

CITY OF CORPUS CHRISTI MUNICIPAL COURT COLLECTION SERVICES

This Contract for the collection of delinquent Municipal Court fees, fines and court costs, in this Contract called "Contract", is made and entered into by and between the City of Corpus Christi ("City") and Linebarger Goggan Blair & Sampson, LLP ("Contractor"), based upon the consideration and undertaking stated in this Contract, effective for all purposes upon approval by the Corpus Christi City Council and subsequent execution by the City Manager or designee.

1. General Scope of Services. 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.

2. Term of the Contract and Termination Clause.

- a. This Contract is for one year beginning on the date of City Council approval. This Contract may be extended on the same terms and conditions for three additional one-year terms upon the written request of the City Manager or designee, ("City Manager"), sent to Contractor at least 30 days prior to the expiration of the term.
- b. Either party may terminate this Contract at any time with or without cause by giving 60 days' written notice to the other party.
- c. 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 of the Contractor.

- a. As authorized by Article 103.0031 of the Code of Criminal Procedure, City will turn over to Contractor on or about the first (1st) and fifteenth (15th) 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. 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.

5. Scope of Services.

- 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. Contractor's collection process must be reviewed and approved by the Contract Administrator, but Contractor shall be responsible for compliance with all laws.
- c. Contractor shall provide Contract Administrator copy of employee orientation / training manuals, where applicable. Contract Administrator will have review of all correspondence and scripts used by Contractor's collection staff.
- d. 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.
- e. Contractor shall coordinate mail outs with the Contract Administrator.
- f. 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. Contractor shall also inform Contract Administrator of applicable laws which govern disposition of uncollectible court fines.
- g. Contractor shall maintain a toll free telephone number for customers to call.
- h. All complaints regarding the collection process will be referred to Contractor for resolution.

- i. Contractor shall provide notification of all disputes or complaints raised by defendants regarding the collection process within five business days to Contract Administrator, Contractor shall provide Contract Administrator with written or electronic statement of the resolution
- j. Contractor shall provide new addresses for defendants to Contract Administrator on a monthly basis.

7. Management Reports.

- a. 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 to make them available at the Contract Administrator's request.
- b. In particular, Contractor shall provide Municipal Court Director 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.

8. 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.

9. Notices. All notices required or permitted in this Contract must be in writing and are deemed to be delivered when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, as follows:

If to City:

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

If to Contractor:

Linebarger Goggan Blair & Sampson, LLP
 500 N. Water, Suite 1111
 Corpus Christi, TX 78401
 (361) 888-6898
 Attn: Paul Daniel Chapa , Partner

10. Compliance with Laws. Contractor and City shall comply with all applicable Federal, State, and City laws and regulations in performing this Contract. Contractor shall file required reports and comply with City conflict of interest provisions.

11. Contract Administrator. The Contract Administrator designated by the City is responsible for approval of all phases of performance and operations under this Contract including authorizations for payment. All of Contractor's notices or communications regarding this Contract must be directed to the Contract Administrator, who is the Municipal Court Director, or designee.

12. Independent Contractor. Contractor shall perform the services under this Contract as an independent contractor and will furnish such services in its own manner and method, and under no circumstances or conditions may any agent, servant, or employee of Contractor be considered as an employee of the City.

13. Indemnification.

- a. Contractor shall release, defend, indemnify and hold harmless the City, its agents and employees from and against any and all claims, losses, damages, causes of action, suits and liability of every kind, including all expenses of litigation, court costs and attorney's fees, arising out of or in connection with the negligent acts and/or omissions of the Contractor its officers, agents, or employees under this Contract. Contractor is expressly required to defend City against all such claims. The indemnity provision of this contract have no application to any claim or demand which results from the sole negligence or fault of City, its officers, agents, employees or contractors. And furthermore, in the event of joint and/or shared negligence or fault of City and Contractor, responsibility and indemnity, if any, is to be apportioned in accordance with Texas law and without waiving any defenses of either party. The provisions of this paragraph are intended for the sole benefit of the parties to this Contract and are not intended to create or grant any right, contractual or otherwise, to any other persons or entities.
- b. Contractor must be given prompt written notification of any claims, loss, damage, suit or liability of any kind and has the right to defend such action through use of its own counsel. In its sole discretion, City shall have the right to select or to approve defense counsel to be retained by Contractor in

fulfilling its obligation under this Contract to defend and indemnify City, unless such right is expressly waived by City Manager in writing. City reserves the right to provide a portion or all of its own defense, however, City is under no obligation to do so. Any such action by City is not to be construed as a waiver of Contractor's obligation to defend City or as a waiver of Contractor's obligation to indemnify City pursuant to this Contract. Contractor shall retain City approved defense counsel within seven (7) business days of City's written notice that City is invoking its right to indemnification under this Contract. If Contractor fails to retain Counsel within such time period, City shall have the right to retain defense counsel on its own behalf, and Contractor shall be liable for all costs incurred by City.

