and the database elements needed to facilitate an analysis of records of those entity's current and prior year's tax remittance;
- b. Compare CONSULTANT's records with the TOWN's records to identify potential under-reporting entities subject to taxation;
- c. Meet with designated TOWN staff to review and discuss potential audit candidates and mutually agree which entities will be subject to review. Only entities mutually agreed by CONSULTANT and the TOWN to be reviewed shall be subject to CONSULTANT's audit services.
- d. For potential under-reporting entities identified, CONSULTANT shall obtain authorization from the TOWN to conduct a review of the entities' records and determine the amount of tax due for current and prior periods (plus applicable interest and penalties, where appropriate).
- e. Submit audit summaries (also referred to as "Deficiency Notice") to the TOWN to permit the TOWN to determine the amount of a deficiency owed, if any.

Deliverables

CONSULTANT shall provide the TOWN with audit progress reports to include the following:

1. Status of work in progress, including copies of reports provided to taxpayers/intermediaries addressing each reporting error/omission individually, including where applicable the business name, address, telephone number, account identification number, individuals contacted, date(s) of contact, nature of business, reason(s) for error/ omission and recommended corrective procedure;

2. Actual revenue produced for the TOWN by CONSULTANT's service on a quarterly and cumulative basis;
3. Projected revenue forthcoming to the TOWN as a result of CONSULTANT's audit service, specified according to source, timing, and one-time versus ongoing; and
4. Alphabetical listing of all errors/omissions detected for the TOWN by CONSULTANT, including the account number, correction status, payment amount received by the TOWN, period to which payment is related and payment type (e.g., reallocation, deficiency assessment) for each one.

Timing and Reporting

CONSULTANT shall commence project planning within 10 working days following authorization.

TOWN Assistance

The TOWN agrees to:

- a. Provide an electronic copy of the TOWN's License Registration File and License Payment History file to CONSULTANT, together with any other information necessary for CONSULTANT to compute CONSULTANT's billing for services, in electronic format, to CONSULTANT on no less than a quarterly basis during the term of the Agreement and thereafter for so long as CONSULTANT's right to invoice for services rendered continues;
- b. Use reasonable and diligent efforts to collect, or to assist CONSULTANT in the collection of, deficiencies identified by CONSULTANT pursuant to this Agreement. For accounts that remain uncollected after CONSULTANT has exhausted its efforts to collect through the standard process, CONSULTANT and the TOWN may mutually agree to special procedures that will make further attempts to collect amounts still outstanding. Typically, these processes will be implemented by CONSULTANT; and
- c. Notify CONSULTANT within 10 days following receipt by the TOWN of payments, if any, resulting from deficiencies identified by CONSULTANT.

Because CONSULTANT's LTC Service may result in collection of deficiencies after termination of the Agreement, the TOWN's obligation to collect fees and notify CONSULTANT, and CONSULTANT's right to continue to receive contingency fees, shall survive termination of this Agreement for any reason.

The TOWN shall have the right, at the TOWN's option, to elect not to proceed with recovery of any identified deficiencies. Deficiencies which are uncollectible due to insolvency or dissolution of the entity liable, or for deficiencies which are otherwise incapable of collection (e.g. statute of limitations expiration or other legal defense) shall not be considered an "election" by the TOWN for the purposes of this Agreement. For deficiencies otherwise collectable but for which the TOWN elects not to collect, the TOWN shall notify CONSULTANT of its election not to pursue ("waive") collection of said deficiencies. CONSULTANT shall be entitled to one-half (½) of the fee CONSULTANT would have been entitled to for the waived portion of the deficiency.

**EXHIBIT B – COMPENSATION
LOCAL TAX COMPLIANCE SERVICES (DISCOVERY AND AUDIT)**

Discovery Services

CONSULTANT's compensation for providing Discovery Services shall be a contingency fee of 20% of the additional revenue received by the TOWN from the services. The 20% shall apply to the current tax year, all eligible prior period revenues, and any applicable penalties, interest, and late charges. The contingency fee only applies to revenue actually received by the TOWN. The term "current tax year" shall mean the most recent tax year for which local taxes are due and payable to the TOWN, and in which CONSULTANT has identified deficiencies.

In the event that the TOWN identifies, documents, and notifies CONSULTANT of a particular business entity that has not been reporting, or misreported its business license taxes properly, the TOWN will notify CONSULTANT within ten (10) days after the discovery.

Audit Services

CONSULTANT's compensation for the Audit Services shall be a contingency fee of 20%. The 20% contingency fee shall apply to revenue received by the TOWN as a result of deficiencies identified in the review and shall include any eligible prior period revenues together with all applicable penalties, interest and late charges. The TOWN agrees to use reasonable and diligent efforts to collect deficiencies identified by CONSULTANT.

Taxpayers' payments and CONSULTANT's Invoice Process

The following section describes how CONSULTANT handles the taxpayers' payments and invoices the TOWN for its fees.

- a. Taxpayers' payments received by CONSULTANT shall be deposited into a general escrow account maintained by CONSULTANT. The taxpayers' payments deposited into the escrow account shall be remitted to the TOWN on a bi-weekly basis (typically on the 15th and by the last business day of each month) net of CONSULTANT's fees.
- b. CONSULTANT shall send to the TOWN a remittance package no less frequently than once per month that shall contain the taxpayer business license application, copy of the taxpayer payment, other supporting documents received from the taxpayer, a CONSULTANT generated report identifying each taxpayer payment received and the amount of CONSULTANT fees attributed to the taxpayer payment, a check made payable to the TOWN for the amount of fees collected less CONSULTANT's fees, and an invoice showing our contingency fee.
- c. Should there be any disputed payments; CONSULTANT shall work with TOWN to mutually resolve these issues. If the resolution results in TOWN's favor, CONSULTANT shall refund the applicable portion of the fee to TOWN within 10 days of resolution.

Additional Consulting

TOWN may request that CONSULTANT provide additional consulting services at any time during the term of the Agreement. If CONSULTANT and TOWN agree on the scope of the additional consulting services requested, then CONSULTANT shall provide the additional consulting on a time and materials basis. Depending on the personnel assigned to perform the work, CONSULTANT's standard hourly rates range from \$75 per hour to \$200 per hour.

These additional consulting services shall be invoiced at least monthly based on actual time and expenses incurred. All reimbursable expenses shall receive prior approval from the TOWN and shall be reimbursed at cost to CONSULTANT.

EXHIBIT C - Avenu Helpful Contacts

Contact	Project Role	Phone	Email
Patrick Scott	SVP Client Services – East	856.251.1066 ext. 76445	patrick.scott@AvenuInsights.com
Lisa Varalli	VP Local Tax Compliance	856.251.1066 ext. 76449	lisa.varalli@AvenuInsights.com
Jaimie Lewis	Billing Department	571.485.7875	billing@AvenuInsights.com
Francesco Mancia	VP Government Relations	559.288.7296	fran.mancia@AvenuInsights.com
Brenda Narayan	Dir. Government Relations	916.261.5147	brenda.narayan@AvenuInsights.com
Patricia A. Dunn	Contracts Manager	559.271.6852	patricia.dunn@AvenuInsights.com