

EXHIBIT 3

AGREEMENT FOR COLLECTION SERVICES RFP# 6133 (SECTION C) COLLECTION SERVICES FOR UTILITIES, FIRE/EMS AND MUNICIPAL COURTS

THIS CONTRACT is made and entered into this date _____, by and between the City of Denton, 215 E. McKinney, Denton, Texas 76201 ("CITY"), acting herein by and through its governing body, and Linebarger, Goggan, Blair & Sampson, LLP ("FIRM"), whose address is 100 Throckmorton, Suite 300, Ft. Worth, Texas 76102, a Limited Liability Partnership authorized to do business in Texas.

1. EMPLOYMENT OF FIRM

A. CITY agrees to employ and does hereby employ FIRM, to provide specific collection services provided herein and enforce the collection of delinquent court fees and fines that are subject to this Contract, pursuant to the terms and conditions described herein. This Contract hereby creates a relationship with FIRM as an independent contractor, and FIRM hereby agrees to seek collection of all delinquent warrants on cases filed in the CITY's Municipal Court, as well as any other debts, accounts receivable and other debts owing to the City (delinquent Municipal Court records) which may be collected under Section 103.0031 of the Texas Code of Criminal Procedure as requested by the City.

B. FIRM shall provide collection services for any Municipal Court collection services authorized by the Section 103.0031 of the Texas Code of Criminal Procedure as may be requested by the City Manager or his designee. Such services shall include but not be limited to recommendations and advice to CITY.

C. FIRM shall perform all these services set forth in the City of Denton RFP No. 6133 Request for Sealed Proposals for Collection Services and FIRM's proposal in response to RFP No. 6133 dated August 30, 2016, which are on file in the office of the City of Denton Purchasing Agent and made a part of this Contract for all purposes provided; however, in the event of any conflict between the terms of this Contract and Exhibits A and B, the terms of this Contract shall prevail.

D. FIRM hereby agrees to perform the services herein with diligence and in accordance with the highest professional standards customarily obtained for such services in the State of Texas.

2. PROVISION OF INFORMATION

CITY agrees to furnish all necessary warrants and other Municipal Court collection information to FIRM as indicated in the Exhibit A.

Fines and fees that are subject to this Contract are those that are more than sixty (60) days past due as of the effective date hereof and those that become more than sixty (60) days past due during the term hereof. As used in this section, "more than 60 days past due" has that meaning assigned by Subsection (f) of Art. 103.0031, Texas Code of Criminal Procedure [as amended by Senate Bill 782, 78th Legislature (2003), effective June 18, 2003 and by House Bill 2626, 79th Legislature (2005), effective June 18th, 2005]. The meaning assigned to the phrase "more than 60 days past due" shall, for the term and purposes of this Contract, survive any future amendments to, or repeal of, Article 103.0031, Texas Code of Criminal Procedure, or any parts thereof.

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The CITY agrees to provide to the FIRM such data and case or defendant information that City deems appropriate for collection services regarding any fines and fees that are subject to this Contract. The data shall be provided by electronic medium in a file format specified by the FIRM. The CITY and the FIRM may from time-to-time agree in writing to modify this format. The CITY shall provide the data to the FIRM not less frequently than monthly.

CITY reserves the right to withhold certain delinquent case files in which the defendant may claim to be indigent or otherwise unable to pay the fines and fees assessed, or when the Court determines that the defendant is or has been making a good faith effort to comply with the obligations of the court and the interests of justice might otherwise demand alternative disposition. Such exempt case files shall be designated by appropriate judicial order of an appointed Judge of Municipal Court. Further, the CITY may recall, dismiss, or otherwise dispose of any defendant, case or file delivered or referred to FIRM, should the Court in its sole discretion determines that, subsequent to delivery or assignment of said case to FIRM, the defendant is indigent or unable to pay, and the interests of justice would best be served by such action. As to those cases in which the CITY either withholds or disposes of said cases as provided herein without collecting full fine and costs, or the defendant performs community service or other alternative disposition, FIRM shall not be entitled to compensation.

3. INVESTIGATION AND ASSISTANCE

FIRM agrees to conduct investigations as to the address of all delinquent cases provided by CITY. FIRM shall bring to the attention of the appropriate official of CITY any errors, discrepancies, or inaccuracies in the information provided on the delinquent Municipal Court fine records detected by FIRM. FIRM further agrees to provide CITY with any advice or assistance in connection with updating the Municipal Court records. CITY shall make available to FIRM information which CITY may have with regard to the name, identity, and location of necessary parties in connection with each delinquent account upon request by FIRM.

4. PROCEDURES FOR COLLECTION

Upon initial receipt of the data and information regarding those delinquent cases that City deems appropriate for collection services by FIRM in computer readable form, FIRM agrees to initiate procedures for the collection of the full amount due from each delinquent person. Within a reasonable time frame but not more than sixty (60) days from FIRM's receipt of the delinquent Municipal Court records, FIRM hereby agrees to send, by first class mail, a notice of delinquency to each and every delinquent person with a valid address, requesting said person to remit the full amount due and owing to CITY. The contents of all such communications with the Defendant shall be subject to the direction and approval of CITY.

