

**RESOLUTION 13-25**

**A RESOLUTION TO AUTHORIZE  
THE CONTRACTING OF BAD DEBT COLLECTION SERVICES**

**WHEREAS**, the City of Spring Hill requires assistance with the collection of delinquent accounts; and

**WHEREAS**, the City of Spring Hill has utilized Solutia Revenue Recovery Inc. for collection of bad debts since 2008; and

**WHEREAS**, the City of Spring Hill advertised and received one proposal from a qualified vendor on February 21, 2013; and

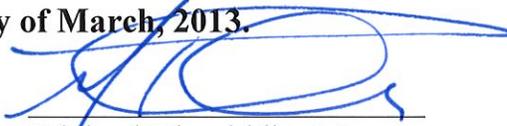
**WHEREAS**, Solutia Revenue Recovery Inc. collects recovery fees in addition to the debt from the debtor with no cost to the City of Spring Hill; and

**WHEREAS**, Staff has submitted a recommendation to the Budget Finance Advisory Committee;

**NOW, THEREFORE BE IT RESOLVED**, that the City of Spring Hill, Board of Mayor and Aldermen awards the contracting of Bad Debt Collection Services to Solutia Revenue Recovery of Columbia, TN as recommended by the Budget Finance Advisory Committee on March 11, 2013.

**NOW, THEREFORE BE IT FURTHER RESOLVED** that the contract be valid from April 1, 2013 to April 1, 2016.

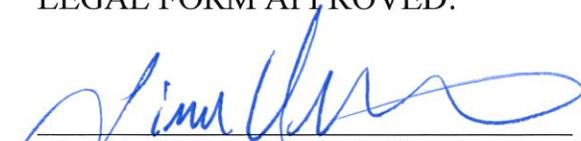
**Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 18<sup>th</sup> day of March, 2013.**

  
\_\_\_\_\_  
Michael Dinwiddie, Mayor

ATTEST:

  
\_\_\_\_\_  
April Goad, City Recorder

LEGAL FORM APPROVED:

  
\_\_\_\_\_  
Timothy P. Underwood, City Attorney

## COLLECTION AGREEMENT

This agreement is between Solutia Revenue Recovery Inc., P.O. Box 679, Columbia, TN 38402-0679, (hereinafter "Solutia") and City of Spring Hill, 199 Town Center Pkwy, Spring Hill, Tennessee 37174 (hereinafter "City" or "City of Spring Hill"). For and in consideration of the mutual promises contained in this agreement the parties agree as follows:

1. The City of Spring Hill requires assistance with certain specialized professional services in connection with the collection of accounts that are delinquent and owed to the City. Solutia is a licensed and bonded collection agency registered in the State of Tennessee and is able to provide such specialized professional services. The parties specifically contemplate that Solutia will collect fines and court costs for the City. These items are typically represented by unpaid court orders or unpaid citations for misdemeanors. Each conviction or ticket shall constitute an individual item for collection by Solutia.
2. If a Request for Proposal is submitted, all terms that are set out in the Request for Proposal are incorporated into this agreement by reference. In the event that there is any conflict between this agreement and the referenced terms in the Request for Proposal, the Request for Proposal shall govern.
3. All accounts represented by delinquent fines and court costs or other funds, once collected by Solutia, shall be placed in a secured trust account by Solutia. The accounts or funds, once placed in the trust account, shall be paid over to the City

within 45 days after the date that the funds were deposited into the account.

Solutia shall remit funds to the City at the end of each month and provide reports to the City in sufficient detail to identify the account and the amount collected and the amount of any fee due Solutia for the collection item.

For accounts paid directly to City by a debtor, City shall collect the Solutia fee and shall provide similar information and payment to Solutia within the same time limits as noted above. All reports and payments shall be mailed to the parties' respective addresses noted above unless a request is made in writing for reports and payments to be mailed to a different address. (The parties may elect to forward reports and data via electronic means.) In the event that City of Spring Hill requests access to the unpaid accounts via electronic media, Solutia shall cooperate in providing the data via electronic media as requested.

