

BILL NO: _____

CITY OF JEANNETTE
WESTMORELAND COUNTY, PENNSYLVANIA

ORDINANCE NO. 2022-_____

AN ORDINANCE OF THE CITY OF JEANNETTE, WESTMORELAND COUNTY, PENNSYLVANIA, AUTHORIZING THE ADDITION OF ANY CHARGES, COSTS, EXPENSES, COMMISSIONS, AND ATTORNEY FEES INCURRED BY THE CITY FOR THE COLLECTION OF DELINQUENT ACCOUNTS, ASSESSMENTS, TAXES, AND OTHER AMOUNTS OWING TO THE CITY, INCLUDING THE CHARGES, COSTS, EXPENSES, COMMISSIONS, AND ATTORNEY FEES OF THIRD-PARTY COLLECTION AGENCIES RETAINED BY THE CITY, TO THE SUMS DUE AND OWING TO THE CITY.

WHEREAS, to be fair to all property owners and other residents of the City of Jeannette (the "City"), it is necessary for the City to recover promptly unpaid, delinquent accounts, if necessary, by legal proceedings; and

WHEREAS, the Municipal Claims and Tax Liens Act, 53 P.S. § 7101, *et seq.* (the "Act"), authorizes the addition of attorney fees, charges, costs, expenses, commissions and fees to the total payable with respect to the unpaid, delinquent accounts, but only if the municipality involved has approved by ordinance a schedule of such fees; and

WHEREAS, the City has determined that it is in the best interest of all property owners and other residents to have vigorous enforcement of all unpaid, delinquent accounts 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 basis pursuant to uniform policies; and

WHEREAS, the City has reviewed the subject of interest and attorney fees for collection matters, and has determined that the fees set forth in this Ordinance are reasonable in amount for the services herein described.

NOW THEREFORE this _____ day of _____, 2022, it is hereby Enacted and Ordained by the City of Jeannette, that:

Section 1 - PURPOSE. The purpose of this Ordinance is to promptly recover delinquent accounts, assessments, taxes, and other amounts ("Unpaid Claims") which are owing to the City. The City, through its City Council, is charged with the exercise of its legislative, executive, and administrative powers in order to ensure the sound fiscal management of the City. It is the intent of the City Council to shift the cost of collection of Unpaid Claims to the persons responsible for payment of the Unpaid Claims rather than forcing compliant taxpayers, residents, and property owners to bear the cost.

Section 2 – RETENTION OF THIRD-PARTY COLLECTOR. The Chief Fiscal Officer may retain, by and with the approval of the City Council, such third-party collection agencies as are deemed appropriate to collect Unpaid Claims

Section 3 – THIRD-PARTY COSTS. In the event the City incurs any costs, charges, attorneys' fees, commissions, or other expenses ("Collection Expenses") whether directly or through the use of a third-party collection agency in connection with or related to collecting Unpaid Claims, the person or persons responsible for payment (the "Delinquent Persons") shall be required to pay the Collection Expenses which shall be added to and be part of the Unpaid Claims. The imposition of Collection Expenses shall be subject to any prior notice required to be given to the Delinquent Persons by Pennsylvania statutory law.

Section 4 – COLLECTION AND ATTORNEY FEES. The Collection Expenses of third-party collectors retained by the City for their collection services as set forth in the applicable collection services agreement with the City are hereby legislatively approved by the City. Any attorney fees imposed upon Delinquent Persons by third-party collectors as the result of the referral of the Unpaid Claims for legal action shall be based upon the provisions of the collection services agreement between the City and the third-party collector. Any attorney fees imposed upon Delinquent Persons by the City for legal services rendered by the City Solicitor shall be based upon the fee schedule of the City Solicitor in effect from time to time. Such fees shall be the actual fees charged by the City Solicitor for the services performed. The present fee schedule of the City Solicitor is attached hereto as Exhibit A and is incorporated herein. This fee schedule shall be revised from time to time to reflect the changes in the rates charged to the City by the City Solicitor without the necessity to amend this Ordinance. In no event shall the hourly rate imposed upon Delinquent Persons exceed the rate charged by the City Solicitor to the City.

Section 5 – REFERRAL OF UNPAID CLAIMS. The Chief Fiscal Officer is hereby authorized to refer Unpaid Claims to a third-party collector which has been previously retained and is currently engaged by the City for legal action or to the City Solicitor.

Section 6 – DIRECTION TO ADD FEES. Any third-party collector retained to collect Unpaid Claims on behalf of the City is directed to add its charges, expenses, commissions, and fees to Unpaid Claims, including, without limitation, reasonable and necessary out-of-pocket charges, costs, expenses, commissions and fees incurred in the collection of the Unpaid Claims, including, but not limited to, postage, title searches, VIN searches, prothonotary fees and charges, and sheriff fees and charges.

Section 7 – ADDITION OF ATTORNEY FEES. Attorney fees shall be added to Unpaid Claims after giving Delinquent Persons such prior notice as is required by law.