5. REVIEW AND AUTHORIZATION

Following transmittal of the notice of delinquency as specified hereinabove, FIRM will commence procedures in anticipation of substantial collection action for aggressive pursuit of collection.

EXHIBIT 3**6. COLLECTION SERVICES**

FIRM agrees (i) to provide CITY collections advice and written opinions regarding collection matters upon request (ii) to accept only payments in full from the defendant. In the event the FIRM receives anything other than payment in full from the defendant, the FIRM shall immediately notify the CITY's Municipal Court for direction. In all demand letters and all communications with delinquent persons, FIRM shall inform and instruct the person to remit the payment to FIRM. If remittance is received by CITY, it will be transmitted in its entirety to FIRM and received for processing within three business days. Checks made payable to CITY shall be endorsed by CITY to FIRM.

Following the Contract award, ADDITIONAL services of the same general category that could have been encompassed in the award of this contract, and that are not already on the contract, may be added. A formal written request may be sent to successful Firm to provide a proposal on the additional services and shall submit proposals to the City of Denton as instructed. The City of Denton may accept or reject any or all pricing proposals, and may issue a separate RFP for the additional services after rejecting some or all of the proposals. The services covered under this provision shall conform to the statement of work, specifications, and requirements as outlined in the request. Contract changes shall be made in accordance with Local Government Code 252.048.

7. MANAGEMENT REPORTS

FIRM agrees to make delinquent collection management reports to CITY monthly and quarterly, in a format containing information as requested by CITY's Executive Director of Finance and Municipal Court Administrator. Management reports may include, without limitation:

1. Number of phone or other delinquent person contacts within first 180-day period;
2. First demand letters mailed;
3. Number and value of bankruptcies filed;
4. Copies of proof of claims filed in bankruptcy court;
5. Number and value of delinquent accounts not collected as a percentage of total delinquent accounts provided by CITY for collection.
6. Any other information which is indicated under "Exhibit A or B" or as may be required under the Contract.

Within parameters established at the initiation of the collection program, FIRM shall advise CITY of any case in which FIRM's investigation has revealed that the delinquent person cannot be found, the enforcement of a judgment cannot be accomplished, or further attempts at collection would be futile and FIRM's recommendation relative to the proper disposition of the case. In such cases, the CITY shall advise FIRM as to the appropriate disposition of the account.

8. COMPENSATION

A. As compensation for the services rendered hereunder by FIRM, CITY hereby agrees that FIRM may collect a collection fee of thirty percent (30%) of the total amount of all delinquent amounts derived from cases files in which FIRM has collected, as authorized by Section 103.0031(b) of the Code of Criminal Procedure. All delinquent collections received on behalf of the CITY shall become

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the property of CITY at the time payment of the delinquent fines or other amounts received by FIRM. All compensation shall become the property of the FIRM at the time payment of the delinquent fines or other amounts are received by the FIRM. Said collection fee shall be withheld by FIRM when payment is made to CITY of delinquent fines or other amounts owed. FIRM shall not be entitled to the aforesaid thirty percent (30 %) unless and until FIRM has taken some action in connection with recovering delinquent amounts. The transmittal of a notice of delinquency shall constitute sufficient action in order to entitle FIRM to the fee aforesaid. In no event shall FIRM be entitled to any fee unless and until CITY actually receives the delinquent fines, other amounts or court costs from FIRM. In no event shall FIRM be entitled to any fee unless said fee is collected by FIRM during the term of this Contract or fee is collected by CITY on account(s) upon which FIRM is actively pursuing at the time of judgment. In no event shall FIRM be entitled to any fee in cases where payment is involuntary as in an arrest or where a cash, surety or personal bond is posted by the defendant, defendant's surety, bondsman or attorney. The CITY reserves the right to withdraw a case disposed by acquittal, dismissal, or where fines and costs are discharged through credit for time served in jail, the performance of community service or the case is administratively closed. FIRM shall pay said fines, other amounts or court costs to CITY by daily ACH method and automated daily upload to the Court's software system.

B. The compensation set forth in this Section of this Contract shall be the total compensation due to FIRM from CITY for all services provided pursuant to this Contract and in no event shall FIRM seek any additional compensation from CITY. CITY shall not be responsible to pay for any services which are unsatisfactory or that the CITY has not approved.

C. The FIRM shall bear all costs associated with its collection efforts, including, but not limited to, personnel salaries, document reproduction and mailing costs, mileage charges, costs of postal or other delivery service, software compatibility with City's system including automated payment processing, and charges for telephone and internet service. Any additional costs incurred pursuant to Section 6. Collection Services, above, shall be handled in accordance with that section.

9. CONFLICTS OF INTEREST

FIRM agrees not to represent any client who has an adversary position with the CITY, engage in any conflict of interest and to fully comply with any applicable codes of professional conduct or ethics laws for the duration of this Contract.

