



# WASHOE COUNTY

"Dedicated To Excellence in Public Service"

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CM/ACM \_\_\_\_\_  
Finance UM  
DA EH  
Risk Mgt. IX  
HR VW  
Grant Mgt. NA

## STAFF REPORT

BOARD MEETING DATE: August 9, 2016

**DATE:** July 21, 2016

**TO:** Board of County Commissioners

**FROM:** Scott Sosebee, Assistant Court Administrator, Reno Justice Court  
325-6544, [ssosebee@washoecounty.us](mailto:ssosebee@washoecounty.us)

**THROUGH:** Peter Sferrazza, Chief Judge, Reno Justice Court, 325-6550,  
[psferrazza@washoecounty.us](mailto:psferrazza@washoecounty.us)  
Kevin Higgins, Administrative Judge, Sparks Justice Court, 325-7620,  
[khiggins@washoecounty.us](mailto:khiggins@washoecounty.us)  
Alan Tiras, Judge, Incline Village Justice Court, 832-4100,  
[atiras@washoecounty.us](mailto:atiras@washoecounty.us)  
Terry Graham, Judge, Wadsworth Justice Court, 575-4585,  
[tegraham@washoecounty.us](mailto:tegraham@washoecounty.us)

**SUBJECT:** Approve joinder on the Clark County, Nevada contract with Valley Collection Service, LLC to provide third party collection services to all Washoe County Justice Courts and, if approved, authorize County Purchasing to execute Agreement for the same. (All Commission Districts)

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### SUMMARY

The Washoe County Justice Courts request approval of a joinder, under NRS 332.195, on the Clark County, Nevada contract with Valley Collection Service, LLC to provide third party collection services to all Washoe County Justice Courts and, if approved, authorize County Purchasing to execute the agreement.

The total annual value of the contract will be determined by the number of accounts referred from the courts and the amount recovered by Valley Collection Service. There will be no fiscal impact to the County as the courts will impose a collection fee pursuant to NRS 176.064. Payments for collection services provided by Valley Collection Service, LLC will be from collection fee revenue.

**Washoe County's Strategic Objective supported by this item:** Safe, secure, and healthy communities.

AGENDA ITEM # 5.G.2.

## **PREVIOUS ACTION**

On December 8, 2009, the Board of County Commissioners awarded Request for Proposal (RFP) No. 2687-09 to Alliance One Receivables Management Inc. and approved and executed Collections Services Agreement between Washoe County (Reno Justice Court) and Alliance One Receivables Management Inc. to provide collection services on behalf of the Reno Justice Court.

Reno Justice Court's agreement with Alliance One Receivables Management, Inc. was terminated on April 14, 2015.

## **BACKGROUND**

This contract joinder will provide debt collection services for Washoe County Justice Courts. Valley Collection Service, LLC will provide third-party collection services for delinquent accounts on cases within each Justice Court's jurisdiction. The collection efforts will focus on the collection of fines, forfeitures, administrative assessments, and fees. Each court will determine their own prerequisites for cases that will be referred to the collection agency.

Valley Collection Service has expertise and experience with third-party collection services for courts located in Nevada and with the Courts' case management software.

The term of the contract is from the date of approval through December 31, 2016, and includes the option to renew for four, one-year periods. The contract includes the County's option to terminate for cause, convenience, or default and suspend the contract with advanced written notice. Additionally, terms of the contract are in accordance with NRS 176.064 and Valley Collection Service, LLC is a licensed collection agency by the State of Nevada, Dept. of Business & Industry pursuant to NRS 649.

## **FISCAL IMPACT**

Due to our ability to join the contract executed by Clark County, the Washoe County Justice Courts will receive very favorable collection terms, with the vendor paid 10% of all collections.

The total annual value of the contract will be determined by the number of accounts referred from the courts and the amount recovered by Valley Collection Service. The courts will impose a collection fee according to NRS 176.064. Payment to the collection agency will be paid from the collection fees assessed and money recovered.

The Washoe County Justice Courts expect that court revenue collections will increase as a result of this contract, but the exact amount cannot be determined.

**RECOMMENDATION**

It is recommended that the Board of County Commissioners approves a joinder on the Clark County, Nevada contract with Valley Collection Service, LLC to provide third party collection services to all Washoe County Justice Courts and, if approved, authorize County Purchasing to execute Agreement for the same.

