



# Monterey County

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## Board Report

Legistar File Number: 19-0063

February 26, 2019

**Introduced:** 2/12/2019

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** General Agenda Item

- a. Approve and authorize a Participating Agreement in the amount of \$345,000 between the County of Monterey, by and through the Monterey County Treasurer-Tax Collector, and Gila LLC, dba Municipal Services Bureau (MSB), which specifies collection services to be performed under the terms of the Judicial Council of California negotiated Master Agreement No. MA-2018-15 74-2605908, for a term of three years, effective retroactive January 1, 2019 through December 31, 2021;
- b. Authorize the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to sign the Participating Agreement; and
- c. Authorize the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to extend the Agreement for up to two one-year contract extensions with MSB where the Amendments do not exceed ten percent of the Agreement amount or significantly change the scope of work.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize a Participating Agreement in the amount of \$345,000 between the County of Monterey, by and through the Monterey County Treasurer-Tax Collector, and Gila LLC, dba Municipal Services Bureau (MSB), which specifies collection services to be performed under the terms of the Judicial Council of California negotiated Master Agreement No. MA-2018-15 74-2605908, for a term of three years, effective retroactive January 1, 2019 through December 31, 2021;
- b. Authorize the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to sign the Participating Agreement; and
- c. Authorize the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to extend the Agreement for up to two one-year contract extensions with MSB where the Amendments do not exceed ten percent of the Agreement amount or significantly change the scope of work.

### SUMMARY:

The Monterey County Treasurer-Tax Collector's Revenue Division collects delinquent court ordered debt and subsequently recovers the cost of collections per Penal Code 1463.007. The Judicial Council of California negotiates master agreements with several tertiary collection agencies through a statewide Request for Proposals (RFP). MSB was among the agencies selected by the Judicial Council to provide such services to courts, counties and other municipalities in California. To be eligible for cost recovery, participating agencies must meet a number of requirements. One such requirement is engagement of a third-party collection agency identified through such a Master Agreement with the Judicial Council of the State of California to enhance compliance and assist with the recovery of court ordered debt. Due to extended negotiations and timelines between the Judicial Council and MSB, the Master Agreement was not received by the Revenue Division until mid-January

2019, resulting in this request for retroactive approval, to maintain continuity of the required services.

DISCUSSION:

On May 6, 2014, the Monterey County Board of Supervisors approved a Participating Agreement with Gila Corporation, dba: MSB, to provide collection services to be performed under the terms of the Judicial Council of California negotiated Master Agreement No. MA-201307 for the period of May 1, 2014 through April 30, 2016. The parties approved subsequent amendments extending the Participating Agreement on the same terms and conditions for a term of May 1, 2016 through April 30, 2017, and again for a term of May 1, 2017 through April 30, 2018. On May 8, 2018, the Board approved a final amendment to extend the Participating Agreement on the same terms and conditions for a term of May 1, 2018 through December 31, 2018.

Gila Corporation, dba: MSB entered into a new Master Agreement No. MA-2018-15 74-2605908 with the Judicial Council of California on December 5, 2018. The new Master Agreement has an initial term of five years, from January 1, 2019 through December 31, 2023. The Agreement includes one five-year Option term for a potential maximum term of ten years. Due to extended negotiations and timelines between the Judicial Council and MSB, the Master Agreement was not finalized nor received by the Revenue Division until mid-January 2019, resulting in this request for retroactive approval, to maintain continuity of the required services.

OTHER AGENCY INVOLVEMENT:

The Judicial Council of California negotiated master agreements with multiple tertiary collection agencies after a nationwide Request for Proposals (RFP). MSB was among the agencies selected by the Judicial Council to provide such services to courts, counties and other municipalities in California. The Participating Agreement and the Master Agreement have been reviewed and approved by County Counsel as to form and by Risk Management for insurance provisions.

FINANCING:

Approval of the Participating Agreement has no impact on the County's General Fund. The Treasurer-Tax Collector's Revenue Division participates in the State sponsored Comprehensive Collections Program and recoups related expenses through the collection of Court Ordered Debt. The Participating Agreement in the amount of \$345,000 will fund services during the period of January 1, 2019 through December 31, 2021. The estimated cost of \$345,000 is based on actual expenses previously incurred for MSB services during the period of May 1, 2014 through December 31, 2018.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

*Increase County Resources through a collaborative effort with Gila Corp., dba: Municipal Services Bureau to collect delinquent Court imposed fines and fees.*

Mark a check to the related Board of Supervisors Strategic Initiatives

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety



Prepared by: Kathleen C. Mauzey, Finance Manager I, x5142



Approved by: Mary Zeeb, Treasurer-Tax Collector, x5474

Attachments:

Board Report

Participating Agreement, Municipal Services Bureau (MSB)

Exhibit A, Master Agreement, Judicial Council, MSB