



Legislation Details (With Text)

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File created:	2/15/2018	In control:		City Commission	
On agenda:	3/6/2018	Final action:		3/6/2018	
Title:	TERMINATE ACCOUNTS RECEIVABLES, INC. (ARI) FOR COLLECTION OF THE CITY'S CONSUMER DEBT				
Sponsors:	Finance Department				
Indexes:					
Code sections:					
Attachments:	1. Agenda Cover Memo, 2. ARI, Inc Debt Collections Signed Agree June 1 2016, 3. Termination Letter 02232018				

Date	Ver.	Action By	Action	Result
3/6/2018	1	City Commission	approved	

TO: Mayor and Commissioners
FROM: Kimberly Ferrell, Finance Director
THROUGH: Mark R. Lauzier, City Manager
DATE: March 6, 2018

TERMINATE ACCOUNTS RECEIVABLES, INC. (ARI) FOR COLLECTION OF THE CITY'S CONSUMER DEBT

Recommended Action:

Motion to terminate Accounts Receivables, Inc. (ARI) with 30 days notice.

Background:

One of the two contractors that we utilize for parking collections, ARI is underperforming. In twelve months ARI has only collected \$50,508 in delinquent parking tickets and associated fees; this represents a collection rate of 5.23%. Lanier in six months has collected \$142,000; this represents a collection rate of 47.8%.

It is City of Delray Beach Staff's recommendation that we terminate the ARI contract under the convenience clause in the attached contract, which requires City Commission action and thirty days notice. Because these tickets are already aged at least 180 days, City Staff believes that time is of the essence in getting these records turned over to a collection agency with parking ticket collection experience. During the time that it takes to terminate, City Staff is reviewing qualified and experienced vendors with the intent to move forward under a piggy-back contract on April 3, 2018.

We recommend the following courses of action:

- Update the current ordinance (as it pertains to DMV registration of unpaid parking tickets);

- Seek approval to move forward with piggy-back contract with an experienced vendor; and,
- Register the aged portfolio of parking tickets with the DMV in order to collect outstanding parking tickets through vehicle registration renewals.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

Increase Legacy aged parking collections from \$50,508.

Timing of Request:

The Legacy delinquency parking portfolio is at least 180 days aged and time is of the essence to achieve positive collection results.