CITY acknowledges and consents to the representation by the FIRM of other governmental entities that may be seeking the payment of fines and fees or other claims from the same person(s) as the CITY.

10. TERM

The contract term will be one (1) year, effective from date of award. The City and the FIRM shall have the option to renew this contract for an additional two (2) one-year periods.

The contract shall commence upon the issuance of a Notice of Award by the City of Denton and shall automatically renew each year, from the date of award by City Council, unless either party notifies the other prior to the scheduled renewal date. At the sole option of the City of Denton, the contract may be further extended as needed, not to exceed a total of six (6) months.

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11. SETTLEMENTS

No settlements or compromises of fines or other collectable amounts shall be effected where prohibited by law and where authorized by law, only upon approval by CITY.

12. NOTICE

Any notice or other written instrument required or permitted to be delivered pursuant to the terms of this Contract shall be deemed to have been delivered, whether actually received or not, when deposited in the United States mail, postage prepaid, registered or certified, return receipt requested, addressed to CITY or FIRM, as the case may be, at the following addresses:

CITY
City of Denton, Texas
ATTN: City Manager
215 East McKinney Street
Denton, TX 76201

FIRM
Linebarger, Goggan, Blair, & Sampson, LLP
Attention: Director of Client Services
P.O. Box 17428
Austin, TX 78760-7428

Either party may change its mailing address by sending notice of change of address to the other at the above address by certified mail, return receipt requested.

13. VENUE

The terms, obligations and requirements of this Contract shall be construed in accordance with the laws of the State of Texas. The obligations and requirements of the parties hereto are performable in Denton County, Texas. Any litigation involving this Contract shall be tried in a court of competent jurisdiction sitting in Denton County, Texas.

14. ACCEPTANCE OF EMPLOYMENT

In consideration of the terms, covenants and mutual agreements hereinabove stated, FIRM hereby accepts the employment of CITY and undertakes the performance of this Contract as above stated.

15. DIRECTIVES

All directives between FIRM and CITY shall be confirmed in writing.

16. COVENANT NOT TO SUE

FIRM further agrees not to bring any cause of action against CITY relative to this Contract. Should FIRM bring any cause of action against CITY, FIRM agrees the liquidated damages shall not exceed \$1.00 and the filing of such cause of action shall be considered a material breach of this Contract.

17. AMBIGUITY

Any ambiguity within this Contract shall be liberally interpreted in favor of CITY.

EXHIBIT 3**18. INDEMNITY AGREEMENT**

The FIRM shall indemnify and save and hold harmless, and defend, at its own expense, the CITY and its officers, agents, servants, and employees from and against any and all liability, suits, claims, demands, damages, losses, and expenses, including, but not limited to court costs and reasonable attorney fees incurred by the CITY, and including, without limitation, damages for bodily and personal injury, death and property damage, of whatever kind or character, whether real or asserted, resulting from the negligent acts or omissions of the FIRM or its officers, shareholders, agents, or employees in the execution, operation, or performance of this Contract.

Nothing in this Contract shall be construed to create a liability to any person who is not a party to this Contract, and nothing herein shall waive any of the parties' defenses, both at law or equity, to any claim, cause of action, or litigation filed by anyone not a party to this Contract, including the defense of governmental immunity, which defenses are hereby expressly reserved.

19. RIGHT TO AUDIT

A. The City shall have the right to audit and make copies of the books, records and computations pertaining to the Contract. The Contractor shall retain such books, records, documents and other evidence pertaining to the Contract period and five years thereafter, except if an audit is in progress or audit findings are yet unresolved, in which case records shall be kept until all audit tasks are completed and resolved. These books, records, documents and other evidence shall be available, within ten (10) business days of written request. Further, the Contractor shall also require all Subcontractors, material suppliers, and other payees to retain all books, records, documents and other evidence pertaining to the Contract, and to allow the City similar access to those documents. All books and records will be made available within a 50 mile radius of the City of Denton. The cost of the audit will be borne by the City unless the audit reveals an overpayment of 1% or greater. If an overpayment of 1% or greater occurs, the reasonable cost of the audit, including any travel costs, must be borne by the Contractor which must be payable within five (5) business days of receipt of an invoice.

B. Failure to comply with the provisions of this section shall be a material breach of the Contract and shall constitute, in the City's sole discretion, grounds for termination thereof. Each of the terms "books", "records", "documents" and "other evidence", as used above, shall be construed to include drafts and electronic files, even if such drafts or electronic files are subsequently used to generate or prepare a final printed document.

20. INSURANCE

During the performance of the services under this Contract, FIRM shall maintain the following insurance with an insurance company licensed to do business in the State of Texas by the State Insurance Commission or any successor agency that has a rating with Best Rated Carriers of at least an A- or above:

The FIRM shall furnish insurance certificates or insurance policies at the CITY's request to evidence such coverages. The insurance policies shall name the CITY as an additional insured on all such policies, and shall contain a provision that such insurance shall not be canceled or modified without 30 days prior written notice to CITY and FIRM. In such event, the FIRM shall, prior to the effective date of the change or cancellation, serve substitute policies furnishing the same coverage.