4. City of Spring Hill, its agents and assignees shall have access to the books, accounts and records regarding their accounts that are the subject of the agreement and may audit Solutia's books related to City of Spring Hill's accounts upon reasonable notice to Solutia.
5. Solutia shall abide by relevant law related to the collection of City of Spring Hill's accounts.
6. Solutia agrees that it shall hold harmless, indemnify and defend the City against any claims of a third party related to the delinquent accounts for any wrongful act or wrongful failure to act by Solutia that causes the claim. The City agrees to provide Solutia with accurate records and other data on any valid accounts that are due and owing the City. In attempting to collect

the delinquent accounts provided to Solutia by the City, Solutia asserts and warrants that it is able to report the unpaid accounts to at least two (2) national credit reporting repositories.

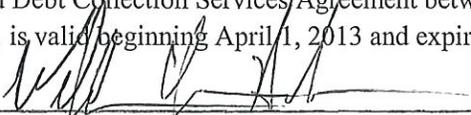
7. Solutia promises that it will not compromise or settle an account without the written consent of City of Spring Hill.
8. Solutia will notify City in writing of any account that is no longer being sought for collection by Solutia. Once the City receives notification, those accounts will no longer be collected by Solutia.
9. In the event that the City decides to collect its own accounts, it may reclaim the accounts from Solutia where the accounts are uncollected. An uncollected account shall not include accounts that are being paid or in the process of being paid by a debtor or accounts where garnishments, execution or a levy has been issued against the assets of a debtor. Upon written notice to Solutia, Solutia shall turnover all uncollected accounts back to the City within 45 days of the receipt of the notice.
10. Either party to this agreement may cancel the agreement without cause by sending written notice of cancellation to the other party at the address in this notice. The notice to cancel agreement shall be effective in 45 days from the notice date. In the event that the agreement is cancelled, the time periods for reports and payments shall still be adhered to by the parties.
11. City of Spring Hill shall pay to Solutia a Fifty dollar (\$50) commission or charge per item placed for collection with Solutia where the account is collected. In the event that the per item charge exceeds the amount allowed

by Tenn. Code Ann.40-24-105 on collected accounts, Solutia agrees to accept Forty percent (40%) of the amounts collected as its commission. In collecting the items provided to Solutia by City of Spring Hill, the parties agree that Solutia or the City may re-compute all or parts of the account by the addition of lawful charges for litigation tax penalty and interest and other lawful charges to allow for the inclusion of Solutia's commission and a net payment of the account balance to the City of the amount turned over to Solutia for collection as originally computed wherever and whenever possible. Solutia will only be compensated after recovery of amounts from the debtor. City of Spring Hill shall not be responsible for compensating Solutia for any services provided they follow the process set forth in this agreement for managing their delinquent accounts. Many defendants will choose to pay directly to the City, ***IF*** the City chooses to accept direct payments from the defendant, the City will be responsible to Solutia for payment of any fee due Solutia at time of payment and to remit fee to Solutia. ***In the event that the fee is not collected by the City, THE FEE IS DUE AND OWING TO SOLUTIA.*** In all cases where Solutia collects amounts owed from the defendant, Solutia will be responsible for collecting account balance and segregating the fee from amount collected. If the City allows all payments to be made directly to Solutia, the City will have no "out of pocket" expense.

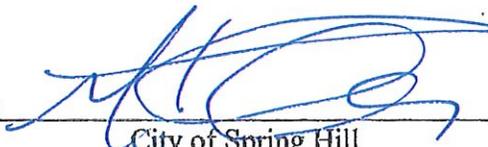
12. This agreement shall be interpreted according to the laws of the State of Tennessee. Any party of this agreement that may be determined to be illegal

shall be deleted from this agreement, if possible, and the balance of the agreement shall govern the parties' respective duties and rights under the agreement. This agreement may only be varied by a written agreement signed by the party to be bound.

Bad Debt Collection Services Agreement between the City of Spring Hill and Solutia Revenue Recovery, Inc. is valid beginning April 1, 2013 and expires on April 1, 2016.

By:   
Solutia Revenue Recovery Inc.

Date: 3-21-13

By:   
City of Spring Hill

Date: 3-18-13



**City of Spring Hill**  
**Assurance of Compliance Under Title VI of the Civil Rights Act of 1964**

SOLITA RENOVUE RECOVERY  
Name of Applicant (hereby referred to as "The Applicant")

Hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by the Regulations of the U.S. Department of Justice (28 CFR Parts 42 & 50) and the City of Spring Hill, and any directives or regulations issued pursuant to that Act and the Regulations, to the effect that, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under any program or activity for which the Applicant received Federal financial assistance from the City and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal financial assistance, grants and loans of Federal funds, reimbursable expenditures, grant or donation of Federal property and interest in property, the detail of Federal personnel, the sale and lease of, and the permission to use, Federal property or interest in such property or the furnishing of services without consideration or at a nominal consideration, or at a consideration which is reduced for the purpose of assisting the recipient, or in recognition of the public interest to be served by such sale, lease, or furnishing of services to the recipient, or any improvements made with Federal financial assistance extended to the Applicant by the City.

