

**RESOLUTION NO. R-17-02**

**A RESOLUTION AUTHORIZING THE VILLAGE MANAGER TO EXECUTE A COLLECTION SERVICE AGREEMENT BETWEEN THE VILLAGE OF HANOVER PARK AND LINEBARGER GOGGAN BLAIR & SAMPSON, LLP**

**WHEREAS**, the corporate authorities of the Village of Hanover Park wish to enter into a Collection Agency Agreement between the Village of Hanover Park and Linebarger Goggan Blair & Sampson, LLP, to undertake collection of the Village's accounts and other evidences of indebtedness in accordance with the Agreement; and

**WHEREAS**, the corporate authorities have received the written Agreement from Linebarger Goggan Blair & Sampson, LLP, which is attached hereto and marked as Exhibit "B"; and

**WHEREAS**, the corporate authorities find that it is the best interests of the Village of Hanover Park to execute the Agreement; now, therefore,

**BE IT RESOLVED** by the President and Board of Trustees of the Village of Hanover Park, Illinois:

**SECTION 1:** That the Village Manager be and hereby is authorized and directed on behalf of the Village to execute the attached Collection Service Agreement between the Village of Hanover Park and Linebarger Goggan Blair & Sampson, LLP.

**SECTION 2:** That this Resolution shall be in full force and effect after passage and approval as required by law.

ADOPTED this 5th day of January, 2017, pursuant to a roll call vote as follows:

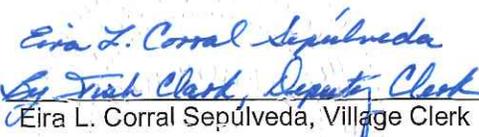
AYES: Kemper, Kunkel, Shahjahan, Cannon, Roberts, Porter

NAYS: None

ABSENT: None

ABSTENTION: None

Approved:   
Rodney S. Craig, Village President

Attest:   
Eira L. Corral Sepulveda, Village Clerk

**AGREEMENT**  
**COLLECTION SERVICE AGREEMENT**

This agreement made and entered into by and between **Linebarger Goggan Blair & Sampson LLP** (hereinafter "Contractor") whose offices are located at **233 S. Wacker Dr. Ste. 4030, Chicago, IL. 60606**, and the Village of Hanover Park, Illinois (hereinafter "VHP"), whose offices are located at 2121 West Lake Street, Hanover Park, Illinois.

WHEREAS, VHP desires to refer certain delinquent accounts to Contractor for collection pursuant to this agreement; and

WHEREAS, Contractor shall accept such accounts and collect them on the terms pursuant to this agreement and the terms of the Request for Proposal and the Proposal that is attached hereto as Exhibit "A" and made a part hereof; now, therefore,

IN CONSIDERATION of VHP referring for collection to Contractor certain delinquent accounts, Contractor agrees to collect such accounts pursuant to this agreement.

- A. Contractor is an independent Contractor and nothing contained in this agreement shall be construed as constituting Contractor as an agent or employee of VHP. Contractor is solely responsible for the employment, acts and omissions, control and direction of its officers, agents, and employees.

VHP represents that all accounts placed with Contractor, for collection are owned by and debts due to VHP.

- B. Contractor warrants and represents that its collection practices shall be in accordance with all applicable law, rules, and regulations. It shall keep itself fully informed regarding existing and pending legislation and rules relating to collection practice and procedures that may affect its performance under this Agreement.

- C. Contractor will maintain all licensing, bonding, and financial records as may be required by village, state, and federal laws and regulations.

- D. Contractor agrees not to commingle on any of monies collected on VHP accounts with its own funds or to represent any part of VHP monies as belonging to contractor in the conducting of its business.

Contractor will furthermore, provide VHP a monthly statement of the balance of VHP accounts on its records and a list of all individual collections made the previous month.

- E. Contractor shall indemnify, defend and hold harmless VHP (including its Board of Trustees, officers, agents, and employees), individually and collectively from all claims, liabilities, demands, costs and expenses, including reasonable attorneys' fees arising out of or in connection with any and all acts or omissions of Contractor or its officers, personnel, employees, or agents in the performance of this agreement.

F. Contractor will, in accordance with standards and ethical procedures, attempt collection of all accounts placed by VHP with Contractor for collection as follows:

1. Obtain collection of full amount in default; or
2. Implement an alternate payment plan; or
3. Submit to VHP a recommendation in writing for subsequent legal action that may be taken by Contractor to bring an unpaid account to conclusion; or
4. Return the account to VHP with a disposition.

