

**Collections Contract  
For  
Collection Services**

**WITHIN THE  
VILLAGE OF ORLAND PARK**

**PRESENTED ON: August 1, 2010**

**(If not accepted, Offer expires in 60 days)**

**PRESENTED BY:**

Municipal Collection Services, Inc.  
7330 College Drive, Suite 108  
Palos Heights, IL 60463  
(708) 448-6934 FAX 448-1749

# COLLECTION SERVICES AGREEMENT

## Municipal Collection Services, Inc.

AGREEMENT, made this \_\_\_\_ day of \_\_\_\_\_, 2010 \_\_\_\_ by and between Municipal Collection Services Incorporated, an Illinois corporation (hereinafter referred to as MCSI), and the **Village of Orland Park**, an Illinois Municipal Corporation (hereinafter referred to as THE MUNICIPALITY).

### WITNESSETH

**WHEREAS**, MCSI is a duly licensed collection agency in the State of Illinois, and;

**WHEREAS**, THE MUNICIPALITY, pursuant to the terms and provisions of the Illinois Revised Statutes, has adopted certain ordinances and regulations to establish a system of local administrative adjudication of municipal code violations, and;

**WHEREAS**, the statutes, ordinances, and regulations, as aforesaid, allow for the imposition of fines/sanctions municipal code violations and for the rendering of civil judgments in favor of THE MUNICIPALITY against municipal code violators who do not pay the fines/sanctions imposed, and;

**WHEREAS**, MCSI possesses the personnel, experience, expertise, and equipment to effectively aid THE MUNICIPALITY in collecting the said fines through an effective collection process and court actions, if necessary, and;

**WHEREAS**, THE MUNICIPALITY may wish to list certain other claims with MCSI for collection from time to time and MCSI may wish to accept such claims for collection.

**NOW, THEREFORE**, in consideration of the mutual and several promises and covenants herein contained, the parties do hereby agree as follows:

### ARTICLE I

THE MUNICIPALITY agrees to list for collection with MCSI, all municipal code violations, except automated traffic law violations, which it issues and processes pursuant to its administrative adjudication system that has "DETERMINATION" orders entered by THE MUNICIPALITY'S Hearing Officer.

All violations listed for collection will be forwarded to MCSI, using the forms and procedures designated by MCSI, no less than once per month and upon a finding of the "DETERMINATION" being entered.

Upon request of MCSI, THE MUNICIPALITY will provide certified copies of violation notices and other documents necessary for use of MCSI in collection of the fines and any court action as necessary.

MCSI will acknowledge receipt of any violations listed for collection within five days thereof.

## **ARTICLE II**

MCSI agrees to use its best efforts and any lawful means which in its judgment and discretion it believes will result in the collection of the fines which are listed for collection.

MCSI will pursue court action to obtain/perfect civil judgments against those municipal code violators who do not pay their fines when in its judgment and discretion it believes such action is necessary and will aid in its collection efforts.

In compliance with Illinois law, no violation will be referred to an attorney without five days prior written notice to THE MUNICIPALITY of MCSI's intention to do so.

## **ARTICLE III**

No fees will be payable to MCSI until such time as any money is collected on a violation listed for collection, at which time MCSI will be paid as follows:

A. MCSI will be entitled to any costs awarded by the Court in the collection of the fine. If no additional expense amount is awarded for costs, this section (A) will not apply.

B. Forty percent of the balance of the amount collected on each file.

## **ARTICLE IV**

Upon THE MUNICIPALITY's listing of the violation for collection, MCSI shall have the exclusive right to collect the amounts owed there under until such time as it chooses, in its sole direction, to return the violation to THE MUNICIPALITY. Any inquiries concerning any violations listed for collection; including attempts to make payment thereon, shall be referred at the earliest possible time to MCSI.

MCSI will deposit any money collected on THE MUNICIPALITY's violations in a separate bank trust account established for that purpose as required by Illinois law.

After deduction of its fees and costs allowable by this Agreement, MCSI will forward to THE MUNICIPALITY, its share of any amounts collected. Remittance to the MUNICIPALITY will be made by the 15th of the month for any amounts collected by the last day of the preceding month.

