



SERVICE AGREEMENT NO. 3133

Collection Services for Municipal Court

THIS **Title of Service Agreement** ("Agreement") is entered into by and between the City of Corpus Christi, a Texas home-rule municipal corporation ("City") and Linebarger Goggan Blair & Sampson, LLP ("Contractor"), effective upon execution by the City Manager or the City Manager's designee ("City Manager").

WHEREAS, Contractor has bid to provide Title of Service in response to Request for Bid/Proposal No. 3133 ("RFB/RFP"), which RFB/RFP includes the required scope of work and all specifications and which RFB/RFP and the Contractor's bid or proposal response, as applicable, are incorporated by reference in this Agreement as Exhibits 1 and 2, respectively, as if each were fully set out here in its entirety.

NOW, THEREFORE, City and Contractor agree as follows:

1. **Scope.** Contractor will provide Title of Service ("Services") in accordance with the attached Scope of Work, as shown in Attachment A, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety, and in accordance with Exhibit 2.
2. **Term.** This Agreement is for 5 years, with performance commencing upon the date of issuance of a notice to proceed from the Contract Administrator or the Contracts and Procurement Department. If the City has not awarded a new Municipal Court Collection Services Contract at the end of this contract, or otherwise terminated this contract, the City Manager may extend this contract on a month to month basis until a new contract is awarded by City Council, or this contract is terminated. Notice of termination during any month to month extension is 30 calendar days.
3. **Compensation and Payment.**
 - a. As authorized by Article 103.0031 of the Code of Criminal Procedure, City will turn over to Contractor on or about the 30th of each month by electronic or magnetic medium in the format specified by the City Contract Administrator all delinquent Municipal Court debts and accounts receivables ordered to be paid by the Municipal Court, and amounts in cases in which the accused has failed to appear as required by law, ("Delinquent Accounts"). A Municipal Court debt or account receivable is eligible for referral for collection and considered delinquent on the date it becomes 60 days past due, or 60 days after defendant has failed to appear as required by law.

b. The City has established a Municipal Court Collection Fee pursuant to Article 103.0031 of the Texas Code of Criminal Procedure ("Municipal Court Collection Fee") in the amount of 30 percent on each Municipal Court debt and account receivable ordered to be paid by the Municipal Court, and 30 percent on amounts in cases in which the defendant has failed to appear, where the cases are at least 60 days past due and referred to the Contractor for collection. If a Municipal Court judge determines that a defendant is indigent, or has insufficient resources or income, or otherwise unable to pay all or part of the underlying fine and costs, then no Municipal Court Collection Fee shall be charged to defendant. The Municipal Court Collection Fee does not apply to a case that has been dismissed or to any amount that has been satisfied through time-served credit or community service.

c. City agrees to pay Contractor as compensation for services required under this Contract the Municipal Court Collection Fees actually collected and paid by defendants to the City during the term of this contract. Partial payments on cases turned over to the Contractor for collection will be applied proportionately. The City shall pay over said compensation monthly by check. No penalties will be assessed to City for late payments to Contractor. No other compensation will be paid by the City to Contractor. The City is not responsible for postage, telephone charges, or any of Contractor's expenses in performing under this contract.

d. Notwithstanding compensation identified in subsection c, in addition to the collection services specified herein, Contractor agrees to perform additional collection services, at no charge or fee to the City or to Defendant on Delinquent Accounts which are not subject to an additional collection fee under Article 103.0031 of the Code of Criminal Procedure. Specifically, all cases filed on or prior to December 31, 2001 will not be subject to a Municipal Court Collection fee. City Ordinance 024559, effective September 3, 2001, authorized the collection of Municipal Court Collection fees pursuant to Article 103.0031. Subsequent amendments to the City ordinance have continued to authorize Municipal Court Collection fees. Additionally, fees assessed pursuant to Texas Transportation Code §706.006 are not subject to a collection fee.

e. Notwithstanding compensation identified in subsection c, in addition to the collection services specified herein, Contractor agrees to perform collection services on delinquent parking citations referred to Contractor for collection at no charge or fee to the City or to Defendant.

f. The parties agree that should Article 103.0031 of the Code of Criminal Procedure as amended be repealed or held to be unconstitutional by a court of competent jurisdiction during the term of this contract so that the City is no longer authorized to collect the Municipal Court Collection Fee, then this contract shall terminate immediately.

g. No funds will be paid to Contractor unless defendant's payment was a result of Contractor's actions under this Agreement. For example, if defendant

is arrested and is brought to Municipal Court to resolve outstanding cases, no compensation will be paid to Contractor. All payments on delinquent accounts which were referred to Contractor for collection are assumed to be a result of Contractor's actions unless specifically refuted by City.

h. If there is a dispute between City and Contractor regarding whether Contractor is due compensation in a particular case, the City will not pay Contractor until issue is resolved between the parties.

