

COLLECTION SERVICES AGREEMENT

This Agreement, is effective this 1st day of October, 2017 between the City of San Marcos, Texas, (the “City”), 630 East Hopkins, San Marcos, Texas 78666 and Credit Systems International, Inc. (the “Agency”), 1277 Country Club Lane, Fort Worth, Texas 76112 for the provision of collection services of past due accounts (the “Services”).

ARTICLE 1

AGENCY’S STANDARD OF PERFORMANCE AND RESPONSIBILITIES

1.0 STANDARDS OF PERFORMANCE

1.0.1 The Agency is responsible for the collection of past due accounts receivables for the City’s Finance Department/Utility Customer Service Division to include receivables for balances owed to the City for utility services including electric, water, sewer, refuse and drainage.

1.0.2 The Agency is a member of the American Collectors Association, and the performance of all services by the Agency in connection with this Agreement will be by persons trained in collection practices. The Agency will ensure that all correspondence and/or collection activity complies with the format and standards acceptable to the City and in accordance with all applicable Federal, State or local laws including compliance with the Fair Debt Collections Practices Act (“FDCPA”) and the Texas Fair Debt Collection Practices Act (“TFDCPA”). The Agency understands that, at a minimum, one bi-lingual collector will be assigned to the City.

1.0.3 The Agency understands that it will receive all customer inquiries and correspondence on behalf of the City. In addition, the Agency guarantees that all communications with customers will be conducted in a courteous and businesslike manner. The City will not tolerate the Agency’s use of profanity or abusive language of any kind in the performance of its services on behalf of the City. The Agency will not misrepresent its position in performing services under this Agreement and will accurately state who and for what purpose it is making contact with debtors. Any breach of the provisions of this subsection may be regarded by the City as a material default of the Agreement by the Agency.

1.0.4 The Agency certifies that it is not in arrears in the payment of any obligations to the City, including without limitation, property or sales taxes, fees or utility charges.

1.0.5 The Agency will not subcontract any work under this Agreement without prior written approval from the City. The Agency will specify any work or services subcontracted with the City’s approval under this Agreement by separate written Agreement and that Agreement will be subject to each provision of this Agreement. The Agency will not offshore or out-source collection calls or written collection notifications. All operational aspects of the Agency’s services under this Agreement will be conducted from the Agency’s headquarters located in Fort Worth, Texas.

1.0.6 Agency will promptly inform the City of all bankruptcy discoveries identified during the

initial account cleanse the Agency performs at the time of placement as well as throughout the life-cycle of an account.

1.0.7 Any provisions in this Agreement pertaining to the City's review, approval and/or acceptance of written materials prepared by the Agency and/or its subconsultants, contractors, and subcontractors in connection with this Agreement will not diminish the Agency's responsibility for the materials.

1.0.8 Agency will perform all of its services in coordination with the City. The Agency will advise the City of data and information the Agency needs to perform its services and the Agency will meet with City representatives at mutually convenient times to assemble this data and information.

1.0.9 The Agency will furnish at its own expense all necessary administrative services, office space, equipment, supplies, clerical personnel, telephone and other communication facilities and insurance coverage.

1.0.10 Laura Emmons-Beam, Implementation Director, is the Agency's Project Representative assigned to this Project. The Agency will not substitute another representative for this Project unless approved in writing by the City in advance of such proposed substitution. In the event the City and the Agency cannot agree to the substitution of the Project Representative, the City may terminate this agreement in accordance with Article 7.

ARTICLE 2 SCOPE OF COLLECTION SERVICES

The Agency will:

2.1 BASIC SERVICES

Scope of Work/Services for City of San Marcos

2.1.1 Collection Process: After receipt of past due accounts from the City, proceed with collection as follows:

- a) Locate and contact the delinquent customer to collect the past due amount. In addition, the Agency will instruct the customer to make payments on the delinquent account directly to the Agency. In the event that the customer refuses to pay the Agency, the customer will be directed to make payment directly to the City.
- b) Pursue City's account for the full collection account life-cycle.

- c) Upon written request by the City, cease collection and return to the City all specified accounts that have not been collected.
- d) Maintain the ability and resources to report accounts to a nationally recognized credit reporting agency subject to the City's approval.

2.1.2 Communication: Contact the City immediately regarding accounts requiring additional City research. In the event that an adjustment is required or if an account needs to be recalled, the City will notify the Agency in writing, e-mail or through the Agency's website.