EXHIBIT 3**21. ARBITRATION AND ALTERNATE DISPUTE RESOLUTION**

The parties may agree to settle any disputes under this Contract by submitting the dispute to arbitration or other means of alternate dispute resolution, such as mediation. No arbitration or alternate dispute resolution arising out of or relating to this Contract, involving one party's disagreement, may include the other party to the disagreement without the other's approval. Such arbitration shall comply with and be governed by the provisions of the Texas General Arbitration Act.

22. ENTIRE AGREEMENT

This Contract, consisting of 11 pages, Exhibit A and B, and the previously submitted letter agreement, Exhibit C, which are on file in the office of the City's Purchasing Agent, constitutes the complete and final expression of the agreement of the parties, and is intended as a complete and exclusive statement of the terms of their agreements, and supersedes all prior contemporaneous offers, promises, representations, negotiations, discussions, communications, and agreements which may have been made in connection with the subject matter hereof. The parties understand and agree that any previous agreements or contracts between the parties are null and void and this Contract is the sole and exclusive contract or agreement between the parties.

23. COMPLIANCE WITH LAWS

The FIRM shall comply with all federal, state, and local laws, rules, regulations, and ordinances applicable to the work covered hereunder as they may now read or hereinafter be amended.

24. DISCRIMINATION PROHIBITED

In performing the services required hereunder, the FIRM shall not discriminate against any person on the basis of race, color, religion, sex, national origin or ancestry, age, or physical handicap.

25. PERSONNEL AND EQUIPMENT

A. The FIRM represents that it has or will secure, at its own expense, all personnel required to perform all the services required under this Contract. Such personnel shall not be employees or officers of, or have any contractual relations with the CITY. FIRM shall inform the CITY of any conflict of interest or potential conflict of interest that may arise during the term of this Contract.

B. All services required hereunder will be performed by the FIRM or under its supervision. All personnel engaged in work shall be qualified, and shall be authorized and permitted under state and local laws to perform such services.

C. The FIRM may from time-to-time obtain co-counsel or subcontract some of the services provided for herein to other law firms or entities. In such cases, the FIRM will retain supervisory control and responsibility for any services provided by such co-counsel or subcontractors and shall be responsible to pay any compensation due to any such co-counsel or subcontractor.

D. The FIRM represents that it has or will secure, at its own expense, the hardware, software, and other resources required to perform, in a timely manner, all the services required under the terms of this Contract.

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E. The CITY recognizes and acknowledges that the FIRM owns all right, title and interest in certain proprietary software that the FIRM may utilize in conjunction with performing the services provided in this Contract. The CITY agrees and hereby grants to the FIRM the right to use and incorporate any information provided by the CITY ("CITY Information") to update the databases in this proprietary software, and, notwithstanding that CITY 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.

F. The FIRM agrees that it will not share or disclose any specific confidential CITY 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 the FIRM shall have the right to use CITY Information for internal analysis, improving the proprietary software and database, and generating aggregate data and statistics that may inherently contain CITY Information. These aggregate statistics are owned solely by the FIRM and will generally be used internally, but may be shared with the FIRM's affiliates, partners or other third parties for purposes of improving the FIRM's software and services.

26. ASSIGNABILITY

The rights and responsibilities of CITY under this Contract may not be assigned or transferred (whether by assignment, novation, or otherwise) by the City Council to another governmental unit in Denton County without approval of FIRM. It is understood and agreed that this is a specialized collection services contract and CITY is contracting for the unique services of FIRM. FIRM's rights and responsibilities under this Contract may not be assigned or transferred (whether by assignment, novation, or otherwise) by FIRM to another firm or collection agency without written approval of the assignment by the City Council.

27. TERMINATION OF AGREEMENT

A. Notwithstanding any other provision of this Contract, either party may terminate by giving thirty (30) days advance written notice to the other party. The City further shall have as a matter of right, the option to cancel this Contract upon giving the FIRM thirty (30) days advance written notice.

B. This Contract may be terminated or cancelled in whole or in part in the event of either party substantially failing to fulfill its obligations under this Contract. No such termination or cancellation will be affected unless the other party is given (1) written notice (delivered by certified mail, return receipt requested) of intent to terminate and setting forth the reasons specifying the nonperformance, and not less than 30 calendar days to cure the failure, and (2) an opportunity for consultation with the terminating party prior to termination.

C. If the agreement is terminated prior to the Term provisions in Section 10, herein, FIRM shall be entitled to continue to collect any items and to pursue collection of any claims that were referred to and placed with the FIRM by the CITY prior to the termination date for an additional ninety (90) days following termination. Should the CITY subsequently contract with a new consultant for the continuation of services, FIRM shall cooperate in providing information. The FIRM shall turn over all documents prepared or furnished by FIRM pursuant to this Contract to the CITY on or before ninety (90) days after termination, but may maintain copies of such documents for its use. Documents to be provided to the CITY shall not include those documents and information referred to in Section 24(E)-(F).

