



Agenda Item

Orange City Council

Item #: 3.2.

1/27/2026

File #: 25-0677

TO: Honorable Mayor and Members of the City Council

THRU: Jarad Hildenbrand, City Manager

FROM: Trang Nguyen, Finance Director

1. SUBJECT

Agreement with Hinderliter, DeLlamas & Associates for Tax Administration Services.

2. SUMMARY

Professional Service agreement with Hinderliter, De Llamas & Associates to provide Business License Administration and Discovery & Compliance, Transient Occupancy Tax Administration and Audit, and Short Term Rental Administration to improve customer service and strengthen revenue compliance.

3. RECOMMENDED ACTION

Approve the agreement with Hinderliter, De Llamas & Associates for the Business License Administration and Discovery & Compliance, Transient Occupancy Tax Administration and Audit, and Short-Term Rental Administration Services; and authorize the Mayor and City Clerk to execute on behalf of the City.

4. FISCAL IMPACT

The fiscal impact of this agreement is \$391,627, including a 10% contingency.

	Unit	Amount	Total
Business License Tax	19,000	\$17	\$323,000
Transient Occupancy Tax	22	950	20,900
Short-term Rental	125	17	2,125
One-time implementation			10,000
Sub-total			356,025
Contingency (10%)			35,602
Total			\$391,627

5. STRATEGIC PLAN GOALS

Goal 2: Enhance Economic Development and Achieve Fiscal Sustainability

6. DISCUSSION AND BACKGROUND

The City entered into a three-year professional services agreement with Hinderliter, De Llamas & Associates (HdL) in March 2023 to provide web-based filing and payment functionality for new business license applications and renewals. Since that time, Business Licensing (BL), Transient Occupancy Tax (TOT) collections, and Short-Term Rental (STR) administration have grown substantially in workload, complexity, and compliance needs. Over the last year, this growth has created operational challenges and limited the Finance Department's ability to provide timely customer support and maintain consistent compliance oversight.

HdL's proposal offers a turnkey administration model that would stabilize and modernize these functions. HdL provides comprehensive data management, processing, compliance review, and audit services which is supported by its Business Support Center, a fully staffed call center available Monday-Friday from 8:00 a.m. to 5:00 p.m. HdL also provides enhanced online filing, payment processing, and reporting tools customized to the City's needs. This model enables the City to maintain service continuity and regulatory compliance without requiring additional staffing.

Staff recommends approval of the expanded professional service agreement with HdL to include BL Administration and Discovery & Compliance, TOT Administration and Audit, and STR Administration. This expansion will significantly strengthen customer service and improve revenue compliance. HdL's comprehensive support structure provides immediate relief to staff while modernizing the City's ability to manage these programs efficiently and sustainably.

7. ATTACHMENTS

- Agreement with Hinderliter De Llamas & Associates