**POSSIBLE MOTION**

Should the Board agree with staff's recommendation, a possible motion would be:  
"Move to approve joinder on the Clark County, Nevada contract with Valley Collection Service, LLC to provide third party collection services to all Washoe County Justices Courts and, if approved, authorize County Purchasing to execute Agreement for same."

**JOINDER AGREEMENT**

**BETWEEN WASHOE COUNTY, NEVADA AND VALLEY COLLECTION, LLC**

**PURSUANT TO NRS 332.195**

Valley Collection Service, LLC, hereby authorizes Washoe County and its Departments to join and use the existing contract between Valley Collection Service, LLC, and Clark County, Nevada, which is attached as Exhibit A and is entitled Contract for Collection Agency Services for the Rural Justice Courts, CBE No. 603925-15. As part of this authorization, Valley Services, LLC, agrees to comply with applicable laws of the State of Nevada and the United States of America for the duration of this authorized Joinder.

Valley Collection Service, LLC  
7025 N. 58<sup>th</sup> Street  
Glendale, Arizona 85301

By \_\_\_\_\_

Scott Maxam, Manager

Date \_\_\_\_\_

Washoe County  
Purchasing Division

By \_\_\_\_\_

Michael L. Sullens, Purchasing and Contracts Manager

Date \_\_\_\_\_

**CLARK COUNTY, NEVADA**

**CONTRACT FOR COLLECTION AGENCY SERVICES  
FOR THE RURAL JUSTICE COURTS**

**CBE NO. 603925-15**

VALLEY COLLECTION SERVICE, LLC
NAME OF FIRM
SCOTT MAXAM, MANAGER
DESIGNATED CONTACT, NAME AND TITLE (Please type or print)
7025 N. 58 <sup>th</sup> Ave., Glendale, AZ 85301
ADDRESS OF FIRM INCLUDING CITY, STATE AND ZIP CODE
(800) 244-9665
(AREA CODE) AND TELEPHONE NUMBER
(623) 931-4325
(AREA CODE) AND FAX NUMBER
scott@valleycollection.com
E-MAIL ADDRESS

**CLERK'S ORIGINAL**

BCC 2/24/16 ITEM# 36 FILE# C603925-15

CONTRACT FOR COLLECTION AGENCY SERVICES FOR THE RURAL JUSTICE COURTS

This Contract is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2016, by and between CLARK COUNTY, NEVADA (hereinafter referred to as COUNTY), and VALLEY COLLECTION SERVICE, LLC. (hereinafter referred to as AGENCY), for COLLECTION AGENCY SERVICES FOR THE RURAL JUSTICE COURTS (hereinafter referred to as PROJECT).

WITNESSETH.

WHEREAS, AGENCY has the personnel and resources necessary to accomplish the Project within the required schedule and has the licenses and/or authorizations pursuant to all federal, State of Nevada and local laws in order to conduct business relative to this Contract

NOW, THEREFORE, COUNTY and AGENCY agree as follows

SECTION I: TERM OF CONTRACT

COUNTY agrees to retain AGENCY for the period from date of award through December 31, 2016, with the option to renew for four (4), one-year periods subject to the provisions of Sections II and VIII herein. During this period, AGENCY agrees to provide services as required by COUNTY within the scope of this Contract

SECTION II: COMPENSATION AND TERMS OF PAYMENT

A. Compensation

COUNTY agrees to pay AGENCY for the performance of services described in the Scope of Work (Exhibit A) in accordance with the rates identified therein. It is expressly understood that the entire work defined in Exhibit A must be completed by AGENCY and it shall be AGENCY'S responsibility to ensure that hours and tasks are properly budgeted so the entire PROJECT is completed for the said fee

