

BILL NO. 61-05

ORDINANCE NO. 01-05

**AN ORDINANCE OF THE CITY OF JEANNETTE  
APPROVING COLLECTION PROCEDURES AND ADOPTING  
A SCHEDULE OF ATTORNEY'S FEES TO BE ADDED  
TO THE AMOUNT COLLECTED AS PART OF  
MUNICIPAL CLAIMS FOR DELINQUENT ACCOUNTS**

WHEREAS, to promote fairness to all tax payers in the City of Jeannette, it is necessary for the City to recover promptly the amount of delinquent, unpaid Municipal Claims and charges, if necessary, by legal proceedings; and

WHEREAS, the cost of reasonable attorney's fees incurred by the City in the collection of these claims and charges has reduced the amounts recovered or, in the case of smaller claims, makes enforcement not financially feasible; and

WHEREAS, the General Assembly of Pennsylvania has enacted, as an amendment to the Municipal Claims Act, Act No. I of 1996 (the "Act"), which authorizes the adding of the amount of reasonable attorney's fees to the total payable with respect to the unpaid taxes and other Municipal Claims, only if the Municipality involved has approved by Ordinance a schedule of reasonable attorney's fees; and

WHEREAS, the City has determined that it is in the best interests of all tax payers and other residents to have vigorous enforcement of all delinquent and other unpaid charges, utilizing the procedures set forth in the Act, except in cases of serious hardship, which the City will address on a case by case bases pursuant to uniform policies; and

WHEREAS, the City has reviewed the subject of attorney's fees for collection matters, and has determined that the fees set forth in the Schedule adopted hereafter are reasonable in amount for the services herein described.

NOW, THEREFORE, WITH THE FOREGOING RECITALS BEING INCORPORATED HEREIN BY REFERENCE THERETO, THE COUNCIL OF THE CITY OF JEANNETTE HEREBY ORDAINS AND ENACTS THE FOLLOWING:

1. STATEMENT OF POLICIES:

The City hereby approves the Statement of Collection Policies for delinquent unpaid user charges and other items covered by the Municipal Claims Act (hereinafter referred to as "Accounts"), as presented at the time of this meeting, a copy of which is attached hereto, made a part hereof and marked Exhibit "A".

2. SCHEDULE OF FEES:

- a. The City hereby approves the following Schedule of Attorney's Fees for services in connection with the collection of accounts, which is hereby determined to be fair and reasonable compensation for the services set forth below, all in accordance with the principles set forth in Section 3 (a.1) of the Municipal Claims Law as added by Act No. I of 1996 (the "Act"):

<u>Legal Services</u>	<u>Fee for Services:</u>
1. Initial review and sending first demand letter	\$ 75.00
2. Filing claim and mailing second demand letter	\$ 50.00

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|---|---|
| 3. Prepare Writ of Scire Facias   | \$150.00  |
| 4. Obtain re-issued Writ  | \$ 75.00  |
| 5. Prepare and mail letter pursuant to Pa. R.C.P. 237.1 (Notice of Praeceptum for Entry of Judgment of Non Pros or Default)   | \$ 50.00  |
| 6. Prepare Motion for Alternate Service   | \$150.00  |
| 7. Prepare Motion for Summary Judgment and related judgments  | \$250.00  |
| 8. Prepare Writ of Execution  | \$250.00  |
| 9. Attendance at Sheriff Sale; review Schedule of Distribution and resolve distribution issues, attendance at presentation and argument on petitions and Motions and other services not covered above | Hourly amount equal to Solicitor's regular hourly charges to City |

- b. There shall be added to the above amounts the reasonable out-of-pocket expenses of counsel in connection with each of these services, as itemized in the applicable counsel's bills which shall be deemed to be a part of the fees collected or to be collected.
- c. The amount of fees determined as set forth above shall be added to the City's claim in each account.