EXHIBIT 3**28. EXCLUSIVE CONTRACT AND MODIFICATION**

This Contract and the Exhibits constitute the sole, exclusive and entire contract between the parties and replaces any previous contracts between the parties which are null and void. No waiver or modification of this Contract or of any covenant, condition, or limitation herein contained shall be valid unless in writing and duly executed by the party to be charged therewith, and no evidence of any waiver or modification shall be offered or received in evidence in any proceeding arising between the parties hereto out of or affecting this Contract, or the rights or obligations of the parties hereunder, and unless such waiver or modification is in writing and duly executed; and the parties further agree that the provisions of this section will not be waived unless as herein set forth.

This Contract may only be modified with express written consent of both CITY and FIRM.

29. INDEPENDENT CONTRACTOR

FIRM shall provide collection services provided herein to CITY as an independent contractor, not as an employee of the CITY. FIRM shall not have or claim any right arising from employee status.

30. MISCELLANEOUS

- A. The following exhibits, which are on file in the office of the City's Purchasing Agent, are made a part of this Contract:
 - 1. Exhibit "A" – RFP #6133– Request for Sealed Proposal for COLLECTION SERVICES FOR UTILITIES, FIRE/EMS AND MUNICIPAL COURTS (on file in the City of Denton Purchasing Office).
 - 2. Exhibit "B" – City of Denton – Price Proposal for Section B
 - 3. Exhibit "C" – previously submitted letter agreement wherein FIRM agrees to reimburse CITY for collection module costs for CITY's software system.
 - 4. Exhibit "D" – Conflict of Interest Questionnaire
 - 5. Exhibit "E" – Conflict of Interested Parties Electronic Filing
- B. FIRM agrees that CITY shall, until the expiration of three (3) years after the final payment under this Contract, have access to and the right to examine any directly pertinent books, documents, papers, and records of the FIRM involving transactions relating to this Contract. FIRM agrees that CITY shall have access during normal working hours to all necessary FIRM facilities and shall be provided adequate and appropriate working space in order to conduct audits in compliance with this section. CITY shall give FIRM reasonable advance notice of intended audits.
- C. For the purpose of this Contract, the key persons who will perform most of this work hereunder shall be Glenn Lewis, Corey Fickes, and Marisela Navarro. However, nothing herein shall limit FIRM from using other qualified and competent members of its firm to perform the services required herein.
- D. FIRM shall commence, carry on, and complete any and all projects with all applicable dispatch, in a sound, economical, efficient manner and in accordance with the provisions hereof. In accomplishing the projects, FIRM shall take such steps as are appropriate to ensure that the work involved is properly coordinated with related work being carried on by the CITY.
- E. The CITY shall assist the FIRM by placing at the FIRM's disposal all available information pertinent to the collection services provided herein, including previous reports, any other data relative to the Project, and arranging for the access thereto, and make all provisions for the FIRM to enter in or upon public and private property as required for the FIRM to perform services under this Contract.

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31. TIME OF THE ESSENCE

Time is of the essence with respect to all matters covered by this Contract.

32. CAPTIONS

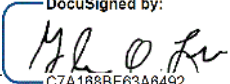
The captions appearing at the first of each numbered section are inserted and included solely for convenience and shall never be considered or given any effect in construing this Contract.

This Contract is executed on behalf of CITY by the presiding officer of its governing body who is authorized to execute this instrument by order heretofore passed and duly recorded in its minutes and by a partner of FIRM who, by execution of this Contract, represents and warrants that he or she has the authority to execute this document on behalf of FIRM.

IN WITNESS HEREOF, the City of Denton, Texas has executed this Agreement by and through its duly authorized undersigned City Manager; and FIRM has executed this Agreement by and through its duly authorized undersigned officer, on this the _____ day of _____, 2017

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LINEBARGER GOGGAN BLAIR &
SAMPSON, LLP

BY:  _____
DocuSigned by:
C7A188BE63A6492...

GLENN O. LEWIS
CAPITAL PARTNER

Date: 2/23/2017 _____

Name: Glenn O. Lewis _____

Title: Capital Partner _____

817-877-4589

PHONE NUMBER

glenn.lewis@lgbs.com

EMAIL

2017170743

TEXAS ETHICS COMMISSION
CERTIFICATE NUMBER

CITY OF DENTON, TEXAS

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

By: _____
TODD HILEMAN
CITY MANAGER

By: _____

APPROVED AS TO LEGAL FORM:
AARON LEAL, CITY ATTORNEY

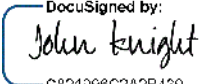
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EXHIBIT 3**CITY OF DENTON
INSURANCE REQUIREMENTS FOR CONTRACTORS**

Bidder's attention is directed to the insurance requirements below. It is highly recommended that bidders confer with their respective insurance carriers or brokers to determine in advance of Bid submission the availability of insurance certificates and endorsements as prescribed and provided herein. If an apparent low bidder fails to comply strictly with the insurance requirements, that bidder may be disqualified from award of the contract. Upon bid award, all insurance requirements shall become contractual obligations, which the successful bidder shall have a duty to maintain throughout the course of this contract.

