

**CONTRACT FOR THE COLLECTION
OF
DELINQUENT ACCOUNTS RECEIVABLE**

STATE OF TEXAS

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COUNTY OF TRAVIS

THIS CONTRACT is made and entered into by and between the **CITY OF PFLUGERVILLE, TEXAS**, acting herein by and through its governing body, hereinafter styled "**City**," and **MVBA, LLC dba ACCOUNTS RECEIVABLE COLLECTIONS GROUP**.

I.

The City agrees to retain and does hereby retain **MVBA, LLC dba ACCOUNTS RECEIVABLE COLLECTIONS GROUP** to provide services related to the collection of delinquent accounts receivable, including, but not limited to, delinquent utility bills ("Delinquent Accounts Receivable") pursuant to the terms and conditions described herein. MVBA, LLC may use its dba, Accounts Receivable Collections Group, on collection notices and telephone communications with debtors. The City authorizes MVBA, LLC to execute all documents reasonably necessary to pursue collection of the City's claims in connection with the collection of delinquent accounts receivable that are subject to this contract. This contract supersedes all prior oral and written contracts between the parties regarding delinquent accounts receivable. It can only be amended if done so in writing and signed by all parties. Furthermore, this contract cannot be transferred or assigned by either party without the written consent of all parties.

II.

For purposes of this contract, Delinquent Accounts Receivable shall be considered delinquent and referred to MVBA, LLC when not timely paid in accordance with any applicable contract, ordinance, or statute providing for the payment of the underlying debt.

At least once each month on a date or dates agreed upon by the parties, the City will provide MVBA, LLC with copies of, or access to, the information and documentation necessary to collect the Delinquent Accounts Receivable that are subject to this contract. The City shall furnish the information to MVBA, LLC by electronic transmission, magnetic medium.

III.

MVBA, LLC shall forward to the City copies of any correspondence regarding a disputed debt received from a debtor and the request for verification of the debt. The City will provide to MVBA, LLC, within ten (10) days of the receipt for the request for verification of the debt, copies of all records which will verify the debt, which in turn will be forwarded to the debtor by MVBA, LLC. All collection activity will be suspended on any disputed debt until the appropriate verification of the debt is delivered to the debtor.

IV.

Upon consultation and agreement by both parties hereto, MVBA, LLC may employ an attorney, at its expense, to recommend to the City to take legal action to collect Delinquent Accounts Receivable or represent the City in any dispute or challenge of its collection authority. Upon consultation and agreement by both parties hereto, MVBA, LLC may employ an attorney, at its expense, to institute civil legal proceedings on behalf of the City, including seeking writs of execution to collect Delinquent Accounts Receivable. The City shall pay in advance of the initiation of any writ of execution or collection lawsuit any filing fees charged by the Court or Clerk of the Court in which the writ of execution is to be issued or the collection lawsuit is to be filed, including the costs for service of citation. MVBA, LLC may also, after consultation and agreement by both parties, employ an attorney, at its expense, file proofs of claims in the United States Bankruptcy Court on behalf of the City for Delinquent Accounts Receivable.

V.

MVBA, LLC shall forward all cashier checks or money order payments made payable to the City and any correspondence from the debtor directly to the City. Cashier checks or money order payments to MVBA, LLC will be deposited daily into the MVBA, LLC Trust Account. MVBA, LLC may also collect the amount due from the debtor by credit card or electronic draft deposited directly into the MVBA, LLC Trust Account. MVBA, LLC may set up payment arrangements and accept partial payments on delinquent accounts receivable. MVBA, LLC shall remit to the City all payments received into the MVBA, LLC Trust Account weekly, along with an invoice detailing the account number, name of the debtor, the amount paid to MVBA, LLC or City, MVBA, LLC fee percentage and fees earned for each account.

VI.

MVBA, LLC shall indemnify and hold the City harmless from and against all liabilities, losses, and/or costs arising from claims for damages or suits for losses or damages, including reasonable costs and attorney's fees, which may arise as a result of MVBA, LLC's performance of the services described in this Contract. The indemnity provision of this Contract shall have no application to any claim or demand which results from the sole negligence or fault of the City, its officers, agents, employees or contractors. Furthermore, in the event of joint and/or shared negligence or fault of the City and MVBA, LLC, responsibility and indemnity, if any, shall 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 hereto and are not intended to create or grant any right, contractual or otherwise, to any other persons or entities.

VII.

For the collection of Delinquent Accounts Receivable in which the data files are transmitted to MVBA, LLC by electronic media, the City agrees to pay MVBA, LLC a fee of thirty percent (30%) of the amount of the Delinquent Accounts Receivable collected as compensation for services provided according to this contract.

All compensation becomes the property of MVBA, LLC, at the time of payment. The City shall pay MVBA, LLC, said compensation monthly by check or ACH.

VIII.

