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|  <p style="text-align: center;">Council Communication Office of the City Manager</p> | Date: April 23, 2018 |
| | Agenda Item No. 42 Roll Call No. <u>18-0707</u> Communication No. <u>18-197</u> Submitted by: Bob Fagen, Finance Director |

AGENDA HEADING:

Accepting proposal of Advanced Asset Alliance (AAA) Collections, Inc. for collection services.

SYNOPSIS:

Approving the selection of AAA Collections, Inc., (3500 First Avenue, Suite 100, Sioux Falls, South Dakota 57150) to provide collection services for delinquent accounts for a 3-year period, with an option for three (3) 1-year extensions, and authorizing the City Manager to negotiate the contract.

FISCAL IMPACT:

Amount: Varies depending on success of collection efforts. In general, 20% of the delinquent revenue collected is paid for collection services.

Funding Source: Collection fees are charged to all fund accounts that utilize collection services. Collection expense will be charged to the same department that receives the collected funds

ADDITIONAL INFORMATION:

- The City issued a Request for Proposal (RFP) for collection services. A scoring process was established to identify the best provider of collection services as it relates to City business.
- Recommended contractor background information:
 - Over 50 years of experience in debt collection services
 - Serves various industries including municipalities, public utilities, healthcare organizations, and universities
 - Currently receives over 150,000 accounts annually

PREVIOUS COUNCIL ACTION(S):

Date: December 22, 2003

Roll Call Number: 03-2907

Action: Contract with Professional Account Management, LLC for collection of delinquent accounts, three-year term, with two one-year renewal options. ([Council Communication No. 03-605](#)) Moved by Brooks to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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