STANDARD PROVISIONS:

Without limiting any of the other obligations or liabilities of the Contractor, the Contractor shall provide and maintain until the contracted work has been completed and accepted by the City of Denton, Owner, the minimum insurance coverage as indicated hereinafter.

*As soon as practicable after notification of bid award, Contractor shall file with the Purchasing Department satisfactory certificates of insurance, containing the bid number and title of the project. Contractor may, upon written request to the Purchasing Department, ask for clarification of any insurance requirements at any time; however, Contractors are strongly advised to make such requests prior to bid opening, since the insurance requirements may not be modified or waived after bid opening unless a written exception has been submitted with the bid. **Contractor shall not commence any work or deliver any material until he or she receives notification that the contract has been accepted, approved, and signed by the City of Denton.***

All insurance policies proposed or obtained in satisfaction of these requirements shall comply with the following general specifications, and shall be maintained in compliance with these general specifications throughout the duration of the Contract, or longer, if so noted:

- Each policy shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of at least **A or better**.
- Any deductibles or self-insured retentions shall be declared in the bid proposal. If requested by the City, the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the City, its officials, agents, employees and volunteers; or, the contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- Liability policies shall be endorsed to provide the following:
 - Name as additional insured the City of Denton, its Officials, Agents, Employees and volunteers.

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- That such insurance is primary to any other insurance available to the additional insured with respect to claims covered under the policy and that this insurance applies separately to each insured against whom claim is made or suit is brought. The inclusion of more than one insured shall not operate to increase the insurer's limit of liability.
- *Cancellation: City requires 30 day written notice should any of the policies described on the certificate be cancelled or materially changed before the expiration date.*
- Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this contract and, without lapse, for a period of three years beyond the contract expiration, such that occurrences arising during the contract term which give rise to claims made after expiration of the contract shall be covered.
- Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit providing for claims investigation or legal defense costs to be included in the general annual aggregate limit, the Contractor shall either double the occurrence limits or obtain Owners and Contractors Protective Liability Insurance.
- Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may, at its sole option, terminate this agreement effective on the date of the lapse.

EXHIBIT 3**SPECIFIC ADDITIONAL INSURANCE REQUIREMENTS:**

All insurance policies proposed or obtained in satisfaction of this Contract shall additionally comply with the following marked specifications, and shall be maintained in compliance with these additional specifications throughout the duration of the Contract, or longer, if so noted:

[X] A. General Liability Insurance:

General Liability insurance with combined single limits of not less than **\$1,000,000.00** shall be provided and maintained by the Contractor. The policy shall be written on an occurrence basis either in a single policy or in a combination of underlying and umbrella or excess policies.

If the Commercial General Liability form (ISO Form CG 0001 current edition) is used:

- Coverage A shall include premises, operations, products, and completed operations, independent contractors, contractual liability covering this contract and broad form property damage coverage.
- Coverage B shall include personal injury.
- Coverage C, medical payments, is not required.

If the Comprehensive General Liability form (ISO Form GL 0002 Current Edition and ISO Form GL 0404) is used, it shall include at least:

- Bodily injury and Property Damage Liability for premises, operations, products and completed operations, independent contractors and property damage resulting from explosion, collapse or underground (XCU) exposures.
- Broad form contractual liability (preferably by endorsement) covering this contract, personal injury liability and broad form property damage liability.

[] B. Automobile Liability Insurance:

Contractor shall provide Commercial Automobile Liability insurance with Combined Single Limits (CSL) of not less than **\$300,000.00** either in a single policy or in a combination of basic and umbrella or excess policies. The policy will include bodily injury and property damage liability arising out of the operation, maintenance and use of all automobiles and mobile equipment used in conjunction with this contract.

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Satisfaction of the above requirement shall be in the form of a policy endorsement for:

- any auto, or
- all owned, hired and non-owned autos.

[] Workers Compensation Insurance

Contractor shall purchase and maintain Worker's Compensation insurance which, in addition to meeting the minimum statutory requirements for issuance of such insurance, has Employer's Liability limits of at least \$100,000 for each accident, \$100,000 per each employee, and a \$500,000 policy limit for occupational disease. The City need not be named as an "Additional Insured" but the insurer shall agree to waive all rights of subrogation against the City, its officials, agents, employees and volunteers for any work performed for the City by the Named Insured. For building or construction projects, the Contractor shall comply with the provisions of Attachment 1 in accordance with §406.096 of the Texas Labor Code and rule 28TAC 110.110 of the Texas Worker's Compensation Commission (TWCC).