B. Terms of Payments

1. Each invoice received by COUNTY must include the specifications based on actual work performed to date in accordance with the completion of tasks indicated in Exhibit A. Scope of Work and/or Payment of invoices will be made upon receipt of the invoice, not to exceed 30 days and after a receipt of an invoice has been reviewed for accuracy and approved COUNTY
2. COUNTY, at its discretion, may not approve or issue payment on invoices if AGENCY fails to provide the following information required on each invoice.
  - a. The PROJECT as stated in Exhibit A, Scope of Work, COUNTY'S Contract Number, Project Number, Purchase Order Number, Invoice Date, Invoice Period, Invoice Number, and the Payment Remittance Address
  - b. Expenses not defined in Exhibit A, Scope of Work, or expenses greater than the per diem rates will not be paid without prior written authorization by COUNTY
  - c. COUNTY'S representative shall notify AGENCY in writing within fourteen (14) calendar days of any disputed amount included on the invoice. AGENCY must submit a new invoice for the undisputed amount which will be paid in accordance with paragraph B.2 above. Upon mutual resolution of the disputed amount AGENCY will submit a new invoice for the agreed to amount and payment will be made in accordance with paragraph B.2 above.
3. No penalty will be imposed on COUNTY if COUNTY fails to pay AGENCY within thirty (30) calendar days after receipt of a properly documented invoice, and COUNTY will receive no discount for payment within that period.
4. In the event that legal action is taken by COUNTY or AGENCY based on a disputed payment, the prevailing party shall be entitled to reasonable attorneys' fees and costs subject to COUNTY'S available unencumbered budgeted appropriations for the PROJECT.

5. COUNTY shall subtract from any payment made to AGENCY all damages, costs and expenses caused by AGENCY'S negligence, resulting from or arising out of errors or omissions in AGENCY'S work products, which have not been previously paid to AGENCY.
  6. COUNTY shall not provide payment on any invoice AGENCY submits after six (6) months from the date AGENCY performs services, provides deliverables, and/or meets milestones, as agreed upon in Exhibit A, Scope of Work.
  7. Invoices shall be submitted to this email address Rural JC Admin – Valley Collection Service at [RuralAdminVCS@clarkcountynv.gov](mailto:RuralAdminVCS@clarkcountynv.gov)
- C. County's Fiscal Limitations
1. The content of this section shall apply to the entire Contract and shall take precedence over any conflicting terms and conditions, and shall limit COUNTY'S financial responsibility as indicated in Sections 2 and 3 below.
  2. Notwithstanding any other provisions of this Contract, this Contract shall terminate and COUNTY'S obligations under it shall be extinguished at the end of the fiscal year in which COUNTY fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which will then become due
  3. COUNTY'S total liability for all charges for services which may become due under this Contract is limited to the total maximum expenditure(s) authorized in COUNTY'S purchase order(s) to AGENCY

**SECTION III: SCOPE OF WORK**

Services to be performed by AGENCY for the PROJECT shall consist of the work described in the Scope of Work as set forth in Exhibit A of this Contract, attached hereto.

**SECTION IV: CHANGES TO SCOPE OF WORK**

- A. COUNTY may at any time, by written order, make changes within the general scope of this Contract and in the services or work to be performed. If such changes cause an increase or decrease in AGENCY'S cost or time required for performance of any services under this Contract, an equitable adjustment limited to an amount within current unencumbered budgeted appropriations for the PROJECT shall be made and this Contract shall be modified in writing accordingly. Any claim of AGENCY for the adjustment under this clause must be submitted in writing within thirty (30) calendar days from the date of receipt by AGENCY of notification of change unless COUNTY grants a further period of time before the date of final payment under this Contract.
- B. No services for which an additional compensation will be charged by AGENCY shall be furnished without the written authorization of COUNTY.

**SECTION V: RESPONSIBILITY OF AGENCY**

- A. It is understood that in the performance of the services herein provided for, AGENCY shall be, and is, an independent contractor, and is not an agent, representative or employee of COUNTY and shall furnish such services in its own manner and method except as required by this Contract. Further, AGENCY has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by AGENCY in the performance of the services hereunder. AGENCY shall be solely responsible for, and shall indemnify, defend and hold COUNTY harmless from all matters relating to the payment of its employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, demands, and regulations of any nature whatsoever.

