



Legislation Details (With Text)

File #: 18-159 **Version:** 1 **Name:**

Type: Purchasing **Status:** Passed

File created: 3/9/2018 **In control:** City Commission

On agenda: 4/3/2018 **Final action:** 4/3/2018

Title: RESOLUTION NO. 21-18 TO AWARD AN AGREEMENT WITH PENN CREDIT CORPORATION FOR DEBT COLLECTION SERVICES THROUGH SEPTEMBER 30, 2020 IN A TOTAL AGREEMENT VALUE NOT-TO-EXCEED \$130,000 UTILIZING THE CITY OF WILTON MANORS SOLICITATION NO. 2017-07

Sponsors: Finance Department

Indexes:

Code sections:

Attachments: 1. Agenda Cover Memo, 2. Legal Review Checklist Penn Credit Corp, 3. RFP Debt Collection, 4. RFP Addendum No. 1 Debt Collection, 5. P2018-008 Resolution No. 21-18 CAO Approved, 6. P2018-008 Agreement for Debt Collection Services, Vendor Executed

Date	Ver.	Action By	Action	Result
4/3/2018	1	City Commission	approved	

TO: Mayor and Commissioners
FROM: Kimberly Ferrell, Finance Director
Caryn Gardner-Young, Assistant City Manager
THROUGH: Mark R. Lauzier, City Manager
DATE: April 3, 2018

RESOLUTION NO. 21-18 TO AWARD AN AGREEMENT WITH PENN CREDIT CORPORATION FOR DEBT COLLECTION SERVICES THROUGH SEPTEMBER 30, 2020 IN A TOTAL AGREEMENT VALUE NOT-TO-EXCEED \$130,000 UTILIZING THE CITY OF WILTON MANORS SOLICITATION NO. 2017-07

Recommended Action:

Motion to approve Resolution No. 21-18 to award an Agreement with Penn Credit Corporation for debt collection services through September 30, 2020 in a total agreement value not-to-exceed \$130,00 utilizing the City of Wilton Manors Solicitation No. 2017-07.

Background:

On October 14, 2017, the City of Wilton Manors issued an agreement with Penn Credit Corporation (Penn Credit) for debt collection services. The agreement is valid through September 30, 2020 with the option to renew for up to two additional fiscal year periods. The City of Wilton Manors and the City of Delray Beach share the same fiscal year (October 1 through September 30).

Penn Credit will perform third party debt collection services to collect on late utility bills, unpaid parking tickets, and unpaid emergency management services (EMS) bills. Penn Credit will add a fee of 19% for regular collections and 30% for collections requiring referral to an attorney to each bill the City of Delray Beach (City) sends for collection. Any successful collection, including any fees, will be

paid by the offender to the City, and the City will in turn pay Penn Credit the added fee amount.

In fiscal year 2017, the City paid the current debt collection services contractor approximately \$26,000. Staff believes this new debt collection services agreement will lead to a higher percentage of successful debt collections. Therefore, staff requests a total agreement value not-to-exceed \$130,000 through September 30, 2020.

This motion is in accordance with the Code of Ordinances Chapter 36, Commission Approval Required and Purchasing Policies, Accessing Contracts from Other Government Agencies and Not-for-Profit Organizations.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

Funding is available from account number 001-13-000-513.31-90 - Professional Services Other Professional Services.