

ORD  
  
**2006-0181**

**INTRODUCED BY: ALBERT D. LAQUE, PARISH PRESIDENT  
(DEPARTMENT OF FINANCE)**

**ORDINANCE NO. 06-6-20**

An ordinance to approve and authorize the execution of  
a Debt Collection Services Agreement with  
MAXIMUS, INC.

**WHEREAS,** The National Association of Counties (NACO) through a competitive  
selection process has partnered with MAXIMUS, INC. to provide debt  
collection services for local governments; and,

**WHEREAS,** MAXIMUS INC., has extensive public sector collection experience and  
knowledge of local government; and,

**WHEREAS,** increasing revenue from debt formerly classified as uncollectible is in the  
best interest of the Parish.

**THE ST. CHARLES PARISH COUNCIL HEREBY ORDAINS:**

**SECTION I.** That the Debt Collection Services Agreement by and between  
St. Charles Parish and MAXIMUS, INC. is hereby approved.

**SECTION II.** That the Parish President is hereby authorized to execute said  
Agreement on behalf of St. Charles Parish.

The foregoing ordinance having been submitted to a vote, the vote thereon was  
as follows:

YEAS: MARINO, FAUCHEUX, HILAIRE, FABRE, WALLS, BLACK, DUHE,  
MINNICH  
NAYS: NONE  
ABSENT: RAMCHANDRAN

And the ordinance was declared adopted this 19th day of June, 2006,  
to become effective five (5) days after publication in the Official Journal.

CHAIRMAN: Brian A. Fal  
SECRETARY: Barbara Jacob-Dickens  
DLVD/PARISH PRESIDENT: June 20, 2006  
APPROVED: ✓ DISAPPROVED:       

PARISH PRESIDENT: Albert D. Laque  
RETD/SECRETARY: June 20, 2006  
AT: 3:25pm RECD BY: sgt

## DEBT COLLECTION SERVICES AGREEMENT

THIS DEBT COLLECTION SERVICES AGREEMENT ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 200\_, by and between MAXIMUS, Inc., located at 11419 Sunset Hills Road, Reston, Virginia 20190 (hereinafter "MAXIMUS"), and The \_\_ St. Charles Parish, Department of Waterworks\_\_, located at \_\_P. O. Box 108 Luling, LA 70070\_\_ (hereinafter "CLIENT") together "the parties."

The following Terms and Conditions apply to this Services Agreement and these terms take precedence over any other terms set forth in Exhibit 1 and 2 to the extent of any conflict therein or therewith. MAXIMUS shall furnish Debt Collection Services as set forth in Exhibit 1, Statement of Work (SOW) and Exhibit 2, Payment Provisions.

1. The terms of the body of this Agreement, and the Exhibits thereto, shall constitute the complete and exclusive statement of understanding between the parties which supersedes all previous agreements, written or oral, and all communications between the parties relating to the subject matter of this Agreement.
2. All compensation to MAXIMUS under this Agreement shall be as set forth in Exhibit 2, Payment Provisions. All invoiced amounts are payable in full within thirty (30) days of the invoice date.
3. The initial term of this Agreement shall commence on \_\_July, 1, 2006\_\_, and shall be for a duration of three (3) years. This Agreement will be self-renewing for an additional one (1) year term unless either party delivers to the other written notice of termination at least thirty (30) days prior to the expiration of the then current term unless noted elsewhere in this Agreement or SOW. This Agreement may thereafter be renewed for additional one-year terms upon the mutual agreement of the parties.
4. Upon any termination of this Agreement, (a) MAXIMUS will continue its collection efforts with respect to the accounts assigned prior to and existing on the date of termination for a period of ninety (90) days; (b) MAXIMUS will continue its collection efforts with respect to all accounts that have been referred by MAXIMUS to an attorney for the commencement of a lawsuit for collection and all accounts where payment arrangements are being met according to agreed-upon terms, until the conclusion of such lawsuit or payment arrangement; and (c) CLIENT will pay MAXIMUS the Monthly Fee with respect to the collections referenced in (a) and (b) above, regardless of when the collections are received and whether received by CLIENT or MAXIMUS.
5. Each Party shall indemnify and hold the other Party (including its affiliates, officers, agents, employees, and volunteers) harmless from and against liability, loss, cost, expenses, including reasonable attorney's fees and cost, or damages howsoever caused by reason of any injury or damages resulting directly from the negligent performance or failure of performance of obligations hereunder by a party or its agents or employees.