[] Owner's and Contractor's Protective Liability Insurance

The Contractor shall obtain, pay for and maintain at all times during the prosecution of the work under this contract, an Owner's and Contractor's Protective Liability insurance policy naming the City as insured for property damage and bodily injury which may arise in the prosecution of the work or Contractor's operations under this contract. Coverage shall be on an "occurrence" basis, and the policy shall be issued by the same insurance company that carries the Contractor's liability insurance. Policy limits will be at least combined bodily injury and property damage per occurrence with an aggregate.

[] Fire Damage Legal Liability Insurance

Coverage is required if Broad form General Liability is not provided or is unavailable to the contractor or if a contractor leases or rents a portion of a City building. Limits of not less than ____ each occurrence are required.

[] Professional Liability Insurance

Professional liability insurance with limits not less than \$1,000,000 annual aggregate with respect to negligent acts, errors or omissions in connection with professional services is required under this Agreement.

EXHIBIT 3

☐ **Builders' Risk Insurance**

Builders' Risk Insurance, on an All-Risk form for 100% of the completed value shall be provided. Such policy shall include as "Named Insured" the City of Denton and all subcontractors as their interests may appear.

☒ **Commercial Crime**

Provides coverage for the theft or disappearance of cash or checks, robbery inside/outside the premises, burglary of the premises, and employee fidelity. The employee fidelity portion of this coverage should be written on a "blanket" basis to cover all employees, including new hires. This type insurance should be required if the contractor has access to City funds. Limits of not less than \$100,000 each occurrence are required.

☐ **Additional Insurance**

Other insurance may be required on an individual basis for extra hazardous contracts and specific service agreements. If such additional insurance is required for a specific contract, that requirement will be described in the "Specific Conditions" of the contract specifications.

EXHIBIT 3

RFP 6133-Collection Services for Utilities, Fire/EMS and Municipal Courts

Linebarger Goggan Blair &
Sampson, LLP

Respondent's Business Name

Principal Place of Business (City and State)

Austin, Texas

ITEM	SERVICES	Estimated Quantities No. of Accts.	Estimated Quantities Amount	Percentage Fee ONLY*
PART C - Municipal Court debts & account receivables including unpaid fines, fees, court costs, forfeited bonds, restitution ordered paid, and amounts in cases in which the accused has failed to appear.				
1	Outstanding Arrest Warrants 2011-May 2016	8,447	\$3,611,330	30.00%
2	Outstanding Capias Pro Fine Warrants 2011-May 2016	3,418	\$1,255,493	30.00%
3	Money Collections (Ave Age: 420 days)	362	\$532	30.00%

EXHIBIT 3

City of Denton
RFP for Collection Services for Utilities, Fire/EMS and Municipal Courts

CONFLICT OF INTEREST QUESTIONNAIRE -**FORM CIQ****For vendor or other person doing business with local governmental entity****This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.**

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local government entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

1 Name of vendor who has a business relationship with local governmental entity.

Linebarger Goggan Blair & Sampson, LLP

2 ☐ Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information in this section is being disclosed.

Name of Officer

This section, (item 3 including subparts A, B, C & D), must be completed for each officer with whom the vendor has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the vendor?

☐

Yes

☐

No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

☐

Yes

☐

No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of one percent or more?

☐

Yes

☐

No

D. Describe each employment or business and family relationship with the local government officer named in this section.

4 ☒ I have no Conflict of Interest to disclose.**5** 

Signature of vendor doing business with the governmental entity

August 29, 2016

Date

EXHIBIT 3

Exhibit D

Certificate of Interested Parties Electronic Filing

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that the City may not enter into this contract unless the Contractor submits a disclosure of interested parties (Form 1295) to the City at the time the Contractor submits the signed contract. The Texas Ethics Commission has adopted rules requiring the business entity to file Form 1295 electronically with the Commission.

Contractor will be required to furnish an original notarized Certificate of Interest Parties before the contract is awarded, in accordance with Government Code 2252.908.

The contractor shall:

1. Log onto the State Ethics Commission Website at :
https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm
2. Register utilizing the tutorial provided by the State
3. Print a copy of the completed Form 1295
4. Enter the Certificate Number on page 2 of this contract.
5. Sign and notarize the Form 1295
6. Email the notarized form to purchasing@cityofdenton.com with the contract number in the subject line. (EX: Contract 1234 – Form 1295)

The City must acknowledge the receipt of the filed Form 1295 not later than the 30th day after Council award. Once a Form 1295 is acknowledged, it will be posted to the Texas Ethics Commission's website within seven business days.