- B. AGENCY shall appoint a Manager, upon written acceptance by COUNTY, who will manage the performance of services. All of the services specified by this Contract shall be performed by the Manager, or by AGENCY'S associates and employees under the personal supervision of the Manager. Should the Manager, or any employee of AGENCY be unable to complete his or her responsibility for any reason, AGENCY must obtain written approval by COUNTY prior to replacing him or her with another equally qualified person. If AGENCY fails to make a required replacement within thirty (30) calendar days, COUNTY may terminate this Contract for default.
- C. AGENCY has, or will, retain such employees as it may need to perform the services required by this Contract. Such employees shall not be employed by COUNTY
- D. AGENCY agrees that its officers and employees will cooperate with COUNTY in the performance of services under this Contract and will be available for consultation with COUNTY at such reasonable times with advance notice as to not conflict with their other responsibilities
- E. AGENCY will follow COUNTY'S standard procedures as followed by COUNTY'S staff in regard to programming changes, testing; change control; and other similar activities
- F. AGENCY shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by AGENCY, its subcontractors and its and their principals, officers, employees and agents under this Contract. In performing the specified services, AGENCY shall follow practices consistent with generally accepted professional and technical standards
- G. It shall be the duty of AGENCY to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. AGENCY will not produce a work product which violates or infringes on any copyright or patent rights. AGENCY shall, without additional compensation, correct or revise any errors or omissions in its work products.
  1. Permitted or required approval by COUNTY of any products or services furnished by AGENCY shall not in any way relieve AGENCY of responsibility for the professional and technical accuracy and adequacy of its work
  2. COUNTY'S review, approval, acceptance, or payment for any of AGENCY'S services herein shall not be construed to operate as a waiver of any rights under this Contract or of any cause of action arising out of the performance of this Contract, and AGENCY shall be and remain liable in accordance with the terms of this Contract and applicable law for all damages to COUNTY caused by AGENCY'S performance or failures to perform under this Contract.
- H. All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by AGENCY for COUNTY relating to the services to be performed hereunder and not otherwise used or useful in connection with services previously rendered, or services to be rendered, by AGENCY to parties other than COUNTY shall become the property of COUNTY and shall be delivered to COUNTY'S representative upon completion or termination of this Contract, whichever comes first. AGENCY shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by COUNTY. COUNTY shall have the right to reproduce all documentation supplied pursuant to this Contract
- I. The rights and remedies of COUNTY provided for under this section are in addition to any other rights and remedies provided by law or under other sections of this Contract.

**SECTION VI: SUBCONTRACTS**

- A. Services specified by this Contract shall not be subcontracted by AGENCY, without prior written approval of COUNTY.
- B. Approval by COUNTY of AGENCY'S request to subcontract, or acceptance of, or payment for, subcontracted work by COUNTY shall not in any way relieve AGENCY of responsibility for the professional and technical accuracy and adequacy of the work. AGENCY shall be and remain liable for all damages to COUNTY caused by negligent performance or non-performance of work under this Contract by AGENCY'S subcontractor or its sub-subcontractor.



- C The compensation due under Section II shall not be affected by COUNTY'S approval of AGENCY'S request to subcontract.

#### SECTION VII: RESPONSIBILITY OF COUNTY

- A COUNTY agrees that its officers and employees will cooperate with AGENCY in the performance of services under this Contract and will be available for consultation with AGENCY at such reasonable times with advance notice as to not conflict with their other responsibilities.
- B. The services performed by AGENCY under this Contract shall be subject to review for compliance with the terms of this Contract by COUNTY'S representative, KAREN M POWELL, RURAL JUSTICE COURTS OF CLARK COUNTY, telephone number (702) 455-4147 or their designee. COUNTY'S representative may delegate any or all of her responsibilities under this Contract to appropriate staff members, and shall so inform AGENCY by written notice before the effective date of each such delegation.
- C The review comments of COUNTY'S representative may be reported in writing as needed to AGENCY. It is understood that COUNTY'S representative's review comments do not relieve AGENCY from the responsibility for the professional and technical accuracy of all work delivered under this Contract.
- D. COUNTY shall assist AGENCY in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the services specified by this Contract.
- E. AGENCY will not be responsible for accuracy of information or data supplied by COUNTY or other sources to the extent such information or data would be relied upon by a reasonably prudent AGENCY.