Section 8 – CREDIT AND DEBIT CARDS. The City authorizes any attorney or private collector collecting the Unpaid Claims on behalf of the City to accept payment of the Unpaid Claims by credit card or debit card. Where payment is made by credit card or debit card, any fees charged by the credit card or debit card company and/or the credit card or debit card servicing agent shall be charged immediately to the credit card or debit card used to make payment. This applies to credit card or debit card payments made by mail, telephone, over the internet, or in person.

Section 9 – ACCRUAL AND ADDITION OF INTEREST. Interest shall be assessed upon the Unpaid Claims at the rate of ten (10%) percent per annum and shall be added to the Unpaid Claims when a municipal claim has been filed to the extent authorized by 53 P.S. §7143 or otherwise, as amended, or any corresponding future statute.

Section 10 – COLLECTION PROCEDURES. The following collection procedures are hereby established in accordance with the Act for any Unpaid Claims to which the Act is applicable:

- (a) At least thirty (30) days prior to assessing or imposing attorney fees in connection with the collection of an Unpaid Claim account, the City or its designee shall mail or cause to be mailed, by certified mail, return receipt requested, a notice of such intention to the property owner or other entity liable for the account (collectively, the “Property Owner”).
- (b) If the certified mail notice is undelivered, then, at least ten (10) days prior to assessing or imposing such attorney fees, the City or its designee shall mail or cause to be mailed, by first class mail, a second notice to the Property Owner.
- (c) All notices required by this Ordinance shall be mailed to the Property Owner’s last known post office address as recorded in the records or other information of the City or such other address obtained by the City from the county tax assessment office.
- (d) Each notice as described above shall include the following:
 - (i) The type of municipal claim or other charge, the year that it became due, and the amount owed, including penalty and interest;
 - (ii) A statement of the City’s intent to impose or assess attorney fees no earlier than thirty (30) days after receipt of the first notice, or no earlier than ten (10) days after receipt of the second notice;
 - (iii) The manner in which the assessment or imposition of attorney fees may be avoided by payment of the account; and
 - (iv) The place of payment for accounts and the name and telephone number of the City’s representative designated as responsible for collection matters.

Section 10 - AUTHORIZED OFFICIALS. The City Clerk, Code Enforcement Department, and City Solicitor, and all others employed or appointed by the City of Jeannette, are authorized to take all action necessary to ensure implementation of and effect the purpose hereof.

Section 11 - CONFLICT WITH OTHER ORDINANCES. Any and all ordinances and/or resolutions, or parts thereof, conflicting herewith are repealed insofar as the matters herein are affected, except to the extent that any conflicting provision herein is illegal, invalid, or unconstitutional.

Section 12 - SEVERABILITY. The provisions of this Ordinance are severable, and if any clause, sentence, subsection or section hereof shall be adjudged by any court of competent jurisdiction to be illegal, invalid or unconstitutional, such judgment or decision shall not affect, impair or invalidate the remainder but shall be confined in its operation and application to the clause, sentence, subsection or section rendered. It is hereby declared the intent of the City Council that this ordinance would have been adopted if such illegal, invalid, or unconstitutional clause, sentence, subsection, or section had not been included therein.

Section 13 - EFFECTIVE DATE. This is effective immediately upon enactment according to law, and shall remain in effect hereafter until revised, amended, repealed, or revoked by action of the City of Jeannette.

This Ordinance is duly ORDAINED AND ENACTED by a majority of the members of the City Council of the City of Jeannette at a duly advertised public meeting held on the _____ day of _____, 2022.

CITY OF JEANNETTE

By: _____
Curtis J. Antoniak
Mayor and President of Council

ATTEST: (SEAL)

Nathan Benjamin Jay Bish
City Clerk

EXHIBIT A

(a) Legal Fees.

Initial review and sending first legal demand letter	\$175.00
File Lien and prepare Satisfaction	\$250.00
Prepare Writ of Scire Facias	\$250.00
Prepare and mail letter under Pa. R.C.P. 237.1	\$ 50.00
Prepare Default Judgment	\$175.00
Research, prepare and obtain Re-issued Writ	\$175.00
Prepare Praecipe to Amend	\$100.00
Prepare and present Motion to Amend	\$200.00
Obtain vehicle identification number (VIN) for mobile home	\$100.00
Prepare Motion for Alternate Service	\$250.00
Prepare Motion to Consolidate Claims	\$250.00
Prepare Motion to Add United States as Defendant	\$175.00
Prepare Pre-Trial Memorandum	\$200.00
Prepare Petition for Judgment for Want of Sufficient Affidavit of Defense pursuant to 53 P.S. § 7271	\$175.00
Prepare Writ of Execution	\$800.00
Attendance at sale; review schedule of distribution and resolve distribution issues	\$400.00
Continue sheriff sale	\$ 50.00
Prepare and present Petition for Free and Clear Sale	\$400.00
Services not covered above	At an hourly rate between

\$75.00-\$275.00 per hour

(b) Collection Fees.

Notice of delinquent claim and fee shifting	\$40.00 per notice, plus applicable postage
Bookkeeping fee for payment plan of 3 months or less	\$25.00
Bookkeeping fee for payment plan of more than 3 months	\$50.00
Handling fee for returned check	\$25.00