6. In the event MAXIMUS and/or CLIENT is found to be jointly at fault for any claim, action, loss or damage which results from their respective obligations under this agreement, MAXIMUS and/or CLIENT shall indemnify the other to the extent of its fault.

7. Both Parties agree they shall not disclose any details in connection with this Agreement to any party, except as may be otherwise provided herein or required by law. In recognizing MAXIMUS' need to identify and market its services and related clients in order to perform this agreement, CLIENT shall not prohibit MAXIMUS from publicizing its role under this Agreement. Additionally, the above does not preclude the CLIENT from advertising and publicizing the availability of the Debt Collection Services.

8. Both Parties shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference.

9. All MAXIMUS personnel providing services under this contract which require specific Federal, State or local governmental licenses or credentials shall maintain such licenses or credentials current and valid throughout the period of contract performance. MAXIMUS shall maintain a file of required licenses and credentials for the business entity and for all subject employees which is current at all times and accessible to CLIENT inspection.

10. In no event will MAXIMUS be liable for lost profits / revenues from transferred accounts, unless such collections have been received by MAXIMUS and a loss is directly attributed to MAXIMUS negligent actions or omissions, or liable to CLIENT or third parties for any special, incidental or consequential damages, except as required by law, or for the uncollectibility of any account under any circumstances. In no event shall MAXIMUS be liable for indirect, special, consequential or punitive damages. MAXIMUS' liability to the CLIENT, for any reason whatsoever and whether foreseeable or not, shall not exceed the lesser of \$100,000 or the total fees paid to MAXIMUS hereunder during the previous 12 months.

11. This Agreement shall be governed by, and construed in accordance with, the laws of the state in which the CLIENT is located.

12. If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

13. Both Parties represent and warrant that the person executing this Agreement for that Party is an authorized agent who has actual authority to bind that Party to each and every term, condition, and obligation of this Agreement and that all requirements of both Parties have been fulfilled to provide such actual authority.

14. All notices or demands required or permitted to be given or made under this Agreement shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered

or certified mail, postage prepaid, addressed to the parties at the following addresses. Addresses may be changed by either party giving ten days prior written notice thereof to the other party.

A. If to MAXIMUS:

MAXIMUS  
Debt Collection Services  
2625 Butterfield Road  
Suite 213-W  
Oak Brook, IL 60523  
Attention: Vince LoBianco

Copy to: MAXIMUS, Inc.  
1356 Beverly Road  
McLean, VA 22101  
Attention: Adam Polatnick, Director of Contracts  
(703) 564-3495

B. If to CLIENT:

Robert Brou, Director  
St. Charles Parish Department of Waterworks  
P. O. Box 108  
Luling, LA 70070  
Attention: Ms. Michelle Heurtin  
Senior Billing Clerk

15. Both parties acknowledge that other collection services may be desired and agree that such services may be added to this agreement when such services are defined. Such new work, prior to being initiated, shall be in writing as mutually agreed to between the Parties.

IN WITNESS WHEREOF, both Parties have caused this Agreement to be signed by their duly authorized officers on the day and year first set forth hereinabove.

CONTRACTOR:  
MAXIMUS INC.

\_\_\_\_\_  
Signature:

\_\_\_\_\_  
Typed Name and Title:

\_\_\_\_\_  
Date:

CLIENT:

  
Signature:

Albert D. Laque, Parish President  
Typed Name and Title:

June 20, 2006  
Date:

## **EXHIBIT 1**

### **STATEMENT OF WORK FOR DEBT COLLECTION SERVICES**

#### **1. SCOPE OF WORK**

The scope of work describes the respective roles and responsibilities of CLIENT and MAXIMUS, Inc. in performing the requested work.