#### SECTION VIII: TIME SCHEDULE

- A Time is of the essence of this Contract.
- B. AGENCY shall complete the PROJECT in accordance with the milestones contained in Exhibit A - Scope of Work of this Contract
- C If AGENCY'S performance of services is delayed or if AGENCY'S sequence of tasks is changed, AGENCY shall notify COUNTY'S representative in writing of the reasons for the delay and prepare a revised schedule for performance of services. The revised schedule is subject to COUNTY'S written approval.

#### SECTION IX: SUSPENSION AND TERMINATION

- A Suspension  
COUNTY may suspend performance by AGENCY under this Contract for such period of time as COUNTY, at its sole discretion, may prescribe by providing written notice to AGENCY at least 10 working days prior to the date on which COUNTY wishes to suspend. Upon such suspension, COUNTY shall pay AGENCY its compensation, based on the percentage of the PROJECT completed and earned until the effective date of suspension, less all previous payments. AGENCY shall not perform further work under this Contract after the effective date of suspension until receipt of written notice from COUNTY to resume performance. In the event COUNTY suspends performance by AGENCY for any cause other than the error or omission of the AGENCY, for an aggregate period in excess of thirty (30) days, AGENCY shall be entitled to an equitable adjustment of the compensation payable to AGENCY under this Contract to reimburse AGENCY for additional costs occasioned as a result of such suspension of performance by COUNTY based on appropriated funds and approval by COUNTY.
- B. Termination  
1. This Contract may be terminated in whole or in part by either party in the event of substantial failure or default of the other party to fulfill its obligations under this Contract through no fault of the terminating party, but only after the other party is given:  
a. not less than ten (10) calendar days written notice of intent to terminate; and

- b. an opportunity for consultation with the terminating party prior to termination.
2. Termination for Convenience
- a. This Contract may be terminated in whole or in part by COUNTY for its convenience, but only after AGENCY is given:
    - i. not less than ten (10) calendar days written notice of intent to terminate; and
    - ii. an opportunity for consultation with COUNTY prior to termination.
  - b. If termination is for COUNTY'S convenience, COUNTY shall pay AGENCY that portion of the compensation which has been earned as of the effective date of termination but no amount shall be allowed for anticipated profit on performed or unperformed services or other work.
3. Termination for Default
- a. If termination for substantial failure or default is effected by COUNTY, COUNTY will pay AGENCY that portion of the compensation which has been earned as of the effective date of termination but:
    - i. No amount shall be allowed for anticipated profit on performed or unperformed services or other work; and
    - ii. Any payment due to AGENCY at the time of termination may be adjusted to the extent of any additional costs occasioned to COUNTY by reason of AGENCY'S default
  - b. Upon receipt or delivery by AGENCY of a termination notice, AGENCY shall promptly discontinue all services affected (unless the notice directs otherwise) and deliver or otherwise make available to COUNTY'S representative, copies of all deliverables as provided in Section V, paragraph H
  - c. If after termination for failure of AGENCY to fulfill contractual obligations it is determined that AGENCY has not so failed, the termination shall be deemed to have been effected for the convenience of COUNTY.
4. Upon termination, COUNTY may take over the work and execute the same to completion by agreement with another party or otherwise. In the event AGENCY shall cease conducting business, COUNTY shall have the right to make an unsolicited offer of employment to any employees of AGENCY assigned to the performance of this Contract.
6. The rights and remedies of COUNTY and AGENCY provided in this section are in addition to any other rights and remedies provided by law or under this Contract.
7. Neither party shall be considered in default in the performance of its obligations hereunder, nor any of them, to the extent that performance of such obligations, nor any of them, is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of such party. Delays arising from the actions or inactions of one or more of AGENCY'S principals, officers, employees, agents, subcontractors, vendors or suppliers are expressly recognized to be within AGENCY'S control

**SECTION X: INSURANCE**

- A. AGENCY shall obtain and maintain the insurance coverage required in Exhibit B incorporated herein by this reference. AGENCY shall comply with the terms and conditions set forth in Exhibit B and shall include the cost of the insurance coverage in their prices.
- B. If AGENCY fails to maintain any of the insurance coverage required herein, COUNTY may withhold payment, order AGENCY to stop the work, declare AGENCY in breach, suspend or terminate Contract.

