

**TOWN OF PRESCOTT VALLEY
REQUEST FOR COUNCIL ACTION
Date: April 5, 2012**

SUBJECT: Collection Services Agreement – Valley Collection Services

SUBMITTING DEPARTMENT: Community Development Department

PREPARED BY: Rebecca L. Myers, CPM, Administrative Supervisor, for Richard T. Parker,
Community Development Director

AGENDA LOCATION: Comments/Communications , Consent , Work/Study ,
New Business , Public Hearing , Second Reading

ATTACHMENTS: a) Collection Services Agreement

SUMMARY/BACKGROUND: In Town Code §10-06-010, the Town established the Office of Administrative Hearing Officer to assist with enforcement of the Town Code by hearing, deciding and resolving non-traffic violations designated as civil violations. As part of the enforcement of judgments by such Hearing Officers, certain penalties and fines may be imposed and those fines and penalties may be eventually be attached as liens to property (if unpaid). Over time, the amount of such liens has grown (some 300+) and the Community Development Department desires to enter into a Collection Services Agreement with a professional debt collection service to assist in collection on such liens. Valley Collection Services comes highly recommended by Yavapai County (which also utilizes their services. Valley Collection Services' fee in the County agreement is twenty-five percent (25%). However, they have agreed to charge the Town just twenty percent (20%) of amounts collected. The services under the Agreement are on an "as needed" basis. The Town does not guarantee any minimum or maximum volume of accounts. The term of this Agreement shall be until written notice of termination is given.

OPTIONS ANALYSIS: N/A For Discussion Only

ACTION OPTION: N/A For Discussion Only

RECOMMENDATION: N/A For Discussion Only

FISCAL ANALYSIS: The cost of these services is 20% of the amounts collected. No fee is assessed unless a lien amount has been collected. It is believed that this is a good tradeoff given the increasing backlog in such liens.

REVIEWED BY:

Management Services Director _____

Town Clerk _____

Town Attorney _____

Town Manager _____

COUNCIL ACTION:

Approved Denied Tabled/Deferred Assigned to _____