4. **Contract Administrator.** The Contract Administrator designated by the City is responsible for approval of all phases of performance and operations under this Agreement, including deductions for non-performance and authorizations for payment. The City's Contract Administrator for this Agreement is as follows:

Municipal Court Director
P.O. Box 9277
Corpus Christi, TX 78469-9277
(361) 886-2515

5. **Insurance; Bonds.**

(A) Before performance can begin under this Agreement, the Contractor must deliver a certificate of insurance ("COI"), as proof of the required insurance coverages, to the City's Risk Manager and the Contract Administrator. Additionally, the COI must state that the City will be given at least 30 days' advance written notice of cancellation, material change in coverage, or intent not to renew any of the policies. The City must be named as an additional insured. The City Attorney must be given copies of all insurance policies within 10 days of the City Manager's written request. Insurance requirements are as stated in Attachment C, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.

(B) In the event that a payment bond, a performance bond, or both, are required of the Contractor to be provided to the City under this Agreement before performance can commence, the terms, conditions, and amounts required in the bonds and appropriate surety information are as included in the RFB/RFP or as may be added to Attachment C, and such content is incorporated here in this Agreement by reference as if each bond's terms, conditions, and amounts were fully set out here in its entirety.

6. **Collection Goals.** The Contractor agrees to work with the Contract Administrator to set reasonable collection goals and meet quarterly with the Contract Administrator to monitor and report on the progress of collection efforts achieved.

7. **Warranty.** Contractor warrants that all Services will be performed in accordance with the standard of care used by similarly situated contractors

performing similar services.

8. **Quality/Quantity Adjustments.** Any Service quantities indicated on the Bid/Pricing Schedule are estimates only and do not obligate the City to order or accept more than the City's actual requirements nor do the estimates restrict the City from ordering less than its actual needs during the term of the Agreement and including any Option Period. Substitutions and deviations from the City's product requirements or specifications are prohibited without the prior written approval of the Contract Administrator.
9. **Non-Appropriation.** The continuation of this Agreement after the close of any fiscal year of the City, which fiscal year ends on September 30th annually, is subject to appropriations and budget approval specifically covering this Agreement as an expenditure in said budget, and it is within the sole discretion of the City's City Council to determine whether or not to fund this Agreement. The City does not represent that this budget item will be adopted, as said determination is within the City Council's sole discretion when adopting each budget.
10. **Independent Contractor.** Contractor will perform the work required by this Agreement as an independent contractor and will furnish such Services in its own manner and method, and under no circumstances or conditions will any agent, servant or employee of the Contractor be considered an employee of the City.
11. **Subcontractors.** Contractor may use subcontractors in connection with the work performed under this Agreement. When using subcontractors, however, the Contractor must obtain prior written approval from the Contract Administrator unless the subcontractors were named in the bid or proposal or in an Attachment to this Agreement, as applicable. In using subcontractors, the Contractor is responsible for all their acts and omissions to the same extent as if the subcontractor and its employees were employees of the Contractor. All requirements set forth as part of this Agreement, including the necessity of providing a COI in advance to the City, are applicable to all subcontractors and their employees to the same extent as if the Contractor and its employees had performed the work. The City may, at the City's sole discretion, choose not to accept Services performed by a subcontractor that was not approved in accordance with this paragraph.
12. **Amendments.** This Agreement may be amended or modified only in writing executed by authorized representatives of both parties.
13. **Waiver.** No waiver by either party of any breach of any term or condition of this Agreement waives any subsequent breach of the same.
14. **Taxes.** The Contractor covenants to pay payroll taxes, Medicare taxes, FICA taxes, unemployment taxes and all other applicable taxes. Upon request, the City

Manager shall be provided proof of payment of these taxes within 15 days of such request.

