



CITY OF COACHELLA | CITY COUNCIL STAFF REPORT

Business License Administration & Short-Term Rental Compliance Services

Master Services Agreement with Neumo Group, LLC, procured under the
OMNIA Partners cooperative purchasing agreement

Prepared by: Lincoln G. Bogard, Finance Director

Contract No. IC-4056

Staff Recommendation

Authorize the City Manager to execute a three-year Master Services Agreement with Neumo Group, LLC for Business License Administration and Short-Term Rental compliance services, procured under the OMNIA Partners cooperative purchasing agreement.



CONTRACT NO.
IC-4056



3-YEAR NOT-TO-EXCEED
\$98,527.94



PROCUREMENT VEHICLE
**OMNIA Partners
Cooperative Agreement**

The City already contracts with Neumo for sales tax consulting services. After demonstrations with three vendors, Neumo was the only solution meeting the City’s needs for both Business License and Short-Term Rental compliance.

Background



Current State



City already contracts with Neumo for sales tax consulting services



Current STR vendor, Deckard, has been extremely unresponsive after promising a new compliance portal



No dedicated Business License administration solution currently in place

Evaluation Process

1

Staff conducted product demonstrations with three vendors: Deckard, HdL, and Neumo

2

Reference checks were performed on each vendor as part of the evaluation

3

Neumo was identified as the only vendor able to meet the City's needs for both Business License and Short-Term Rental compliance

Vendor Evaluation

Three vendors were demonstrated and reference-checked for Business License and Short-Term Rental compliance services.



Deckard

Current STR vendor



Does not offer a Business License solution



Unresponsive on long-promised new STR portal



HdL

Demonstrated, not selected



Reference checks revealed the vendor is problematic



Did not provide confidence for a long-term solution



Neumo

Recommended vendor



Only vendor meeting needs for both BL & STR



Existing relationship via sales tax consulting

STAFF RECOMMENDED

OMNIA Partners Cooperative Purchasing



Neumo participates in the OMNIA Partners cooperative purchasing agreement, a competitively solicited national contract available for use by California public agencies. Utilizing this agreement allows the City to bypass an independent solicitation while still ensuring competitively established pricing and terms.

Additional Cost Savings Beyond the Cooperative Rate



Competitive Pricing

Cooperative contract pricing has already been competitively solicited and vetted



Pricing Below Cooperative Rate

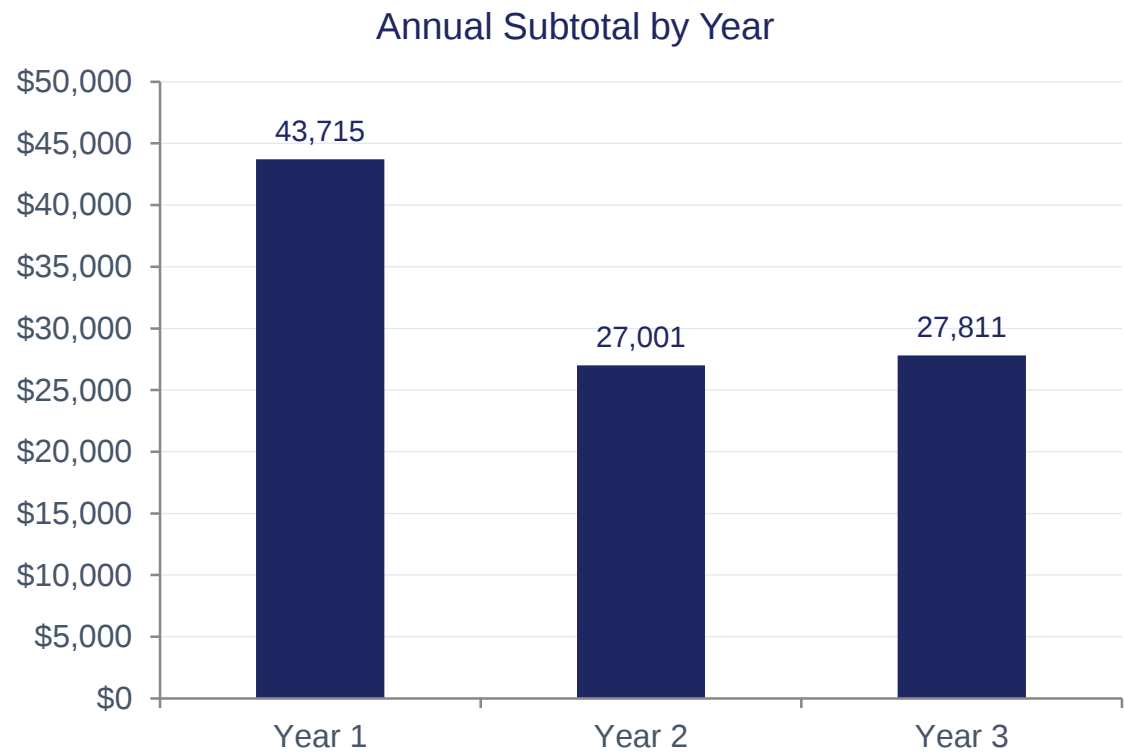
Pricing offered to the City is further reduced below the standard OMNIA rate



Streamlined Procurement

No independent RFP required; agreement can proceed directly to Council

Fiscal Impact



One-Time Setup Fees (Year 1)

STR Setup Fee (AMD-0039)	\$2,500.00
Business License Setup Fee (AMD-0026)	\$15,000.00

Recurring Per-Unit Fees (SOW #2)

Business license notice mailed	\$20.00 / notice
Copy of license application	\$5.00 / copy

3-Year Not-to-Exceed Total

\$98,527.94

Unit-based Business License fees escalate 5% annually; subscription fees beyond Year 3 escalate 3% annually, compounded. Funded through the General Fund, offset in part by related Business License and TOT/STR revenue.



Recommended Action

Approve the Master Services Agreement with Neumo Group, LLC, procured under the OMNIA Partners cooperative purchasing agreement, and authorize the City Manager to execute the agreement.

- ✓ Resolves the City's Business License administration gap
- ✓ Replaces an unresponsive STR vendor with a proven solution
- ✓ Pricing below the OMNIA Partners cooperative rate