



Legislation Details (With Text)

File #: 22-0753 **Version:** 1 **Name:** Resolution authorizing Competitive Bidding for Municipal Court Collections

Type: Resolution **Status:** Adopted

File created: 5/19/2022 **In control:** Finance

On agenda: 8/3/2022 **Final action:** 8/3/2022

Title: Dept/ Agency: Finance
 Action: Ratifying Authorizing Amending
 Type of Service: Exception to Public Bidding - Competitive Contracting
 Purpose: Municipal Court Collections
 Entity Name: Not Applicable
 Entity Address: Not Applicable
 Contract Amount: Not Applicable
 Funding Source: Not Applicable
 Contract Period: Not Applicable
 Contract Basis: Bid State Vendor Prof. Ser. EUS
 Fair & Open No Reportable Contributions RFP RFQ
 Private Sale Grant Sub-recipient n/a
 Additional Information:
 Resolution authorizing the use of Competitive Contracting, pursuant to N.J.S.A. 40a:11-4.5, in accordance with N.J.S.A. 2b:19-6, to award a contract for the private collection of debt for the City of Newark Municipal Court.

Sponsors: Council of the Whole

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
8/3/2022	1	Municipal Council	Adopt	Pass

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WHEREAS, the Newark Municipal Court has exhausted all judicial enforcement remedies

permitted by law or court rule, N.J.S.A. 2B:19-6(a); and

WHEREAS, the City of Newark (the “City”) desires to award a contract for the private collection of debt for the City of Newark Municipal Court (the “Court”); and

WHEREAS, N.J.S.A. 2B:19-6, authorizes the use of private collection agencies to collect outstanding debt payable to municipal courts; and

WHEREAS, the Supreme Court of the State of New Jersey, has issued rules and procedures governing the collection of Municipal Court Debt under L. 2009, C.233, dated March 31, 2011, and it is the intention of the Court to comply with such rules and procedures; and

WHEREAS, N.J.S.A. 40A:11-4.1(j) specifically authorizes the City to use competitive contracting to award a concession contract; and

WHEREAS, the public need to award a concession is to increase the collection rate of debt owed the Municipal Court and the concession to be awarded is a contract to a vendor who will provide collection services to the City for debt owed the Municipal Court; and

WHEREAS, existing methods to collect debt have fallen short of the optimal level needed and the proposed method of collection is anticipated and intended to reduce the burden on the City’s taxpayers; and

WHEREAS, the estimated value of the concession and the estimate of revenue to be collected and the costs to be incurred by the City is difficult to predict as the City does not have a current history upon which to base such estimates; however, N.J.S.A. 2B:19-6, authorizes the assessment of an administrative fee by a private agency or firm not to exceed 22% of the amount collected to be paid by the defendant to the private collection agency to pay for the costs of collection; and

WHEREAS, there are no services, facilities or endorsements anticipated to be provided by the City to the vendor; and

WHEREAS, pursuant to N.J.S.A. 40A:11-4.3(a), in order to initiate competitive contracting, the Municipal Council must pass a resolution authorizing the use of competitive contracting each time specialized goods or services are desired to be contracted; and

WHEREAS, the competitive contracting process shall be administered by the Director of the Department of Finance, pursuant to N.J.S.A. 40A:11-4.3(b) and any contract awarded under this process shall be made by resolution of the Municipal Council, subject to the provisions of N.J.S.A. 40A:11-4.5.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Municipal Council hereby authorizes the use of competitive contracting, pursuant to N.J.S.A. 40A:11-4.1 et seq. to award a contract for the private collection of debt for the Newark Municipal Court, in accordance with the Supreme Court Procedures Governing the Private Collection of Municipal Court Debt under L. 2009, C.233.

2. The award of such a contract or contracts shall be by Resolution of the Municipal Council.
3. The competitive contracting process shall be administered by the Director of the Department of Finance, pursuant to N.J.S.A. 40A:11-4.3(b), and any contract awarded under this process shall be made by resolution of the Municipal Council, subject to the provisions of N.J.S.A. 40A:11-4.5.
4. The Municipal Council hereby authorizes the assessment of an administrative fee by a private agency or firm not to exceed 22% of the amount collected to be paid by the defendant to the private collection agency to pay for the costs of collection; such rate to be set during the procurement process.
5. The contract award shall be based upon the most advantageous price and other factors.

STATEMENT

Resolution authorizing the use of competitive contracting, pursuant to N.J.S.A. 40A:11-4.5, in accordance with N.J.S.A. 2B:19-6, to award a contract for the private collection of debt for the City of Newark Municipal Court.