**SECTION XI: NOTICES**

Any notice required to be given hereunder shall be deemed to have been given when received by the party to whom it is directed by personal service, hand delivery, certified U.S. mail, return receipt requested or facsimile, at the following addresses:

TO COUNTY:                    RURAL JUSTICE COURTS  
                                      330 S. THIRD ST #1020B  
                                      LAS VEGAS, NEVADA 89101  
                                      ATTN: KAREN POWELL

TO AGENCY:                    VALLEY COLLECTION SERVICE, LLC  
                                      7025 N 58<sup>th</sup> STREET  
                                      GLENDALE, ARIZONA 85301

**SECTION XII: MISCELLANEOUS**

A     Independent Contractor

AGENCY acknowledges that AGENCY and any subcontractors, agents or employees employed by AGENCY shall not, under any circumstances, be considered employees of COUNTY, and that they shall not be entitled to any of the benefits or rights afforded employees of COUNTY, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. COUNTY will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of AGENCY or any of its officers, employees or other agents.

B     Immigration Reform and Control Act

In accordance with the Immigration Reform and Control Act of 1986, AGENCY agrees that it will not employ unauthorized aliens in the performance of this Contract.

C.     Non-Discrimination/Public Funds

The BCC is committed to promoting full and equal business opportunity for all persons doing business in Clark County. AGENCY acknowledges that COUNTY has an obligation to ensure that public funds are not used to subsidize private discrimination. AGENCY recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or gender expression, age, disability, national origin, or any other protected status, COUNTY may declare AGENCY in breach of the Contract, terminate the Contract, and designate AGENCY as non-responsible.

D.     Assignment

Any attempt by AGENCY to assign or otherwise transfer any interest in this Contract without the prior written consent of COUNTY shall be void.

E     Indemnity

AGENCY does hereby agree to defend, indemnify and hold harmless COUNTY and the employees, officers and agents of COUNTY from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of AGENCY or the employees or agents of AGENCY in the performance of this Contract.

F     Governing Law

Nevada law shall govern the interpretation of this Contract.

G.     Gratuities

1     COUNTY may, by written notice to AGENCY, terminate this Contract if it is found after notice and hearing by COUNTY that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by AGENCY or any agent or representative of AGENCY to any officer or employee of COUNTY with a view toward

securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Contract

2. In the event this Contract is terminated as provided in paragraph 1 hereof, COUNTY shall be entitled
  - a. to pursue the same remedies against AGENCY as it could pursue in the event of a breach of this Contract by AGENCY; and
  - b. as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by COUNTY) which shall be not less than three (3) nor more than ten (10) times the costs incurred by AGENCY in providing any such gratuities to any such officer or employee
3. The rights and remedies of COUNTY provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract

H. Audits

The performance of this Contract by AGENCY is subject to review by COUNTY to insure contract compliance. AGENCY agrees to provide COUNTY any and all information requested that relates to the performance of this Contract. All requests for information will be in writing to AGENCY. Time is of the essence during the audit process. Failure to provide the information requested within the timeline provided in the written information request may be considered a material breach of Contract and be cause for suspension and/or termination of the Contract.

I. Covenant

AGENCY covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. AGENCY further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.

J. Confidential Treatment of Information

AGENCY shall preserve in strict confidence any information obtained, assembled or prepared in connection with the performance of this Contract.

K. ADA Requirements

All work performed or services rendered by AGENCY shall comply with the Americans with Disabilities Act standards adopted by Clark County. All facilities built prior to January 26, 1992 must comply with the Uniform Federal Accessibility Standards; and all facilities completed after January 26, 1992 must comply with the Americans with Disabilities Act Accessibility Guidelines.

L. Subcontractor Information

AGENCY shall provide a list of the Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), Physically-Challenged Business Enterprise (PBE), Small Business Enterprise (SBE), Veteran Business Enterprise (VET), Disabled Veteran Business Enterprise (DVET) and Emerging Small Business Enterprise (ESB) subcontractors for this Contract utilizing the attached format (Exhibit C). The information provided in Exhibit C by AGENCY is for COUNTY'S information only.

M. Disclosure of Ownership Form

AGENCY agrees to provide the information on the attached Disclosure of Ownership/Principals form prior to any contract and/or contract amendment to be awarded by the Board of County Commissioners.