VHP, at its sole discretion, reserves the right to place applicable debt into the State of Illinois' Local Debt Recovery Program. It is understood that debt placed into the Recovery Program may concurrently be placed into collection with Contractor. Should VHP receive payment from a debt from the Recovery Program that is also in collection with Contractor, Contractor shall not be eligible for the fees outlined hereafter.

G. No fees will be payable to Contractor unless money is collected, at which time Contractor will be paid under one of the following:

- In the event that VHP has added any collection fee per 65 ILCS 5/1-2-1 to the debt before listing it with the Contractor, Contractor's fee shall be calculated on the balance paid net of the collection fee. But in no event shall the collection fee be less than **19.75 percent** (19.75%) of the net amount collected.
- In the event a listed debt is not eligible for inclusion under 65 ILCS 5/1-2-1, Contractor shall be entitled to a contingency fee of **19.75 percent** (19.75%) from the recovered balance paid.
- VHP shall pay Contractor a contingency fee equal to **25 percent** (25%) of the collected amount only on all cases requiring legal action after suit is filed.

VHP agrees to notify Contractor of any monies received in its offices on a weekly or more often basis.

H. Contractor agrees to keep records of all collection work efforts under this agreement for a period of three (3) years.

I. Contractor shall not initiate any legal action on VHP accounts placed for collection without prior written authority from VHP. Upon receipt of written approval, Contractor shall initiate legal action to collection on the authorized account. Contractor shall advance all court costs on all legal cases approved for litigation. VHP shall not be liable for the advancement of court costs by Contractor. Contractor shall be only entitled to be reimbursed for court costs expended on an individual account from the first monies collected on that account. Contractor shall include in all legal actions, as part of the recovery, a request for court costs to be paid by the responsible party.

- J. VHP shall have the right to have Contractor suspend collection activities on any account in its discretion as it shall determine. Contractor will return any account to VHP within thirty (30) days after notification. Contractor will immediately suspend collection activity and return any account to VHP when notified by VHP or any other source of the pendency of bankruptcy proceedings of any debtor. In the event that VHP cancels or suspends collection activity on any account referred for legal action, VHP shall reimburse Contractor for all court costs expended on the account.

Upon termination of the agreement, Contractor shall cease collection activity and return all accounts to VHP. Contractor will be entitled to its collection fee on accounts where a satisfactory payment plan has been arranged.

- K. This agreement is binding on the parties hereto and on any approved respective successors and assigns. Contractor must obtain prior written consent from VHP before any assignment hereof may be valid and any assignment made without such approval shall be void and of no effect.

This agreement shall be construed in accordance with the laws of the State of Illinois.

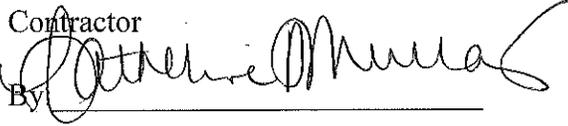
- L. Contractor will provide VHP with the following operational reports:

1. Contractor will provide VHP with immediate verification of all new accounts sent to Contractor for collection. This accounting will itemize individual accounts with grouped batch totals.
2. Contractor shall establish separate statements of accounts for the purpose of accounting, remitting collection, and billing of fees as required by VHP.
3. Contractor shall supply VHP, upon request, with a status report of each individual account available at VHP discretion.

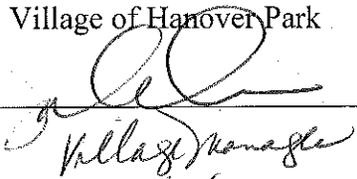
- M. It is the parties express intention and agreement that the section of this agreement, paragraph E., concerning indemnification will survive the termination of this agreement.

This agreement has been negotiated fully and equally, pursuant to a Request for Proposals, at arm's length, by both parties, and will not be construed as having been drafted by any single party. This fully executed agreement, together with Exhibit "A", contains the parties' entire understanding and agreement. Although Exhibit "A", the Request for Proposal, and the Proposal are part of this agreement, any conflict between those documents and this agreement to which they are attached, shall be resolved in favor of this agreement.

Contractor

By: 

Village of Hanover Park

By:   
Village Manager  
1/9/17