

Montgomery City Council  
**AGENDA REPORT**

<b>Meeting Date:</b> September 28, 2021	<b>Budgeted Amount:</b> N/A
<b>Department:</b> Administration	<b>Prepared By:</b> Richard Tramm

**Subject**

Consideration and possible action to approve a Professional Services Agreement with Azavar.

**Recommendation**

Consider approval of the Professional Services Agreement with Azavar.

**Discussion**

Azavar came to my attention as a provider of services related to the collection of lodging taxes, including short term rentals, which is a service for which we were looking. The City of Conroe is among Azavar's satisfied clients, which is how they came to my attention. Azavar would provide a portal for the collection of necessary information and hotel tax fees related to lodging services. The cost for using the portal is \$8 per report, which may be passed on to the entity paying the lodging taxes.

In addition, Azavar will seek out locations that should be paying taxes and work to collect the taxes owed on a commission basis. For this work Azavar will receive 22% of these new collections for 22 months. Azavar will also perform this service for sales tax payers and provide reports on sales tax for us for twelve months at no charge. While sales tax reporting is not the primary reason to engage Azavar, this may become part of our changes to sales tax process that was discussed during the budget workshop.

**Approved By**

City Administrator	Richard Tramm	Date: September 22, 2021