N. Authority

COUNTY is bound only by COUNTY agents acting within the actual scope of their authority. COUNTY is not bound by actions of one who has apparent authority to act for COUNTY. The acts of COUNTY agents which exceed their contracting authority do not bind COUNTY.

O. Force Majeure

AGENCY shall be excused from performance hereunder during the time and to the extent that it is prevented from obtaining, delivering, or performing, by acts of God, fire, war, loss or shortage of transportation facilities, lockout or

commandeering of raw materials, products, plants or facilities by the government. AGENCY shall provide COUNTY satisfactory evidence that nonperformance is due to cause other than fault or negligence on its part.

P Severability

If any terms or provisions of CONTRACT shall be found to be illegal or unenforceable, then such term or provision shall be deemed stricken and the remaining portions of CONTRACT shall remain in full force and effect.

Q Non-Endorsement

As a result of the selection of AGENCY to supply goods or services, COUNTY is neither endorsing nor suggesting that AGENCY'S service is the best or only solution. AGENCY agrees to make no reference to COUNTY in any literature, promotional material, brochures, sales presentations, or the like, without the express written consent of COUNTY.

R Public Records

COUNTY is a public agency as defined by state law, and as such, is subject to the Nevada Public Records Law (Chapter 239 of the Nevada Revised Statutes). Under the law, all of COUNTY'S records are public records (unless otherwise declared by law to be confidential) and are subject to inspection and copying by any person. All bid documents are available for review following the bid opening.

IN WITNESS WHEREOF, the parties have caused this Contract to be executed the day and year first above written.

COUNTY

CLARK COUNTY, NEVADA

By Yolanda T. King 7/13/2016  
YOLANDA T. KING DATE  
Chief Financial Officer

AGENCY  
VALLEY COLLECTION SERVICE, LLC  
By Scott Maxam 12.8.2015  
SCOTT MAXAM DATE  
Manager

APPROVED AS TO FORM  
STEVEN B. WOLFSON  
District Attorney

By Elizabeth A. Vibert 1/5/16  
ELIZABETH A. VIBERT DATE  
Deputy District Attorney

**EXHIBIT A**  
**CONTRACT FOR COLLECTION AGENCY SERVICES FOR THE RURAL JUSTICE COURTS**  
**SCOPE OF WORK**

Definitions

- a) "Agency" means the licensed Collection Agency providing collection services for the Courts.
- b) "Award Date" means the date that the Contract is approved by the Board of County Commissioners, which date shall be entered into the first paragraph of this Contract
- c) Court Designated Person(s) means the individual(s) authorized to act on behalf of the respective Court regarding routine matters arising under or relating to this Contract. The court designated Persons are as follows:

Rural Justice Courts (Boulder Justice Court, Bunkerville Justice Court, Goodsprings Justice Court, Laughlin Justice Court, Mesquite Justice Court, Moapa Justice Court, Moapa Valley Justice Court and Searchlight Justice Court)  
Rural Court Administrator  
330 S 3<sup>rd</sup> Street #1020  
Las Vegas, Nevada 89101

- d) "Miscellaneous Fees Services" means collection on the Courts' fees that remain outstanding after fines, traffic bails and warrant fees are paid such as civil fees, filing fees, reproduction fees, etc
- e) "Non-exclusive Contract" means a Contract under which the Courts may enter into the same agreement terms with multiple vendors.

Contract Type

This is a non-exclusive Contract. The Contract is subject to the limitation set forth in "Courts' Review and Approval" The number of cases referred for collection is variable in quantity

Prices/Costs

a) The Courts will impose collection fees on delinquencies. These collection fees cannot exceed the maximum amount allowed under Nevada Revised Statutes (NRS) 176.064 which states that the defendant is liable for a collection fee, to be imposed by the court at the time it finds that the fine, administrative assessment fee or restitution is delinquent, of:

- 1) Not more than \$100, if the amount of the delinquency is less than \$2,000.
- 2) Not more than \$500, if the amount of the delinquency is \$2,000 or greater, but is less than \$5,000.
- 3) Ten percent of the amount of the delinquency, if the amount of the delinquency is \$5,000 or greater.