2.1.3 Fees: Base invoices and all requests for compensation strictly on collection recovery in accordance with Article 13.2.

2.1.4 Reporting: The Agency will provide the City with the following reports:

- a) Placement Report (Acknowledgement Report) – An email confirmation of each placement submission. The Agency's email will contain the number of accounts processed as well as the total dollar amount for each placement file processed. The City may obtain a placement report upon request.
- b) Monthly Activity Report (Account Status Report) – report provided monthly upon request that details each customer in the portfolio including turnover date, original balance, current balance, collected to date and account status pertaining to each account.
- d) Aging Report – report of active City accounts including recent activity on the accounts from the date of placement (30, 60, 90 days, etc.) The Agency will provide an Account Status Report that details each customer in the portfolio as well as provides information pertaining to each account on a monthly basis upon request;
- e) Monthly Payment Reports – (Monthly Client Activity Register and Statement of Account/Invoice) report showing all payments received (this report will accompany and reconcile with the monthly invoice). The Agency will gross remit funds to the City on a monthly basis. Activity registers and remittance checks will be mailed to the City by the Agency no later than the 10th day of each month for the previous month's collection activity; and
- f) Referral Recovery Report – (History Analysis Report); - list of the initial placement amount, count and placement month. This report will also list the recovery by month, year to date, and total recovery from placement month to date. At a minimum, the Agency will provide this report to the City at month open each month for the previous 12 month's collection activity.

2.1.5 Auditing: Provide access to City accounts for the City's performance of periodic random audits for the purpose of verifying collection activity and financial recover of City accounts.

2.1.6 Payments: Receive payments on delinquent accounts directly from the customer and forward payments and its corresponding invoice to the City in a timely fashion for posting and processing. The Agency agrees to offer the City's customers methods of payment via US Postal Service, payments via a check-by-phone, ACH or credit card that are all free from any convenience fees.

2.1.7 Data File Upload for Placement of Accounts: Provide the City with access to a Client Web Portal for a secure file upload option and return an electronic acknowledgement confirming its receipt of files from the City within 24 hours of the placement of files. All files received prior to 2:00 p.m. CST will be processed into the Agency's system the same day. The Agency will process files it receives after 2:00 p.m. CST into its system the following business day. This feature is strictly for the City's utilization and access will be deactivated after a minimum of 45 days of inactivity. The Agency will make user activity via the web portal available to the City upon request. The City agrees to advise Agency immediately when any City employee terminates employment for deactivation purposes.

2.1.8 Ability to Interface: Work with the City to implement interfacing capabilities through the NorthStar system.

2.1.9 Data Scrubs/Cleanses of Placement Submission Files: Perform multiple data scrubs and address validation efforts at the time accounts are placed for collection.

2.1.10 Collection Notices: Mail the initial collection notice within the first 24 hours of processing the placement file. Such notice will contain the origination of the debt, the client's account number and the amount owed. A variety of subsequent notices will be utilized at different intervals based upon the account's history and at the discretion of the Agency's Collection Specialist.

2.1.11 Telephone Campaigns: Begin collection efforts immediately on accounts with possible phone numbers. Accounts with non-deliverable addresses or inaccurate telephone numbers will be forwarded directly to the Agency's Skip Trace Department for research. Any messages left with the delinquent customer by the Agency will be compliant with Federal Law and rulings which requires that an agency disclose the purpose of the call.

2.1.12 Consumer Location Services and Skip Tracing: In addition to the multiple data scrubs and address validation efforts implemented upon receipt of placement files to ensure right party contact; continue to invest resources in locating consumers for the duration that an account remains with the Agency. The Agency certifies that it has procedures in place to update and monitor accounts monthly on a local, state and national search level.

2.1.13 Partial Payment Arrangements: After first attempting to collect payment in full, attempt to establish reasonable payment arrangements with the first offer being a payout in 90 calendar days or less with a \$50.00 minimum payment amount.

2.1.14 Complaint and compliance calls: Provide trained Compliance Coordinators to handle escalated calls and who will attempt to de-escalate the situation to determine the reason for the escalation and next course of action.

2.1.15 Fraud Accounts: For fraud cases, notify the City and follow the protocol of a disputed account. The Agency will provide fraud account protocol to the City.

2.1.16 Recalling of Accounts: Place recalled accounts (where the customer does not owe the balance due) in a “Client Cancel” status in the Agency’s system for proper identification and documentation.

2.1.17

Bankruptcy Notifications: Accounts are appropriately coded and documented, removed from the call stream, letters terminated, City is notified and accounts are closed according to policy.