### 3. COLLECTION PROCEDURES.

The following collection procedures are hereby established in accordance with the aforesaid Act No. I;

- a. At least thirty (30) days prior to assessing or imposing attorney's fees in connection with the collection of an account, the City shall mail or cause to be mailed, by Certified Mail, Return Receipt Requested, a Notice of such intention to the taxpayer or other entity liable for the account (the "Account Debtor").
- b. If the within thirty (30) days after mailing the Notice in accordance with subsection (a), the Certified Mail to any account debtor is refused or unclaimed or the Return Receipt is not received, then at least ten (10) days prior to assessing or imposing such attorney's fees, the City shall mail or cause to be mailed, by First Class Mail, a Second Notice to such account debtor.
- c. All Notices required by this Ordinance shall be mailed to the account debtor's last known post office address as recorded in the records or other information of the City, or such other address as it may be able to obtain from the Westmoreland County Tax Claim Bureau, Westmoreland County Tax Office or any other public office in which an account debtor's address is maintained.
- d. Each Notice as described above shall include the following:
  - (i) The type of charge, the date it became due and the amount owed, including penalty and interest;
  - (ii) A Statement of the City's intent to impose or assess attorney's fees within thirty (30) days after the mailing of the first Notice, or within ten (10) days after the mailing of the Second Notice;
  - (iii) The manner in which the assessment or imposition of attorney's fees may be aborted by the payment of the account; and
  - (iv) The place of payment for accounts and the name and telephone number of the City official designated as responsible for collection matters.

4. INTEREST CHARGES. Unless the provisions of any other act relating to the collection of Municipal Claims or charges set forth herein or provided for under the Municipal

Claim Act establishes a different rate of interest for such claims or municipal liens, a maximum rate of interest of ten (10%) percent per annum shall be applied and added to any Municipal Claim or lien collected herein: provided, however, where any Municipal Claim is filed arising out of a municipal project which requires the City to issue bonds to finance the project, interest shall be collectable on such claims at the rate of interest of the bond issue or at the rate of twelve (12%) percent per annum, whichever is less.

5. RELATED ACTION. The City Treasurer, City Clerk, City Solicitor and/or Mayor of the City of Jeannette are hereby authorized and empowered to take any additional action they deem necessary or appropriate to implement and carry out the terms of this Ordinance.

6. CUMULATIVE REMEDIES. The remedies provided in this Ordinance shall be cumulative. Nothing in this Ordinance shall be deemed or construed to preclude the City of Jeannette from taking any other action, at law or in equity, available to it to collect indebtedness referenced herein.

THIS ORDINANCE IS DULY ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF JEANNETTE AT A PUBLIC MEETING HELD THE 10<sup>th</sup> DAY OF OCTOBER, 2001 AND SHALL BE EFFECTIVE IMMEDIATELY.

ATTEST:

  
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Ronald E. Dinsmore, City Clerk

CITY OF JEANNETTE:

  
\_\_\_\_\_  
Carl J. Matt, Mayor/President of Council

**CITY OF JEANNETTE  
STATEMENT OF DELINQUENT ACCOUNT  
COLLECTION POLICIES**

1. DELINQUENT ACCOUNTS TO WHICH THESE POLICIES APPLY.

This Statement of Collection Policies applies to all accounts, charges, or claims that the City of Jeannette is entitled to collect under the Municipal Claims Act, as amended and the provisions of the Third Class City Code. This Statement of Collection Policies does not apply to the collection of delinquent charges for water, sewerage or other public utility, the billings for which are governed by any other public utility or Municipal Authority.

Municipal Claims shall be filed not less than thirty (30) days nor more than sixty (60) days from the date of mailing of assessment letters to property owners in cases involving alley, street or other roadway or paving improvements, the cost or amount of such assessment being determined consistent with prior Ordinances. In the event any property owner fails to pay a Municipal Claim or lien associated with these charges within one (1) year of the date of filing same, the City Solicitor is hereby authorized to take whatever steps are necessary to execute upon such Municipal Claim as provided in this Ordinance, under the laws of the Commonwealth of Pennsylvania or otherwise.

With respect to the collection of unpaid charges for the collection of garbage, rubbish or other municipal services, the following practices are approved:

a. DELINQUENT RESIDENTIAL GARBAGE ACCOUNTS.

Municipal Claims may be filed against properties whose residential garbage collection service accounts are more than five (5) quarters delinquent;

b. DELINQUENT COMMERCIAL GARBAGE ACCOUNTS.

Municipal Claims may be filed against properties whose commercial garbage collection service accounts are delinquent for three (3) monthly billing periods (either consecutive or non-consecutive) or are delinquent in an amount in excess of Two Hundred Fifty and 00/100 (\$250.00) DOLLARS.

c. Execution on any municipal claim referenced in paragraph (a) or (b) above shall be at the discretion of the Council of the City of Jeannette.