The City recognizes and acknowledges that MVBA, LLC owns all rights, titles, and interests in certain proprietary software that MVBA, LLC may utilize to perform the services provided in the contract. The City agrees and hereby grants to MVBA, LLC the right to use and incorporate any information provided by the City (“account or debtor information”) to update the databases in this proprietary software, and, notwithstanding that the case or defendant information has been or shall be used to update the databases in this proprietary software, further stipulates and agrees that the City shall have no rights or ownership whatsoever in and to the software or the data contained therein, except that the City shall be entitled to obtain a copy of such data that directly relates to the City’s accounts at any time.

MVBA, LLC agrees that it will not share or disclose any specific confidential account or debtor information with any other company, individual, organization, or agency without the prior written consent of the City, except as may be required by law or where such information is otherwise publicly available. It is agreed that MVBA, LLC shall have the right to use account or debtor information for internal analysis, improving the proprietary software and database, and generating aggregate data and statistics that may inherently contain account or debtor information. These aggregate statistics are owned solely by MVBA, LLC and will generally be used internally but may be shared with MVBA, LLC’s affiliates, partners, or other third parties to improve MVBA, LLC’s software and services.

MVBA, LLC and the City agree that collection activity will not continue or commence on accounts over four years old. MVBA, LLC and the City agree that these accounts will be returned to the City. Upon return of these accounts, neither party will have any obligation to the other party to this contract.

MVBA, LLC reserves the right to return to the City all accounts not collected within one (1) year of referral by the City or identified as being in bankruptcy. Upon return of these accounts, neither party will have any obligation to the other party to this contract.

IX.

The initial term of this contract is **three years, beginning on the first day of the month following the execution of this contract by both parties.** Either party may terminate this contract by delivering sixty (60) days written “Notice of Termination of Contract” to the other party of its intent to terminate this contract.

In the event that the City terminates this contract, MVBA, LLC shall be entitled to continue its collection activity on all accounts previously referred to MVBA, LLC for six (6) months from the date of receipt of the “Notice of Termination of Contract” and to payment of its fee, pursuant to Paragraph VII of this contract for all amounts collected on accounts referred to MVBA, LLC. The City may, at its discretion, refer additional accounts to MVBA, LLC after notice of termination has been received by MVBA, LLC. At the end of the six (6) month period, all accounts shall be returned to the City by MVBA, LLC.

Interlocal Agreement

MVBA, LLC agrees to extend prices and terms to all entities or other political subdivisions or municipalities who have entered or will enter into joint purchasing interlocal cooperation agreement(s) with the City.

X.

For purposes of sending notice under the term of this contract, all notices from the City shall be sent to MVBA, LLC by certified United States mail to the following address:

MVBA, LLC, dba Accounts Receivable Collections Group.
Attention: Steven W. Whigham
P.O. Box 849
Round Rock, Texas 78680

or delivered by hand or courier and addressed to 700 Jeffrey Way, Suite 100, Round Rock, Texas 78664-2425. All notices to the City shall be sent by certified United States mail or delivered by hand or courier to the following address:

City of Pflugerville, Texas
Attention: City Manager
P.O. Box 589
Pflugerville, Texas 78691-0589

XI.

This contract is made and to be interpreted under the laws of the State of Texas. The exclusive venue for any action, lawsuit, claim, dispute, or other legal proceeding concerning or arising out of this contract shall be Travis County, Texas.

In the event that any provision(s) of this contract shall, for any reason, be held invalid or unenforceable, the invalidity or unenforceability of that provision(s) shall not affect any other provision(s) of this contract. It shall further be construed as if the invalid or unenforceable provision(s) had never been a part of this contract.

Every provision of this Contract is intended to be severable. If any term or provision of this Contract is deemed to be invalid, void, or unenforceable for any reason by a District Court, to the extent possible, such invalidity or unenforceability shall not affect the validity of the remainder of this Contract, it is intended that such remaining provisions shall be construed in a manner most closely approximating the intention of the Parties with respect to the invalid, void, or unenforceable provision or part thereof.

In accordance with the requirements of Chapter 2271, Texas Government Code, the signatory executing this Contract on behalf of MVBA does hereby verify that MVBA does not boycott Israel and will not boycott Israel during the term of this Contract. In accordance with the requirements of Chapter 2274, Texas Government Code, the signatory executing this Contract on behalf of MVBA does hereby verify that MVBA 1) does not and will not boycott energy companies and will not boycott energy companies during the term of this Contract, and 2) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association, and will not discriminate during the term of the Contract against a firearm entity or firearm trade association.

XII.

In consideration of the terms and compensation herein stated, MVBA, LLC hereby agrees to undertake the performance of the said contract as set forth above.

The City has authorized the chief executive officer to execute this contract by order heretofore passed and duly recorded in its minutes.

This contract may be executed in any number of counterparts, and each counterpart shall be deemed an original for all purposes. Signed facsimiles shall be binding and enforceable.

WITNESS the signatures of all parties hereto this, the ____ day of _____, A.D. 2024.

CITY OF PFLUGERVILLE, TEXAS

Mayor

MVBA, LLC dba ACCOUNTS RECEIVABLE COLLECTIONS GROUP

Matthew Tepper
Manager