2.2 ADDITIONAL SERVICES/CHANGE IN SERVICES

2.2.1 The City may direct the Agency to perform services outside of the scope of the Basic Services described in Section 2.1 above. However, at this time the Agency’s provision of additional services is not anticipated. Should the City chose to utilize any additional services available from the Agency that are not included in this Agreement, the City will pay the then current rate for those services as established in a fee schedule provided to the City by the Agency at the time those services are requested. The Agency will submit a written estimate of fees to the City and obtain the City’s authorization before initiating any additional services.

2.2.2 Each material change (deletion or addition) in the services to be provided by the Agency must be authorized by the City on the Authorization of Change in Services form attached to this Agreement as Attachment A. Compensation for additional services will be in addition to that specified for Basic Services in accordance with Article 13 of this Agreement. The approval of the San Marcos City Council is necessary for all additional services the compensation for which exceeds \$50,000.00.

ARTICLE 3 THE CITY’S RESPONSIBILITIES

The City will:

3.1 Report electronically, no less than every other week, to the Agency all payments and adjustments posted by the City, including unidentified payments and payments on accounts purged

from the City's system.

3.2 Endeavor to provide the Agency with valid accounts containing accurate information, as well as promptly report all payments, adjustments and new account information. The City fully acknowledges and understands that it is necessary to accurately communicate and convey information to Agency to facilitate the Agency's strict compliance with relevant Federal and State laws.

3.3 Upon placement or when providing updated information on any account, identify all data fields containing contact information for a consumer. This includes, but is not limited to:

- a) residential telephone;
- b) cellular telephone;
- c) employment telephone;
- d) facsimile number;
- e) e-mail addresses; and
- f) alternate telephone numbers, etc.

3.4 Provide the Agency with access to the City's consumer records to assist in the collection of the debt which may include a view only access to the City's NorthStar billing system as available and agreed upon between the City and the Agency.

3.5 Provide full information to the Agency regarding the City's requirements for the Agency's services under this Agreement. The City will furnish the Agency with copies of data and information in the City's possession needed by the Agency at the Agency's request.

3.6 Forward to the Agency any requested documentation within ten calendar days of the initial request, i.e.: itemized statements, response to disputes, balance verifications, etc.

3.7 Designate Ernest Cavazos, Utilities Billing Manager as the City's Project Manager and authorized representative to act on the City's behalf with respect to this Agreement. The City will examine the documents and information submitted by the Agency and promptly render responses to the Agency on issues requiring a decision by the City.

3.8 Conduct mass cancellations of all or portions of accounts placed with the Agency in writing.

3.9 Not refer accounts to the Agency that are protected under the applicable bankruptcy laws and will promptly inform Agency of all bankruptcy notifications received by the city on any account that has been placed with the Agency.

3.10 Bear all other costs incidental to this Article.

ARTICLE 4 PAYMENTS TO THE AGENCY

4.1 PAYMENTS FOR BASIC SERVICES

4.1.1 The Agency will receive payment from delinquent customers directly. The Agency will forward all payments received for the preceding reporting period to the City with the Agency's invoice listing total recovery of each account, payment date and the Agency's compensation based on the recovery rate, less any disputed amounts, pending resolution thereof, in accordance with Article 13.

4.1.2 Agency will include all payments paid to the Agency and reported paid by the city during the preceding calendar month on the City's monthly payment invoice/statement and will remit to the City all amounts collected by the Agency. The City agrees that commissions due to the Agency are payable to the Agency within thirty (30) days from the City's receipt of the payment invoice.

4.1.3 The Agency will reimburse the City for commissions paid to the Agency on payments reported as paid to the City which are returned to the City as unpaid by the bank. Conversely, the City will reimburse the Agency for commissions paid to the City on payments reported as paid to the Agency which are returned to the Agency as unpaid by the bank. All reversals will appear on the following month's payment invoice.

4.2 PAYMENTS FOR ADDITIONAL SERVICES

The City will pay the Agency for approved Additional Services as defined in Section 2.2 monthly upon presentation of the Agency's statement of services rendered or expenses incurred, less any disputed amounts, pending resolution thereof and an Authorization of Change in Services form executed by the Agency and the City.

ARTICLE 5 AGENCY'S RECORDS

5.1 The Agency will keep all of its expense records in a recognized accounting format acceptable to the City and these records will be available to the City at mutually convenient times.

