



## COUNCIL AGENDA ITEM MEMORANDUM

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**DEPT./DIVISION SUBMISSION & REVIEW:**

Traci Barnard, Director of Finance

Belinda Mattke, Director of Purchasing and Facility Services

**ITEM DESCRIPTION:** Consider adopting a resolution authorizing a two-year professional services agreement for delinquent account collection services with McCreary, Veselka, Bragg & Allen of Round Rock.

**BACKGROUND:** Approval of this item will provide for the continuation of collection services provided by McCreary, Veselka, Bragg & Allen (MVBA), which are primarily used by the Municipal Court and Utility Business Office. In addition, the Parks Department, Finance Department, Airport, and Convention Center also utilize these services.

On September 3, 2020, the City received one proposal for delinquent account collection services from MVBA of Round Rock. A committee comprised of staff from the Municipal Court, Utility Business Office, and Finance reviewed and evaluated the one proposal received from MVBA. Evaluation criteria as defined in the RFP included: professional capabilities, experience, and reputation of firm, 30%; responsiveness of proposal, 25%; proposed pricing, 25%; professional qualifications and experience of staff who will be performing work, 10%; and ability to provide easily understood reports and effective communication, 10%. The evaluation committee unanimously concluded that MVBA, who provides the City's current delinquent account collection services, proposed a good service package to the City and Staff has been very pleased with the services and level of professional capabilities provided by MVBA over the past 15 years.

In addition to typical collection services, MVBA will administer two warrant roundup events annually and will facilitate the Scofflaw Program, the State's Vehicle Registration Denial Program as outlined by Texas Transportation Code Sec 702.003. Operationally, MVBA also has an interface with the City's LT Systems Municipal Court Software, which allows for real-time update of collection activities.

MVBA is offering the City a collection fee of 30% for Municipal Court collections, which is consistent with the statutory rate, 12% for collections for other departments, and \$10 per violation for the collection

of delinquent parking violations. These rates are consistent with the rates under the current contract between the City and MVBA.

Staff is recommending a two-year agreement with MVBA commencing immediately, with the provision for three one-year renewals.

**ALIGNMENT WITH ADOPTED PLANS:**

Plan	Comments
Strategic Plan	This item supports the City of Temple Strategic goal of An organization committed to performance excellence,” and the Strategic Plan commitment to “Create efficient, integrated, and streamlined regulations, policies, and processes.”

**STAFF RECOMMENDATION:** Adopt resolution as presented in item description.

**BOARDS & COMMISSIONS RECOMMENDATION:** This item was not reviewed by any of the official boards and commissions.

**FISCAL IMPACT:** Delinquent payments received by Municipal Court or by the collection agency are posted as an amount due to the collection agency based on the contracted rate of 30%. These fees are initially collected from the defendants and submitted to MVBA as reimbursement for their collection services.

In FY 2019, \$164,722 was paid to MVBA for Municipal Court collections and \$3,729.54 was paid by other departments for delinquent collections. To date in FY 2020, \$145,063 has been paid to MVBA for Municipal Court collections and \$3,654.20 has been paid by other departments for delinquent collections.

For all other delinquent payments collected either by the City or MVBA, other than Municipal Court collection fees, \$11,000 has been included in the adopted FY 2021 Budget for these services.

**ATTACHMENTS:**  
Resolution