EXHIBIT 3



Certificate of Completion

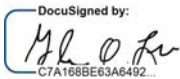
Envelope Id: 3A35A2A02501459C8CF01B6945B87060	Status: Sent
Subject: City Council Docusign Item - 6133 (Section C)	
Source Envelope:	
Document Pages: 20	Signatures: 2
Supplemental Document Pages: 0	Initials: 0
Certificate Pages: 6	
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Jody Word
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	jody.word@cityofdenton.com
	IP Address: 129.120.6.150

Record Tracking

Status: Original	Holder: Jody Word	Location: DocuSign
2/22/2017 1:15:21 PM	jody.word@cityofdenton.com	

Signer Events

Signature	Timestamp
Jody Word	Sent: 2/22/2017 1:23:45 PM
jody.word@cityofdenton.com	Resent: 2/22/2017 2:02:38 PM
Buyer	Viewed: 2/22/2017 1:23:55 PM
City of Denton	Signed: 2/22/2017 2:03:12 PM
Security Level: Email, Account Authentication (Optional)	
Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:	

Glenn O. Lewis		Sent: 2/22/2017 2:03:14 PM
glenn.lewis@lgbs.com		Viewed: 2/23/2017 8:36:25 AM
Capital Partner		Signed: 2/23/2017 11:07:14 AM

Glenn O. Lewis	Using IP Address: 66.87.97.229
Security Level: Email, Account Authentication (Optional)	Signed using mobile
Electronic Record and Signature Disclosure: Accepted: 2/23/2017 8:36:25 AM ID: e00cb30a-cf3a-4dc1-93ec-5223652b7fda	

John Knight		Sent: 2/23/2017 11:07:17 AM
john.knight@cityofdenton.com		Viewed: 2/23/2017 11:07:51 AM
Deputy City Attorney		Signed: 2/23/2017 11:08:04 AM

City of Denton	Using IP Address: 129.120.6.150
Security Level: Email, Account Authentication (Optional)	
Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:	

Julia Winkley	Sent: 2/23/2017 11:08:06 AM
julia.winkley@cityofdenton.com	Viewed: 2/23/2017 11:10:25 AM
Contracts Administration Supervisor	
City of Denton	
Security Level: Email, Account Authentication (Optional)	
Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:	

EXHIBIT 3

Signer Events	Signature	Timestamp
<p>Todd Hileman</p> <p>todd.hileman@cityofdenton.com</p> <p>Security Level: Email, Account Authentication (Optional)</p> <p>Electronic Record and Signature Disclosure: Accepted: 2/8/2017 4:52:51 PM ID: 8154723a-9757-4d53-a4b5-794656233671</p>		
<p>Jennifer Walters</p> <p>jennifer.walters@cityofdenton.com</p> <p>Security Level: Email, Account Authentication (Optional)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:</p>		
Person Signer Events	Signature	Timestamp
Editor Deliver Events	Status	Timestamp
Agent Deliver Events	Status	Timestamp
Intermediary Deliver Events	Status	Timestamp
Certified Deliver Events	Status	Timestamp
Car on Cop Events	Status	Timestamp
<p>Julia Winkley</p> <p>julia.winkley@cityofdenton.com</p> <p>Contracts Administration Supervisor</p> <p>City of Denton</p> <p>Security Level: Email, Account Authentication (Optional)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:</p>	<div>COPIED</div>	<p>Sent: 2/23/2017 11:07:16 AM</p>
<p>Sherri Thurman</p> <p>sherri.thurman@cityofdenton.com</p> <p>Security Level: Email, Account Authentication (Optional)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:</p>	<div>COPIED</div>	<p>Sent: 2/23/2017 11:07:16 AM</p>
<p>Jane Richardson</p> <p>jane.richardson@cityofdenton.com</p> <p>Security Level: Email, Account Authentication (Optional)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:</p>		
<p>Robin Fox</p> <p>Robin.fox@cityofdenton.com</p> <p>Security Level: Email, Account Authentication (Optional)</p> <p>Electronic Record and Signature Disclosure: Accepted: 10/9/2015 11:39:51 AM ID: 04463961-03db-4c4d-9228-d660d6146ed6</p>		

EXHIBIT 3

Carion Cop Events	Status	Timestamp
<p>Jennifer Bridges</p> <p>jennifer.bridges@cityofdenton.com</p> <p>Security Level: Email, Account Authentication (Optional)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:</p>		
<p>Jane Richardson</p> <p>jane.richardson@cityofdenton.com</p> <p>Security Level: Email, Account Authentication (Optional)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:</p>		
<p>Lorri Brighton</p> <p>Lorri.Brighton@cityofdenton.com</p> <p>Security Level: Email, Account Authentication (Optional)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:</p>		
<p>Robin A. Ramsay</p> <p>Robin.Ramsay@cityofdenton.com</p> <p>Security Level: Email, Account Authentication (Optional)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:</p>		
<p>Stephen T. Meeks</p> <p>stevenm@lgbs.com</p> <p>Security Level: Email, Account Authentication (Optional)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign ID:</p>		
otar Events		Timestamp
Envelope Summar Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	2/23/2017 11:08:06 AM
ament Events	Status	Timestamps
Electronic Record and Signature Disclosure		

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, City of Denton (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

EXHIBIT 3

How to contact City of Denton:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: kevin.gunn@cityofdenton.com

To advise City of Denton of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at kevin.gunn@cityofdenton.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from City of Denton

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to kevin.gunn@cityofdenton.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with City of Denton

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to kevin.gunn@cityofdenton.com and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none">•Allow per session cookies•Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

EXHIBIT 3

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify City of Denton as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by City of Denton during the course of my relationship with you.