5.2 The City, its auditors, federal auditors, and state agencies that have monitoring or auditing responsibilities for this Agreement will have access to any books, documents, papers and records of the Agency which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, copying and transcriptions.

5.3 The Agency will furnish to the City at such time and in such form as the City may require,

financial statements including financial statements, records, reports, data and information, as the City may request pertaining to the matters covered by this Agreement.

ARTICLE 6 OWNERSHIP AND USE OF DOCUMENTS

6.1 All documents prepared by the Agency in connection with this Agreement are the property of the City.

6.2 The Agency will retain all of its records and supporting documentation relating to this Agreement, and not delivered to the City, for a period of three years from completion of its Services except in the event that the Agency goes out of business during that period, it will turn over, to the City, all of its records relating to the Project for retention by the City.

ARTICLE 7 TERM; TERMINATION OF AGREEMENT

7.1 The term of this Agreement begins on the effective date established in the first paragraph of the Agreement and will continue for a period of three years. This Agreement may be extended for two (2) additional one (1) year terms upon approval of the City provided that all terms and conditions, except for the contract period being extended, remain in full force and effect. If this renewal option is exercised it will be executed in the form of an Authorization in Change of Services in accordance with Section 2.2 and will be issued no sooner than 120 days prior to the expiration of this Agreement, and not later than the final day of the final term. The decision to renew this option will require this Agreement to expire on the original or mutually agreed upon date. The total period of this Agreement, including all renewals as a result of exercising this option may not exceed a maximum combined period of five years.

7.2 This Agreement may be terminated by either party upon 15 calendar days prior written notice should the other party fail substantially to perform in accordance with its terms through no fault of the party initiating the termination.

7.3 The City may terminate this Agreement for convenience and without cause upon at least 15 calendar days prior written notice to the Agency.

7.4 In the event of termination as provided in this Article, the City will compensate the Agency for all services performed to termination date, which are deemed by the City to be in accordance with this Agreement. The City will pay this amount upon the Agency's delivering to the City all information and materials developed or accumulated by the Agency in performing the services described in this Agreement, whether completed or in progress. The expense of reproduction of these items will be borne by the City.

ARTICLE 8

INSURANCE AND INDEMNITY

8.1 The Agency will indemnify, hold harmless and defend the City and its employees, agents, officers and servants from any and all lawsuits, claims, demands and causes of action of any kind arising from the negligent or intentional wrongful acts or omissions of the Agency, its officers, employees or agents. This will include, but not be limited to, the amounts of judgments, penalties, interest, court costs, reasonable legal fees, and all other expenses incurred by the City arising in favor of any party, including the amounts of any damages or awards resulting from claims demands and causes of action for personal injuries, death or damages to property alleged or actual infringement of patents, copyrights, and trademarks and without limitation by enumeration, all other claims, demands, or causes of action of every character occurring, resulting, or arising from any negligent or intentional wrongful act, error or omission of the Agency and/or its agents and/or employees. This obligation by Agency will not be limited because of the specification of any particular insurance coverage in this Agreement.

8.2 The Agency will provide a \$2,000,000 Commercial Crime/Employee Dishonesty Insurance Policy naming the City as an additional insured.

8.3 The Agency will procure and maintain at Agency's expense insurance with insurance companies authorized to do business in the State of Texas, covering all operations under this Agreement, whether performed by Agency or Agency's agents, subcontractors or employees. Before commencing the work, the Agency will furnish to the City a certificate or certificates in form satisfactory to the City, showing that Agency has complied with this paragraph. All certificates will provide that the policy will not be changed or canceled until at least 30 calendar days written notice has been given to the City. Commercial general liability insurance and motor vehicle insurance will be written with the City of San Marcos, Texas as an additional insured and will be endorsed to provide a waiver of the carrier's right of subrogation against the City. The kinds and amounts of insurance required are as follows:

Workers' Compensation Insurance: In accordance with the provisions of the Workers' Compensation Act of the State of Texas.

Liability Insurance: (1) Commercial general liability insurance with a combined single limit of \$500,000 for each occurrence and \$500,000.00 in the aggregate, (2) Motor Vehicle liability insurance in an amount not less than \$250,000.00 for injuries to any one person, \$500,000 on account of any one accident and in an amount of not less than \$250,000.00 for property damage.

The stated limits of insurance required by this Paragraph are **minimum only**—they do not limit the Agency's indemnity obligation, and it will be the Agency's responsibility to determine what limits are adequate. These limits may be basic policy limits or any combination of basic limits and umbrella limits. The City's acceptance of Certificates of Insurance that do not comply with these requirements in any respect does not release the Agency from compliance with these requirements.