b) The Agency shall provide the collection services set forth in this Contract and be paid a percentage of the collection fee imposed by the Courts. The rate is 10% of the entire fine fee or forfeiture and the collection fee imposed by the Courts which shall remain firm for the entire length of the Contract, including renewal terms which may be exercised by the Courts. The rate is applied to actual monies recovered on behalf of the Courts. All costs incurred as a result of collecting accounts for the Courts are the sole responsibility of the Agency.

c) The Courts may, through prescribed Courts' proceedings or guidelines, allow installment payments for any monetary amount owed on a case. When installment payments are made, the collection fee will be satisfied before moneys are distributed to Administrative Assessments.

d) The money collected from collection fees must be distributed in the following manner

- 1) After the collection agency has been paid its fee pursuant to the terms of this Contract, any remaining money must be deposited in a special fund in the County Treasury.
- 2) The court may use the money in the specialty fund as pursuant to NRS 176.064.

General Scope

a) The Agency shall provide third-party collection services for the Courts. The collection services shall cover delinquent accounts for cases within the Courts' jurisdiction.

b) The collection efforts will focus on fines, forfeitures, administrative assessments, fees and restitutions. Generally, the collection account will include, the entire amount of the fine, the court collection fee and the warrant fee.

c) In general, a case will be assigned to the Agency for third-party collection services approximately forty-five (45) calendar days after a bench warrant is issued for the delinquent defendant, or within such other time period specifically set by an individual court.

d) The services to be performed by the Agency include, but are not limited to:

- 1) Collection on delinquent cases and
- 2) Maintenance of a historical and transactional database, which is timely, accurate and easily audited.

e) Collections shall be defined as payment received by the Courts on any case assigned to the Agency. The definition of collections does not include:

Jail Bail paid by or for any incarcerated defendant to be released from the jail; or Bond forfeitures.

f) All payments collected by the Agency shall be made directly to the courts. After the collection case is submitted to the collection agency, the Agency is entitled to the agreed upon percentage if and when the court takes a payment on the collection case.

g) After receiving the collections, the Courts will then pay the Agency its share of the collection fees pursuant to the terms of this Contract.

h) Within fifteen (15) working days after receipt of a case from the Courts, the Agency must mail a notice of case referral to a defendant or delinquent party. The courts may also authorize a delayed notice of case referral in a particular case.

i) The Agency shall not have the power to negotiate for the Courts with a client, except to the extent that a Court specifically authorizes the Agency to do so.

j) The Agency shall have the option to report debtors to appropriate Credit Bureaus. The Agency may make that report to said Credit Bureaus no sooner than thirty (30) working days after initial contact with a debtor. The Agency shall be responsible for resolving any issues that arise with respect to the reporting to Credit Bureaus.

k) The Agency shall submit Script Guidelines and Demand Letters for the Courts' approval. The Courts shall have a maximum of twenty (20) working days from the delivery of the Script Guidelines and Demand Letters to approve the use of those documents. If the Courts believe the Script Guidelines and Demand Letters do not conform to the Courts policies and standards, the Courts shall notify the Agency in writing thereof within the above-mentioned twenty (20) working days. In the absence of such notice, acceptance of the Script Guidelines and Demand Letters will be presumed after 20 working days from delivery. After initial acceptance of Script Guidelines and Demand Letters, the Courts reserve the right to request modification of the Script Guidelines and Demand Letters later upon reasonable notice to the Agency.

#### Administrative Requirements

a) Upon request by the Courts, the Agency shall provide a detailed report of cases referred by the Courts. The report, by individual court, shall include the following information for each case received by the Agency:

- 1) Original delinquency amount.
- 2) Amount collected;
- 3) Amount adjusted.
- 4) Amount outstanding.
- 5) The date the case was received by the Agency; and
- 6) Whether collection efforts are active/closed

b) The Agency shall provide monthly summary information showing month-to-date, year-to-date and inception-to-date statistics of numbers of cases assigned, numbers of cases with collection received, original amounts due, amount collected, amount adjusted, amount outstanding and overall collection rate.

d) The Agency shall transmit the aforementioned monthly report electronically to the Court Designated Persons by the 20<sup>th</sup> of the month following the month reported.

e) The Agency's management and staff shall, upon request, meet periodically with the Courts' personnel to discuss the services performed under the Contract. The Agency must be available for consultation with the Courts at such reasonable times with advance notice so as to not conflict with the Courts' other responsibilities.