



Legislation Details (With Text)

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On agenda: 4/11/2016 **Final action:** 4/14/2016

Title: To authorize the City Attorney to enter into the second year of three year renewable contracts with Linebarger, Goggan, Blair & Sampson LLP, Capital Recovery Systems, Inc., and Apelles, LLC for the collection of delinquent accounts; to authorize the appropriation and expenditure of \$900,000.00 from the Collection Fees fund; and to declare an emergency. (\$900,000.00)

Sponsors:

Indexes:

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Attachments: 1. Ord 0824-2016 Attachment

Date	Ver.	Action By	Action	Result
4/14/2016	1	CITY CLERK	Attest	
4/14/2016	1	MAYOR	Signed	
4/11/2016	1	COUNCIL PRESIDENT	Signed	
4/11/2016	1	Columbus City Council	Approved	Pass

Background: This legislation will authorize the City Attorney to enter in to the second year of a three (3) year, renewable annually, contract previously authorized by Ordinance 0703-2015 with collection agents Linebarger, Goggan, Blair & Sampson LLP, Capital Recovery Systems, Inc., and Apelles, LLC and will authorize the payment of court costs, and the reimbursement of any overpayments collected from the Collection Fees fund. This fund is generated by fees collected by collection agents and used to pay the associated collection costs due.

The accounts receivables collection program within the City Attorney's Claims Section has been ongoing since 1996. In the fall of 2014, the City Attorney put out a Request for Proposals (RFP) for Collection Services and received a total of nine (9) responses. A five-member Selection Committee reviewed the proposals and of the nine (9), five (5) companies were invited to give presentations and to further discuss their qualifications. After thorough review and consideration, the Selection Committee chose the three (3) collection agencies listed above.

In 2009 a program was implemented via ordinance 0130-2009 which adjusted the fee structure of the City's debt collection program. Effective April 1, 2009, a fee was added to the total debt collected on all new and existing accounts without payment plans. This allows the City to recover 100% of the debts collected and the debtor pays the additional collection fee. This program will continue under the contracts with our chosen collection agents.

Emergency: Emergency declaration is requested so the collection process can continue without interruption.

Contract Compliance Numbers:

Linebarger, Goggan, Blair & Sampson, LLP, 74-2864602 expires 04/22/2017

Capital Recovery Systems Inc., 31-1570459 expires 04/20/2017

Apelles, LLC, 41-2104380 expires 04/22/2017

These companies are neither debarred according to the Excluded Party Listing System of the Federal Government nor

prohibited from being awarded a contract according to the Auditor of State Unresolved Findings for Recovery Certified Search.

Fiscal Impact: These contracts are self-funding and will result in additional revenues to the general fund. The agents are paid fees from the money they collect. One hundred percent of monies collected are remitted to the city and invoices from the collection agencies are paid from the funds collected.

To authorize the City Attorney to enter into the second year of three year renewable contracts with Linebarger, Goggan, Blair & Sampson LLP, Capital Recovery Systems, Inc., and Apelles, LLC for the collection of delinquent accounts; to authorize the appropriation and expenditure of \$900,000.00 from the Collection Fees fund; and to declare an emergency. (\$900,000.00)

WHEREAS, ordinance 0703-2015 authorized the City Attorney to enter into contracts for a three (3) year term, renewable annually, with Linebarger, Goggan, Blair & Sampson LLP, Capital Recovery System, Inc., and Apelles, LLC; for the provision of debt collection services; and

WHEREAS, this ordinance will authorize the City Attorney to enter into the second year of that three (3) year term, and

WHEREAS, ordinance 0130-2009, authorizing the imposition of collection fees on delinquent accounts, will be incorporated by reference into the contracts the City Attorney enters into with the above-referenced collection agencies; and

WHEREAS, an emergency exists in the usual daily operation of the City Attorney's Office in that it is immediately necessary to authorize the foregoing contracts and the appropriation and expenditure of funds so the collection process will not be interrupted and for the preservation of public peace, property, health, 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 enter into a contract renewal through March 31, 2017 with Linebarger, Goggan, Blair and Sampson, LLP for debt collection services in the maximum amount of Two Hundred Fifty Thousand Dollars (\$250,000.00).

SECTION 2. That the City Attorney is authorized and directed to enter into a contract renewal through March 31, 2017 with Capital Recovery Systems, Inc. for debt collection services in the maximum amount of Five Hundred Eighty-five Thousand Dollars (\$585,000.00).

SECTION 3. That the City Attorney is authorized and directed to enter into a contract renewal through March 31, 2017 with Apelles, LLC for debt collection services in the maximum amount of Sixty-five Thousand Dollars (\$65,000.00).

SECTION 4. That the City Auditor is hereby authorized and directed to appropriate Nine Hundred Thousand Dollars (\$900,000.00) from the unappropriated balance of the Collection Fees fund, fund 2295 per the accounting codes in the attachment to this ordinance.

SECTION 5. That the expenditure of Nine Hundred Thousand Dollars (\$900,000.00) or so much thereof as may be needed, is hereby authorized from department 2401, Collection Fees fund, fund number 2295 per the accounting codes in the attachment to this ordinance.

SECTION 6. That for reasons stated in the preamble hereto, which is hereby 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.