In the event that any funds are paid to THE MUNICIPALITY for violations which have been listed for collection, THE MUNICIPALITY will report such collections to MCSI daily for accounting under this Article.

## **ARTICLE V**

THE MUNICIPALITY hereby authorizes MCSI to compromise, or reach negotiated settlements on any violations listed for collection. However, no settlement may be negotiated or compromised for less than 50% of the amount due without prior approval of THE MUNICIPALITY.

Should THE MUNICIPALITY make any settlement or otherwise take any action in derogation of MCSI's exclusive right to collect on any violation listed for collection, then MCSI shall be entitled to payment in full, as delineated in Article IV hereof, based on the full amount of the violation, as listed. Any such payments which may become due may be deducted from the MUNICIPALITY's next monthly payment from MCSI.

#### **ARTICLE VI**

MCSI agrees to indemnify and hold THE MUNICIPALITY harmless against any and all liability, costs and expenses including attorney fees, occasioned by claims or suits for loss or damages arising out of the acts of the agents, servants or employees of MCSI during the term of this Agreement. Conversely, THE MUNICIPALITY agrees to indemnify and hold MCSI harmless against any and all liability, costs and expenses including attorney fees, occasioned by the claims or suits for loss or damages arising out of the acts of THE MUNICIPALITY, its servants or employees.

#### **ARTICLE VII**

The term of this Agreement is for a period of 36 months from the date first above written, however, it shall continue under the same terms and conditions for additional one year periods until termination by either party, by notice given in writing to the other party, at least ninety days prior to the end of any one year period.

However, in the event of termination of the Agreement by either party, MCSI shall retain its exclusive right to collect any violations listed for collection prior to the end of the final one year period until such times as it elects to return any such violations to THE MUNICIPALITY as provided under the terms of this Agreement.

#### **ARTICLE VIII**

At least once per year, MCSI will return to THE MUNICIPALITY such violations which it determines, in its sole judgment and discretion, to be uncollectible.

#### **ARTICLE IX**

Any notices to be given pursuant to this Agreement shall be deemed as served when placed in the United States Mail, with postage prepaid, sent by certified mail, return receipt requested; to the address designated, in writing, by either party. Until such time as a different address is designated notices shall be sent as follows:

#### **ARTICLE X**

MCSI shall defend and indemnify the VILLAGE from any claim or action arising out of MCSI'S performance or non-performance of its obligations under this agreement, including but not limited to any violation of the Fair Debt Collection Practice Act, any law dealing with the credit rating of any individual, and other applicable Federal and State laws arising out of the acts or omissions of MCSI or its agents or employees.

If to MCSI,

**MUNICIPAL COLLECTION SERVICES INC.**  
7330 College Drive, Suite 108  
Palos Heights, Illinois 60463

If to THE MUNICIPALITY,

CITY/VILLAGE of \_\_\_\_\_

ADDRESS : \_\_\_\_\_

ADDRESS : \_\_\_\_\_

## ARTICLE X

This Agreement contains the entire agreement between the parties hereto and supersedes any prior agreements or understandings between the parties. This agreement may only be altered or modified by written instrument signed by both parties.

**IN WITNESS WHEREOF**, the parties have signed and sealed this Agreement on the date first above written.

**VILLAGE OF ORLAND PARK**  
An Illinois Municipal Corporation

**BY:**

\_\_\_\_\_  
Mayor/President (PRINT)

\_\_\_\_\_  
Mayor/President (SIGNATURE)

**Attested:**

\_\_\_\_\_  
Clerk (SIGNATURE)

**Date:** \_\_\_\_\_, 20\_\_\_\_

**MUNICIPAL COLLECTION SERVICES, INC.**  
An Illinois Corporation

**BY:**

Matthew C. Regan  
\_\_\_\_\_  
Chief Operating Officer (PRINT)

\_\_\_\_\_  
Chief Operating Officer (SIGNATURE)

**Attested:**

\_\_\_\_\_  
Secretary (SIGNATURE)

**Date:** \_\_\_\_\_, 20\_\_\_\_