14. Insurance. Before activities can begin under this Contract, Contractor's insurance company(ies) must deliver a Certificate of Insurance, as proof of the required insurance coverage and the fidelity bond to the Municipal Court Director and Risk Manager as required in attached Exhibit A. Additionally, the Certificate must state that the Municipal Court Director will be given at least 30 days' notice of cancellation, material change in the coverage, or intent not to renew any of the policies by certified mail. The City shall be named as an Additional Insured. The City Attorney must be given copies of all insurance policies within 15 days of the City Manager's written request for copies of the insurance policies. Insurance requirements are attached and incorporated as Exhibit A and may be revised annually by the City Manager upon 30 days' written notice to Contractor.

15. Fiscal Year. All parties recognize that the continuation of any contract after the close of any fiscal year of the City, which fiscal year ends on July 31 annually, is subject to appropriations and budget approval providing for such contract item as an expenditure in that budget. The City does not represent that the budget item will actually be adopted, that determination is within the sole discretion of the City Council at the time each budget is adopted.

16. Assignment. This Contract is binding upon the parties, their legal representatives, successors, and assigns. This Contract must not be assigned without prior written consent of the City Council.

17. Venue. The laws of the State of Texas govern the interpretation, validity, performance and enforcement of this Contract. The parties agree that this Contract is performable in Nueces County, Texas and that exclusive venue lies in Nueces County, Texas.

18. Amendments. Except as specifically provided otherwise in this agreement, any alterations, additions, or deletions to the terms of this agreement must be by amendment to this Contract in writing and executed by both parties to this agreement. Modifications which do not change the essential scope and purpose of this Agreement may be approved on behalf of the City by the City Manager or designee.

19. Entirety. The entire Contract of the parties is contained in this Contract and this Contract

supersedes all oral agreements and negotiations between the parties relating to the subject matter of this Contract.

20. Severance. The provisions of this Contract are severable. If any paragraph, section, subdivision, sentences, clause, or phrase of this Contract is for any reason held to be contrary to the law or contrary to any rule or regulation having the force and effect of the law, such decisions does not affect the remaining portions of the law, such decisions does not affect the remaining portions of the Contract. However, upon the occurrence of such event, either party may terminate this Contract by giving the other party 60 days written notice.

21. Certificate of Interested Parties. Contractor agrees to comply with Texas Government Code section 2252.908 and complete Form 1295 Certificate of Interested Parties as part of this agreement.

Form 1295 must be electronically filed with the Texas Ethics Commission at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm. The form must then be printed, signed, notarized and filed with the City. For more information, please review the Texas Ethics Commission Rules at <https://www.ethics.state.tx.us/legal/ch46.html>.

22. Conflict of Interest. Contractor agrees to comply with Chapter 176 of the Texas Local Government Code and file Form CIQ with the City Secretary's Office, if required. For more information and to determine if you need to file a Form CIQ, please review the information on the City Secretary's website at <http://www.cctexas.com/government/city-secretary/conflict-disclosure/index>

23. Effective Date. The effective date of this Contract is the date of execution by the parties. In witness whereof, the parties have executed this Contract by signature below.

Remainder of page intentionally left blank; signature page to follow.

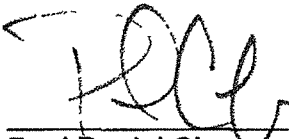
EXECUTED by the PARTIES, both of which hereby represent that the signatures to this AGREEMENT, below, are of those persons with the capacity and authority to legally bind the PARTIES.

CITY OF CORPUS CHRISTI

Margie C. Rose
City Manager

Date

CONTRACTOR



Paul Daniel Chapa
Partner

7/26/16

Date

ATTEST:

Rebecca Huerta
City Secretary

Date

APPROVED AS TO LEGAL FORM:

Buck Brice (Date)
Assistant City Attorney
For City Attorney

EXHIBIT A

INSURANCE REQUIREMENTS

I. CONTRACTOR'S LIABILITY 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 two (2) copies of Certificates of Insurance 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.	Bodily Injury and Property Damage Per occurrence - aggregate
Professional Liability	\$1,000,000 Per Occurrence \$2,000,000 Aggregate

- C. In the event of accidents of any kind related to this contract, Contractor must furnish the Risk Manager with copies of all reports of any accidents within 10 days of the accident.

II. ADDITIONAL REQUIREMENTS

- A. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor's sole expense, insurance coverage written on an claims made basis by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A- VII.
- C. Contractor shall be required to submit renewal certificates of insurance throughout the term of this contract and any extensions within 10 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

- D. 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:**
- 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 (if applicable) 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 and not less than ten (10) calendar days advance written notice for nonpayment of premium.
- E. Within five (5) 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.
- F. 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.
- G. 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.

- H. 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.
- I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this contract.

2016 Insurance Requirements
Municipal Court
Collection Services
7/25/2016 gms Risk Management