

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and Commissioners **DATE:** September 23, 2014
FROM: Jeffrey P. Sheffel, City Attorney
SUBJECT: Proposed Agreement with Penn Credit Corporation

I have discussed the above Agreement with the participating Department/Office, and the proposed general business terms and other significant provisions are as follows:

- 1) Department/Division involved – Financial Services Department, Treasury Division
 - 2) Type of Agreement – Debt Collection Services Agreement
 - 3) Method of Procurement (RFP, bid, etc.) – RFP 4423-14-RD
 - 4) Term of Contract
 - a) initial – One year
 - b) renewals (if any) – Four additional one-year periods
 - c) who exercises option to renew – City
 - 5) Contract Amount – Penn Credit proposes the following contingency fees:
Penn Credit in-house collection efforts 16%
Referral to local counsel with City approval 29%
 - 6) Termination Rights – Either party may terminate cause with or without cause at any time with proper written notice.
 - 7) Indemnity/Insurance Requirements – Contractor shall comply with applicable City requirements.
 - 8) Scope of Services – Contractor shall provide debt collection services for all debts owed to City of Hollywood including, but not limited to, medical collections, water and sewer charges, parking citations, fire inspection fees, third party payments, fines, fees, licenses, permits, interest income, and assessments.
 - 9) Other Significant Provisions – n/a
- cc: Cathy Swanson-Rivenbark, City Manager