



City of Columbus

Office of City Clerk
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Legislation Text

File #: 0419-2011, **Version:** 1

Background: The accounts receivable collection program within the City Attorney's Claims Section has been ongoing since 1996. At that time, the City Attorney interviewed firms with experience in government accounts receivable and choose Scoliere and Associates (now known as Linebarger, Goggin, Blair & Sampson LLP), and later, Capital Recovery Systems, Inc. to provide these services. These firms have done excellent work for the City over the ensuing years.

In 2009 a new program was implemented via ordinance 0130-2009 passed February 23, 2009 which adjusted the fee structure of the program. Effective April 1, 2009 on all new and existing accounts without payment plans in place a 30% fee is added to the total debt collected instead of being paid from the total amount collected. This will allow the City to recover 100% of the debts collected and the debtor will pay the additional 30% collection fee.

Continuing our relationship with our current collection firms will be valuable in keeping the program running smoothly and efficiently. This ordinance authorizes the City Attorney to renew contracts with the above referenced collection firms for one year.

Contract Compliance Numbers:

Capital Recovery Systems Inc. 311570459-001 expires 01/12/12

Linebarger, Goggan, Blair & Sampson, LLP 742864602-001 expires 06/02/12

Fiscal Impact: This contract is self-funding and will result in additional revenues to the general fund. Fees are paid out of monies collected by the firms. 100% of monies collected are remitted to the City and invoices from the collection agencies are paid monthly from funds collected.

To authorize the City Attorney to renew contracts with Linebarger, Goggan, Blair & Sampson LLP and Capital Recovery Systems, Inc.; to authorize the City Attorney to expend up to Five Hundred Thousand and 00/100 Dollars from the Collection Fees Fund for services rendered pursuant thereto; to waive the competitive procurement provisions of the Columbus City Codes; and to declare an emergency. (\$499,000.00)

WHEREAS, Ordinance No. 3135-96 originally authorized the City Attorney to contract with Scoliere and Associates, now known as Linebarger, Goggin, Blair & Sampson LLP, and Ordinance No. 1833-98 originally authorized the City Attorney to contract with Capital Recovery Systems, Inc. for the collection of certain of the City's accounts receivables; and

WHEREAS, the City Attorney has been pleased with the performance of these firms and has annually renewed these contracts for collection services; and

WHEREAS, it is in the City's best interest to continue to contract with Linebarger, Goggan, BLair & Sampson LLP and Capital Recovery System, Inc., especially in light of Ordinance No. 0130-2009, authorizing the imposition of collection fees on current accounts in the possession of these collection firms as of April 1, 2009; and

WHEREAS, by reason of the foregoing, an emergency exists in the usual daily operation of the City in that it is immediately necessary to enter into said contracts for the preservation of public health, peace, property, safety and welfare, now, therefore:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the City Attorney is authorized and directed to renew contracts with Linebarger, Goggan, Blair and Sampson, LLP and Capital Recovery Systems, Inc. for a period of one year to review and collect accounts receivable of the City for which the City's efforts at collection have been unsuccessful, or where the City believes that the assistance of professional collection agencies would increase the likelihood of a more expeditious collection.

SECTION 2. That the expenditure of the sum of One Hundred Ninety-nine Thousand and 00/100 Dollars (\$199,000.00) or so much thereof as may be necessary, is hereby authorized to be expended from department 2401, collection fund, fund number 295, object level three 3336, organizational cost code 241295 for the contract with Linebarger, Goggan, Blair & Sampson LLP and the City Auditor is authorized to draw warrants upon the treasury for service thereunder upon receipt of invoices approved by the City Attorney.

SECTION 3. That the expenditure of the sum of Three Hundred Thousand and 00/100 (\$300,000.00) or so much thereof as may be necessary, is hereby authorized to be expended from department 2401, collection fund, fund number 295, object level three 3336, organizational cost code 241296 for the contract with Capital Recovery Systems, Inc. and the City Auditor is authorized to draw warrants upon the treasury for services thereunder upon receipt of invoices approved by the City Attorney.

SECTION 4. That the provisions of Chapter 329 of the Columbus City Codes, 1959, relating to the procurement of professional services are hereby waived.

SECTION 5. That for reasons stated in the preamble hereto, which is made a part hereof, this ordinance is hereby declared an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.