ARTICLE 9 MISCELLANEOUS PROVISIONS

9.1 This Agreement is governed by and will be construed under the laws of the State of Texas. All obligations of both parties are performable and exclusive venue for any dispute arising under this Agreement is in Hays County, Texas.

9.2 As to all acts or failures to act by either party to this Agreement, any applicable statute of limitations will commence to run and any alleged cause of action will be deemed to have accrued when the party commencing the cause of action knew or should have known of the existence of the subject act(s) or failure(s) to act.

9.3 The Agency will not use funds received by it directly or indirectly under the terms of this Agreement for any partisan political activity or to further the election or defeat of any candidate for public office.

9.4 The Agency hereby affirms that Agency and Agency's firm have not made or agreed to make any valuable gift whether in the form of service, loan, thing, or promise to any person or any of his/her immediate family, having the duty to recommend, the right to vote upon, or any other direct influence on the selection of consultants to provide consulting services to the City within the two years preceding the execution of this Agreement. A campaign contribution, as defined by the Texas Election Code or the San Marcos City Code is not considered a valuable gift for the purposes of this Agreement.

9.5 In performing the services required under this Agreement, the Agency will not discriminate against any person on the basis of race, color, religion, sex, national origin, age, disability or ancestry. The Agency agrees not to engage in employment practices, which have the purpose or effect of discriminating against employees or prospective employees because of race, color, sex, religion, national origin, age, disability or ancestry. A breach of this covenant by the Agency may be regarded as a default of the Agreement.

9.6 All references in this Agreement to any particular gender are for convenience only and will be construed and interpreted to be of the appropriate gender. The term "will" is mandatory in this Agreement.

9.7 Should any provision in this Agreement be found or deemed invalid, this Agreement will be construed as not containing the provision and all other provisions, which are otherwise lawful, will remain in full force and effect, and to this end, the provisions of this Agreement are declared severable.

9.8 All services provided pursuant to this Agreement are for the exclusive use and benefit of the City and this Agreement does not create rights in third parties.

9.9 In performing all services under this Agreement, the Agency, its subcontractors, successors and assigns will comply with all local, state and federal laws.

9.10 The City's execution of and performance under this Agreement will not act as a waiver by the City of any immunity from suit or liability to which it is entitled under applicable law. The parties acknowledge that the City, in executing and performing this Agreement, is a governmental entity acting in a governmental capacity.

9.11 The City of San Marcos is governed by the Texas Public Information Act (the "Act"), Chapter 552 of the Texas Government Code. This Agreement and all written information generated under this agreement may be subject to release under the Act. The Agency will not make any reports, information, data, etc. generated under this Agreement available to any individual or organization without the written approval of the City.

9.12 The captions or headings included in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions, articles, or sections of this Agreement.

9.13 In the event that the performance by either the City or the Agency of any of its obligations under this Agreement is interrupted or delayed by events outside of their control such as acts of God, war, riot or civil commotion, then the party is excused from such performance for the period of time reasonably necessary to remedy the effects of such events.

9.14 In the event of a default or breach of this Agreement by the Agency, the City reserves the right to choose among the remedies for the default or breach available to the City. These remedies may be used in conjunction with one another or separately, and together with any other statutory or common law remedies available to the City. Any failure by the City to enforce this Agreement with respect to one or more defaults by the Agency will not waive the City's ability to enforce the Agreement after that time.

9.15 If applicable, the Agency will pay all license fees, royalties and other costs incident to the use of any invention, design, process, product or device subject to a patent right or copyright held by others in performing the work or in the completed Project.

9.16 It is expressly agreed that the Agency is an independent contractor and not an employee, agent partner or joint venturer with the City. The Agency will not pledge or attempt to pledge the credit of the City.

9.17 It is the City's intent to be proactive with regard to the environment. The City encourages "value purchasing" of environmentally friendly products. The Agency is encouraged to utilize green solutions in performing any services under the Agreement, as appropriate.

9.18 Pursuant to Section 231.006, Texas Family Code, Agency certifies that it is not ineligible

to receive the award of or payments under this Agreement and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

ARTICLE 10 SUCCESSORS AND ASSIGNS

10.1 The City and the Agency, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. The City and the Agency will not assign, sublet or transfer any interest in this Agreement without the prior written consent of the other.