- 15. Notice.** Any notice required under this Agreement must be given by fax, hand delivery, or certified mail, postage prepaid, and is deemed received on the day faxed or hand-delivered or on the third day after postmark if sent by certified mail. Notice must be sent as follows:

IF TO CITY:

City of Corpus Christi
Attn: Gilbert Hernandez
Title: Director Municipal Court Services
Address: 120 N. Chaparral, Corpus Christi, TX 78401
Phone: 361-826-2540

IF TO CONTRACTOR:

Linebarger, Goggan, Blair & Sampson, LLP
Attn: Paul D. Chapa
Title: Managing Partner
Address: 500 N. Shoreline Blvd., Corpus Christi, TX 784014
Phone: 361-888-6898
Fax: 361-888-4405

- 17. CONTRACTOR SHALL FULLY INDEMNIFY, HOLD HARMLESS AND DEFEND THE CITY OF CORPUS CHRISTI AND ITS OFFICERS, EMPLOYEES AND AGENTS (“INDEMNITEES”) FROM AND AGAINST ANY AND ALL LIABILITY, LOSS, CLAIMS, DEMANDS, SUITS, AND CAUSES OF ACTION OF WHATEVER NATURE, CHARACTER, OR DESCRIPTION ON ACCOUNT OF PERSONAL INJURIES, PROPERTY LOSS, OR DAMAGE, OR ANY OTHER KIND OF INJURY, LOSS, OR DAMAGE, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, ATTORNEYS’ FEES AND EXPERT WITNESS FEES, WHICH ARISE OR ARE CLAIMED TO ARISE OUT OF OR IN CONNECTION WITH A BREACH OF THIS AGREEMENT OR THE PERFORMANCE OF THIS AGREEMENT BY THE CONTRACTOR OR RESULTS FROM THE NEGLIGENT ACT, OMISSION, MISCONDUCT, OR FAULT OF THE CONTRACTOR OR ITS EMPLOYEES OR AGENTS. CONTRACTOR MUST, AT ITS OWN EXPENSE, INVESTIGATE ALL CLAIMS AND DEMANDS, ATTEND TO THEIR SETTLEMENT OR OTHER DISPOSITION, DEFEND ALL ACTIONS BASED THEREON WITH COUNSEL SATISFACTORY TO THE CITY ATTORNEY, AND PAY ALL CHARGES OF ATTORNEYS AND ALL OTHER COSTS AND EXPENSES OF ANY KIND ARISING OR RESULTING FROM ANY SAID LIABILITY, DAMAGE, LOSS, CLAIMS, DEMANDS, SUITS, OR ACTIONS. THE INDEMNIFICATION OBLIGATIONS OF CONTRACTOR UNDER THIS SECTION SHALL SURVIVE**

THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

18. Termination.

(A) The City Manager may terminate this Agreement for Contractor's failure to comply with any of the terms of this Agreement. The Contract Administrator must give the Contractor written notice of the breach and set out a reasonable opportunity to cure. If the Contractor has not cured within the cure period, the City Manager may terminate this Agreement immediately thereafter.

(B) Alternatively, the City Manager may terminate this Agreement for convenience upon 30 days advance written notice to the Contractor. The City Manager may also terminate this Agreement upon 24 hours written notice to the Contractor for failure to pay or provide proof of payment of taxes as set out in this Agreement.

19. Limitation of Liability. The City's maximum liability under this Agreement is limited to the total amount of compensation listed in Section 3 of this Agreement. In no event shall the City be liable for incidental, consequential or special damages.

20. Assignment. No assignment of this Agreement by the Contractor, or of any right or interest contained herein, is effective unless the City Manager first gives written consent to such assignment. The performance of this Agreement by the Contractor is of the essence of this Agreement, and the City Manager's right to withhold consent to such assignment is within the sole discretion of the City Manager on any ground whatsoever.

21. Severability. Each provision of this Agreement is considered to be severable and, if, for any reason, any provision or part of this Agreement is determined to be invalid and contrary to applicable law, such invalidity shall not impair the operation of nor affect those portions of this Agreement that are valid, but this Agreement shall be construed and enforced in all respects as if the invalid or unenforceable provision or part had been omitted.

