

**CHELTENHAM TOWNSHIP**

**Ordinance No. 2325-16**

**ORDINANCE APPROVING COLLECTION PROCEDURES  
AND ADOPTING INTEREST AND SCHEDULE OF  
ATTORNEY FEES AND CHARGES TO BE ADDED TO THE  
AMOUNT COLLECTED AS PART OF UNPAID SEWER AND  
REFUSE FEES FOR DELINQUENT ACCOUNTS**

WHEREAS, to be fair to all property owners in Cheltenham Township (the “Township”), it is necessary for the Township to recover promptly unpaid, delinquent sewer and refuse fees (the “Unpaid Claims”), if necessary, by legal proceedings; and

WHEREAS, the Municipal Claims and Tax Liens Act, 53 P.S. § 7101, *et seq.* (the “Act”), authorizes the addition of attorney fees, charges, costs, expenses, commissions and fees to the total payable with respect to the Unpaid Claims, but only if the municipality involved has approved by ordinance a schedule of such fees; and

WHEREAS, the Township has determined that it is in the best interest of all property owners and other residents to have vigorous enforcement of all delinquent and other unpaid charges, utilizing the procedures set forth in the Act, except in cases of serious hardship, which the Township will address on a case-by-case basis pursuant to uniform policies; and

WHEREAS, the Township has reviewed the subject of interest and attorney fees for collection matters, and has determined that the fees set forth in the schedule hereby adopted are reasonable in amount for the services herein described.

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED BY THE TOWNSHIP AS FOLLOWS:

**1. Fees to be Added to the Unpaid Claims.** The Township hereby approves the following fee schedule for the collection of the Unpaid Claims, which fees shall be added to the Unpaid Claims.

(a) Notice Expense. A charge of \$40.00 plus applicable postage shall be added to the Unpaid Claims for providing notice of fee shifting pursuant to § 7106 of the Act. The Township may hire a private company to perform this service and add the amount of this charge to the Unpaid Claims.

(b) Legal Fees.

Initial review and sending first demand letter	\$160.00
File lien and prepare satisfaction	\$250.00
Prepare Writ of Scire Facias	\$250.00
Obtain re-issued writ	\$ 30.00
Prepare and mail letter under Pa. R.C.P. 237.1	\$ 30.00
Prepare Motion for Alternate Service	\$250.00
Obtain vehicle identification number (VIN) for mobile home	\$ 35.00
Prepare discovery in preparation for trial	\$100.00
Prepare Pre-Trial Memorandum	\$150.00
Prepare Motion for Judgment for Want of Sufficient Affidavit of Defense pursuant to 53 P.S. § 7271	\$150.00
Prepare Default Judgment	\$175.00
Prepare Writ of Execution	\$800.00
Attendance at sale; review schedule of distribution and resolve distribution issues	\$400.00
Continue sheriff sale	\$ 50.00
Prepare Petition to Assess Damages	\$ 50.00
Prepare Petition for Free and Clear Sale	\$400.00
Services not covered above	At an hourly rate between \$60.00-\$275.00 per hour

(c) Collection Fees.

Bookkeeping fee for payment plan of 3 months or less	\$ 25.00
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Bookkeeping fee for payment plan of more than 3 months	\$ 50.00
Guaranteed payoff fee	\$ 25.00
Handling fee for returned check	Bank charge, if any

**2. Costs to be Added to the Unpaid Claims.** In addition to the fees set forth in paragraph 1 above, the reasonable and necessary out-of-pocket charges, costs, expenses, commissions and fees incurred in collection, including, but not limited to, postage, title searches, VIN searches, prothonotary fees and charges, and sheriff fees, shall be added to the Unpaid Claims.

**3. Credit Card and Debit Card Charges.** The Township authorizes any attorney or private collector collecting the Unpaid Claims on behalf of the Township to accept payment of the Unpaid Claims by credit card or debit card. Where payment is made by credit card or debit card, any fees charged by the credit card or debit card company and/or the credit card or debit card servicing agent shall be charged immediately to the credit card or debit card used to make payment. This applies to credit card or debit card payments made by mail, telephone, over the internet, or in person.

**4. Interest.** Interest will be assessed upon the Unpaid Claims at a rate of 10% per annum and added to the Unpaid Claims.

**5. Collection Procedures.** The following collection procedures are hereby established in accordance with the Act:

(a) At least thirty (30) days prior to assessing or imposing attorney fees in connection with the collection of an Unpaid Claim account, the Township or its designee shall mail or cause to be mailed, by certified mail, return receipt requested, a notice of such intention to the property owner or other entity liable for the account (the "Property Owner").

(b) If the certified mail notice is undelivered, then, at least ten (10) days prior to assessing or imposing such attorney fees, the Township or its designee shall mail or cause to be mailed, by first class mail, a second notice to the Property Owner.

(c) All notices required by this Ordinance shall be mailed to the Property Owner's last known post office address as recorded in the records or other information of the Township or such other address obtained by the Township from the county tax assessment office.

(d) Each notice as described above shall include the following:

(i) The type of municipal claim or other charge, the year that it became due and the amount owed, including penalty and interest;

(ii) A statement of the Township's intent to impose or assess attorney fees no earlier than thirty (30) days after receipt of the first notice, or no earlier than ten (10) days after receipt of the second notice;

(iii) The manner in which the assessment or imposition of attorney fees may be avoided by payment of the account; and

(iv) The place of payment for accounts and the name and telephone number of the Township's representative designated as responsible for collection matters.

**6. Related Action.** The proper officials of the Township are hereby authorized and empowered to take such additional action as they may deem necessary or appropriate to implement this Ordinance.

**7. Appointment of Solicitor.** The Township appoints Michelle R. Portnoff, Esquire, as Solicitor for the limited purpose of collecting the Unpaid Claims and hereby authorizes her, and attorneys under her supervision, to sign any and all documents, including municipal claims and liens, on behalf of the Township.

DULY ORDAINED AND ENACTED BY CHELTENHAM TOWNSHIP ON this **16<sup>th</sup> day of February, 2016.**

**CHELTENHAM TOWNSHIP  
BOARD OF COMMISSIONERS**



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Morton J. Simon, Jr., President

Attest:



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Bryan T. Havir, Manager and Secretary