10.2 The Agency will notify the City, in writing, of any change in its partnership/ownership within 30 calendar days of such change.

ARTICLE 11 EXTENT OF AGREEMENT

11.1 This Agreement, including appendices and referenced attachments represents the entire and integrated Agreement between the City and the Agency and supersedes all prior proposals, negotiations, representations or agreements either written or oral between the parties. In the event of a dispute between the City and Agency regarding the intent of this Agreement, both parties agree that they will construe this Agreement in a manner consistent with the City's Request for Proposals, the Agency's proposal response and the public record of the City Council's approval of this agreement as applicable. The Agency's expenses for travel, office, production and other expenses associated directly or indirectly with this Agreement are included as part of the total fee. This Agreement may be amended only by written instrument, which must be signed by both the City and the Agency. The San Marcos City Council must approve any such authorization of change in services or amendment if the compensation for which exceeds \$50,000.00.

11.2 Any exhibits and/or attachments attached to this Agreement are incorporated by reference into this Agreement as though included verbatim herein.

11.3 In the event of any conflict between this Agreement and the provisions of any exhibit or attachment to this Agreement, this Agreement will govern and control.

ARTICLE 12 NOTICES

12.1 Notices required under this Agreement will be provided by the parties to one another by certified mail, return receipt requested, or by email transmission, to the following addresses:

To the City:

Credit Systems International 2017

To the Agency:

Bert Lumbreras, City Manager
City of San Marcos
630 E. Hopkins
San Marcos, Texas 78666
CityManagerInfo@sanmarcostx.gov

Laura Emmons-Beam, Implementation Director
Credit Systems International, Inc.
1277 County Club Lane
Fort Worth, Texas 76112
Email: lbeam@creditsystemsintl.com

ARTICLE 13 BASIS OF COMPENSATION

13.1 The City will compensate the Agency, in accordance with Article 4, Payments to the Agency, and the other terms and conditions of this Agreement, as follows:

13.2 Total compensation to be paid to the Agency for Basic Services as described in Section 2.1 is based strictly on collection recovery. However the City anticipates that this compensation will not exceed \$20,000.00 in any given year. The Agency will receive as compensation for its satisfactory performance of Services, the commission amount(s) equal to the following contingency rates calculated at placement and based upon the age of the accounts as follows:

Initial arrears letter	No Charge
Accounts that pay within the initial 15 days from arrears letter	18.9%
Accounts referred at 180-360 days	18.9%
Accounts referred older than 360 days	23.9%
Secondary accounts recalled from previous agency	18.9%
Charge for reporting to credit reporting agencies	No Charge
Skip Tracing	No Charge

Full commissions are earned and due to the Agency on all accounts that are in paying status at the time the request for cancellation is issued by the City. The Agency requires 30 calendar days to conclude the cancellation process which commences upon receipt of notification of cancellation. Full commissions are earned and payable to the Agency from the date of account placement on all payments applied to accounts placed with the Agency, whether payment is made directly to the Agency, reported as paid directly to the City or the amount is transferred to an active account.

13.3 Compensation for Additional Services, if necessary, will be based on the Agency's then current rates as negotiated with and approved by the City in accordance with Article 2 of this Agreement prior to the Agency executing any addition services on the City's behalf.

Each of the persons executing this Agreement represents that he or she has full power and authority to execute this Agreement on behalf of the party that person represents. This Agreement will be effective as of the day and year established in the first paragraph of this Agreement.

City of San Marcos

Credit Systems International, Inc.

Bert Lumbreras, City Manager

By:_____
Darlene Mead, CEO

Date:_____

Date:_____

Attest:

Attest:

By:_____
(Signature)

(Printed or typed name)

By:_____
Laura Emmons-Beam,
Implementation Director

**ATTACHMENT A
AUTHORIZATION OF CHANGE IN SERVICES
CITY OF SAN MARCOS, TEXAS**

PROJECT: Collection Services

AGENCY: Credit Systems International, Inc.

AUTHORIZATION NO.:

ORIGINAL CONTRACT DATE:

DATE OF CHANGE:

WORK TO BE ADDED TO OR DELETED FROM SCOPE OF SERVICES

Previous contract amount:	\$ _____
Net increase/decrease in contract amount:	\$ _____

Revised contract amount:

\$_____

Requested by:

Credit Systems International, Inc.

By:_____

Date:_____

Printed name, title

Approved by:

City of San Marcos:

Date:_____

By:_____

Bert Lumbreras, City Manager