22. Order of Precedence. In the event of any conflicts or inconsistencies between this Agreement, its attachments, and exhibits, such conflicts and inconsistencies will be resolved by reference to the documents in the following order of priority:

- A. this Agreement (excluding attachments and exhibits);
- B. its attachments;
- C. the bid solicitation document including any addenda (Exhibit 1); then,
- D. the Contractor's bid response (Exhibit 2).

23. Certificate of Interested Parties. Contractor agrees to comply with Texas Government Code Section 2252.908, as it may be amended, and to complete Form 1295 "Certificate of Interested Parties" as part of this Agreement if required

by said statute.

- 24. Governing Law.** Contractor agrees to comply with all federal, Texas, and City laws in the performance of this Agreement. The applicable law for any legal disputes arising out of this Agreement is the law of the State of Texas, and such form and venue for such disputes is the appropriate district, county, or justice court in and for Nueces County, Texas.
- 25. Public Information Act Requirements.** This paragraph applies only to agreements that have a stated expenditure of at least \$1,000,000 or that result in the expenditure of at least \$1,000,000 by the City. The requirements of Subchapter J, Chapter 552, Government Code, may apply to this contract and the Contractor agrees that the contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.
- 26. Entire Agreement.** This Agreement constitutes the entire agreement between the parties concerning the subject matter of this Agreement and supersedes all prior negotiations, arrangements, agreements and understandings, either oral or written, between the parties.

CONTRACTOR

Signature: _____

Printed Name: _____

Title: _____

Date: _____

CITY OF CORPUS CHRISTI

Kim Baker
Director of Contracts and Procurement

Date: _____

Attached and Incorporated by Reference:

- Attachment A: Scope of Work
- Attachment B: Bid/Pricing Schedule
- Attachment C: Insurance and Bond Requirements
- Attachment D: Warranty Requirements

Incorporated by Reference Only:

Exhibit 1: RFB/RFP No. 3133

Exhibit 2: Contractor's Bid/Proposal
Response

APPROVED AS TO LEGAL FORM:

Buck Brice
Assistant City Attorney
For City Attorney

(Date)

ATTACHMENT A: SCOPE OF WORK

1. General Requirements

The Contractor shall, for and in consideration of the payment of the sum of money specified in this Contract, perform all duties related to the collection of delinquent Municipal Court fines and court costs which are referred to Contractor for collection, provide all services necessary for the collection of those delinquent Municipal Court fines and court costs, and provide such further services as are outlined in this Contract. The City of Corpus Christi anticipates an total estimate of \$140,000,000 in delinquent court fines and court costs in the next five years.

2. Scope of Work

- A. Contractor shall direct defendants to make all payments directly to the City of Corpus Christi Municipal Court. Contractor shall not collect any monies for the City. Contractor shall instruct defendants that any payments owed on debts and accounts receivable must be made in full to Municipal Court.
- B. The Contractor agrees to perform additional collection services, at no charge or fee to the City or to Defendant on Delinquent Accounts which are not subject to an additional collection fee under Article 103.0031 of the Code of Criminal Procedure. Specifically, all cases filed on or prior to December 31, 2001 will not be subject to a Municipal Court Collection fee. City Ordinance 024559, effective September 3, 2001, authorized the collection of Municipal Court Collection fees pursuant to Article 103.0031. Subsequent amendments to the City ordinance have continued to authorize Municipal Court Collection fees. Additionally, fee assessed pursuant to Texas Transportation Code §706.006 are not subject to a collection fee.
- C. Contractor's collection process must be reviewed and approved by the Contract Administrator, but Contractor shall be responsible for compliance with all laws. The Contractor shall pay all costs involved in the collection of the assigned accounts, including but not limited to litigation and transportation.
- D. Contractor shall provide Contract Administrator copy of employee orientation/training manuals, where applicable. Contract Administrator will review all correspondence and scripts used by Contractor's collection staff.
- E. Contractor covenants that the customer service employees handling the City's accounts will be familiar with the City of Corpus Christi Municipal Court requirements for acceptance of fines as provided by the City to Contractor.
- F. The Contractor shall coordinate mail outs with the Contract Administrator.
- G. At the end of the each year of the Contract, Contractor shall provide a cover letter to City's Contract Administrator with listing of cases that are deemed uncollectible by the Contractor. Contractor shall give its reasons why each case is uncollectible.

