

Legislation Text

File #: 15-18992, Version: 1

Collection Agency Services

Action:

- A. Approve a contract amendment for a total amount not to exceed \$1,320,000 to the contract with FirstPoint Collection Resources, Inc. for Collection Agency Services.**
- B. Authorize the City Manager to amend the contract consistent with the purpose for which the contract and this amendment were approved.**

Staff Resource(s):

Teresa Smith, Finance
Angela Charles, Charlotte Water

Explanation

- The Finance Department requires collection agency services for past due accounts for water, sewer, and storm water services, past due invoices related to code enforcement, Charlotte Water utility tap liens, and other services.
- The company performs collection services for first and second placements, electronically submits and processes payments, and administers the NC Debt Setoff program.
- This amendment is needed to continue collection services at the projected rate for the remainder of the contract term. Expense is variable based on the amount sent to collection and the rate of funds collected by the vendor.
- Fees for agency services are 15.95 percent of gross funds collected. There is no charge to the city for services relating to the NC Debt Setoff Program and no percent paid on the funds collected as a result of garnishment.
- On June 19, 2020, the city issued a Request for Proposals (RFP); 13 responses were received.
- FirstPoint Collection Resources, Inc. best meets the city's needs in terms of qualifications, experience, cost, and responsiveness to RFP requirements.
- The total value of this contract including this amendment is \$1,800,000.
- Annual expenditures are estimated to be \$360,000.

Charlotte Business INClusion

Per Charlotte Business INClusion Policy: Part C: Section 2.1(a) The city shall not establish Subcontracting Goals for Contracts where (a) there are no subcontracting opportunities identified for the Contract, or (b) there are no MWBES or SBEs certified to perform the scopes of work that the city regards as realistic opportunities for subcontracting.

This contract meets the provision of (a) - No subcontracting opportunities.

Fiscal Note

Funding: Finance Department's Operating Budget