CLIENT hereby assigns to MAXIMUS for collection certain accounts, which are true, correct, due, and unpaid (the "accounts"). MAXIMUS shall have full authority to perform all acts necessary to effect the collection of the accounts (the "Collection Services"), and in furtherance thereof is authorized as follows:

- a) To receive payments made on the accounts and to endorse CLIENT'S name on any checks, draft, money orders or other negotiable instruments that may be received in payment on the accounts;
- (b) To arrange for payments under such terms as MAXIMUS deems appropriate for any account;
- (c) To commence a lawsuit on behalf of CLIENT and to use all other necessary legal proceedings for the recovery of the accounts, subject to approval of any such lawsuit by CLIENT;
- (d) To place information regarding the accounts with one or more credit bureaus, with CLIENTS approval;

CLIENT acknowledges that the Collection Services will be performed by MAXIMUS as an independent contractor.

#### **2. CLIENT RESPONSIBILITIES**

- 2.1. Upon assignment of the accounts to MAXIMUS, CLIENT agrees that CLIENT will cease written and telephonic communications with the account debtors. CLIENT will provide MAXIMUS with information reasonably necessary for MAXIMUS to perform the Collection Services, including, without limitation, any communications regarding the accounts received from the account debtor or any third party either prior or subsequent to the assignment of the account to which such communication relates, and the date of delinquency for each account. CLIENT represents and warrants to MAXIMUS that (a) the account information provided MAXIMUS and the account balances are accurate and complete; (b) CLIENT has not received notification that any of the account debtors are in bankruptcy and will immediately notify MAXIMUS if it receives notification of a bankruptcy filing by any of the account

debtors; (c) all add-on charges such as interest, late fees and collection fees, are just and owing and authorized by applicable law, by contract or both; (d) CLIENT and any previous collection agency engaged for the collection of the accounts has been instructed to cease and desist contact with the account debtor; and (e) upon notification by MAXIMUS of a dispute or request for verification of information with respect to any account, CLIENT will promptly furnish MAXIMUS such information.

- 2.2 Individual CLIENT departments have the discretion to determine at what point an account is considered delinquent and how many days delinquent the account must be in order to transfer it to MAXIMUS. MAXIMUS shall accept such account transfers as valid transfers, without need to seek or validate such CLIENT departmental decisions.
- 2.3 Determine the most effective, timely and equitable method of assigning accounts to MAXIMUS.
- 2.4 The CLIENT will take into consideration the type of account, total dollar value, age of account(s) and other related information when transferring accounts to MAXIMUS. The CLIENT reserves the right to exercise sole discretion as to which accounts will be transferred to MAXIMUS.
- 2.5 Notify MAXIMUS of any adjustments or corrections made to the amount due.
- 2.6 Not be expected to provide any further assistance in the collection of accounts, once an account is transferred to MAXIMUS, notwithstanding ongoing administrative support, as necessary, for access to CLIENT records pre and post account transfer.
- 2.7 Reserve the right to change any portion of the work outlined herein, if there are changes in Federal, State, Local, or CLIENT law, ordinance, written rule, resolution, administrative policy or procedure that make it necessary. Such changes shall be through a written amendment to this Agreement, changing terms and conditions as mutually agreed to implement such regulatory impacts.
- 2.8 Report payments made by debtors directly to CLIENT on a timely basis that the CLIENT deposits in its bank. These payments will show on the monthly remittance statement as payments made directly to the CLIENT and the MAXIMUS fee will be charged.

The CLIENT may also choose to forward any payments received from the debtor to MAXIMUS for deposit and posting.

### 3. MAXIMUS RESPONSIBILITIES

- 3.1. Use any and all means, procedures or techniques consistent with industry standards and compliant with the Fair Debt Collection Practices Act (FDCPA), to locate and engage debtors to pay the entire amount of their outstanding accounts owed to the CLIENT.

be returned to the CLIENT with a detailed print out of the account and a reason the account was purged or deleted. CLIENT may pursue these accounts and collections on returned accounts are not subject to MAXIMUS fees. CLIENT agrees that MAXIMUS will have accounts for a minimum of twelve (12) months from placement date. The only accounts MAXIMUS would have less than 12 months are accounts MAXIMUS chooses to return early to CLIENT.