- H. Contractor shall also inform Contract Administrator of applicable laws which govern disposition of uncollectible court fines.
- I. Contractor shall maintain a toll free telephone number for customers to call.
- J. The Contractor shall refer complaints regarding the collection process to Contractor resolution.
- K. The Contractor shall provide notification of all disputes or complaints raised by defendants regarding the collection process within five business days to the Contract Administrator, and the Contractor shall provide Contract Administrator with written or electronic statement of the resolution.
- L. The Contractor shall provide new addresses for defendants to the Contract Administrator on a monthly basis.

3. Management Reports

- A. The Contractor shall keep and maintain all required reports and make those reports available to the Contract Administrator at all reasonable times. Contractor agrees to keep such other records and in the form as the Contract Administrator may reasonably require and make them available upon the Contract Administrator's request.
- B. In particular, Contractor shall provide Contract Administrator at the end of each calendar year written documentation to indicate uncollected delinquent accounts which remain uncollected for at least five years from the date the account was referred to Contractor for collection.

4. Data Transfer

- A. City will transfer its Municipal Court case data to Contractor via FTP Internet electronic transfers. Contractor shall provide the Contract Administrator with access to a secured FTP site/server at no cost to the City.
- B. All data is the property of the City. Contractor shall not release the data without the written approval of the Contract Administrator. Contractor shall return all data to the Contract Administrator within 30 days after termination or expiration of this Contract.
- C. City shall provide Contractor with the data necessary to collect the fees and fines that are subject to this Contract. Contractor does not assume or accept responsibility for the integrity and/or accuracy of City's data.

5. **Special Instructions**

Accounts will be assigned by means of electronic transmission, electronic file, hard copy, or in writing. The assignment will include the following information, if available, and any other relevant information in the City's possession at the time of referral as deemed appropriate.

- A. Name(s)
- B. Address
- C. Type of Account
- D. Account Number
- E. Unpaid balance

ATTACHMENT C: INSURANCE AND BOND REQUIREMENTS

I. CONTRACTOR'S INSURANCE

- A. Contractor must not commence work under this contract until all insurance required has been obtained and such insurance has been approved by the City. Contractor must not allow any subcontractor, to commence work until all similar insurance required of any subcontractor has been obtained.
- B. Contractor must furnish to the City's Risk Manager and Contract Administer one (1) copy of Certificates of Insurance with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
30-day advance written notice of cancellation, non-renewal, material change or termination required on all certificates and policies.	
CRIME/EMPLOYEE DISHONESTY Contractor shall name the City of Corpus Christi, Texas as Loss Payee	\$100,000 Per Claims Made

II. ADDITIONAL REQUIREMENTS

- A. Contractor shall be required to submit renewal certificates of insurance throughout the term of this contract and any extensions within 30 days of the policy expiration dates. All notices under this Exhibit shall be given to City at the following address:

City of Corpus Christi
Attn: Risk Manager
P.O. Box 9277
Corpus Christi, TX 78469-9277

- B. Contractor agrees that, with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:**
- List the City and its officers, officials, employees, and volunteers, as additional insureds by endorsement with regard to operations, completed operations, and activities of or on behalf of the named insured performed under contract with the City, with the exception of the workers' compensation policy;
 - Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;

- Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and
 - Provide thirty (30) calendar days advance written notice directly to City of any, cancellation, non-renewal, material change or termination in coverage.
- C. Within thirty (30) calendar days of a cancellation, non-renewal, material change or termination of coverage, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.
- D. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to stop work hereunder, and/or withhold any payment(s) which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.
- E. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this contract.
- F. It is agreed that Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of Corpus Christi for liability arising out of operations under this contract.
- G. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this contract.

2020 Insurance Requirements

Ins. Req. Exhibit

Finance – Crime-Employee Dishonesty

05/13/2020 Risk Management – Legal Dept.

BOND REQUIREMENTS: Bonds are not required for this agreement, therefore Section 5. Insurance; Bonds. (B) is null to this agreement.

ATTACHMENT D: WARRANTY REQUIREMENTS

Contractor warrants that all Services will be performed in accordance with the standard of care used by similarly situated Contractors performing similar services.