BY ACCEPTING THIS ASSURANCE, the applicant agrees to compile data, maintain records, and submit reports as required to permit effective enforcement of Title VI, and permit authorized City personnel during normal working hours to review such records, books, and accounts as needed to ascertain compliance with Title VI. If there are any violations of this assurance, the City shall have the right to seek administrative and/or judicial enforcement of this assurance.

This assurance is binding on the applicant, its successors, transferees, and assignees as long as it receives assistance from the City. IN the case of real property, this assurance is binding for as long as the property is used for a purpose for which this assistance was intended or for the provision of services or benefits similar to those originally intended. In the case of personal property, this assurance applies for as long as the recipient retains ownership or possession of the property. The person or persons whose signatures appear below are authorized to sign this assurance on the behalf of the applicant.

Dated 3-21-13

SOLITA RENOVUE RECOVERY  
(Applicant)

Address 1505 CARMACK BLDG  
OSL TN 38401

By Will H. Allen V.P.  
(Title of Authorized Official)

No further monies or other benefits may be paid out under these programs unless this Assurance is completed and filed as required by existing regulations.



Cashier's Check

No. 1081504

Notice to Purchaser: In the event this check is lost, misplaced or stolen, a sworn statement and 90-day waiting period will be required prior to replacement. This check should be negotiated within 90 days.

Banking Center  
COLUMBIA MAIN

7010116 00005 0001081504

Date FEBRUARY 21, 2013

30-1/11-40  
NTX

Pay \*\*ONE THOUSAND DOLLARS AND 00 CENTS\*\*

SOLUTIA REVENUE RECOVERY  
Remitter (Purchased By)

\$ \*\*1000.00\*\*

To The Order Of  
\*\*CITY OF SPRING HILL\*\*  
\*\*\*\*

*Catherine R. ...*  
Authorized Signature

VOID AFTER 90 DAYS

Bank of America, N.A.  
San Antonio, Texas

⑆ 1081504 ⑆ ⑆ 14000019⑆ 001641002955 ⑆

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**City of Spring Hill, Tennessee  
SUMMARY OF BIDS**

**Collection Services for Bad Debts**

**BID OPENING: Thursday, February 21, 2013, 2:00 P.M.**

COMPANY	ADDRESS
Solutia Revenue Recovery, Inc.	P.O. Box 679 Columbia, TN 38402

The City of Spring Hill conducted a bid opening on the above referenced project. Acceptance of bids closed at 2:00 p.m. Present were: Jim Smith, Finance Director; Debbie Loveless, Accounts Payable; Jennifer Mitchell, Court Clerk and April Goad, City Recorder. There were no representatives present from bidding company.

Jim Smith opened the bid and read bid result. The only response was from Solutia Revenue Recovery, Inc. Their proposal is to collect bad debts and collection fees from the debtor, as has been done in the past.

Contract may be awarded by Spring Hill Board of Mayor and Aldermen on Monday, March 18, 2013 at 7:00 p.m.

**CERTIFICATION:**

State of Tennessee  
Maury County  
City of Spring Hill

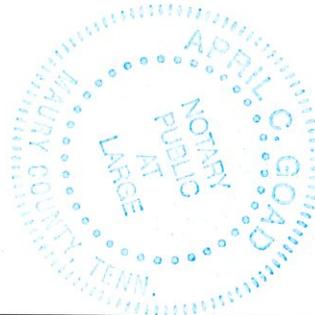
I hereby certify that this is a true copy of the original documents.  
Description: Bid Summary, Bad Debt Collection Services

This, the 21<sup>st</sup> day of February, 2013,



April C. Goad, Notary Public  
City Recorder, City of Spring Hill, Tennessee

My Commission Expires: June 22, 2016





## We Find Offenders And Recover Your Money

County and city governments with limited budgets face growing demands for services, forcing tough choices regarding staff and other resources. Solutia Revenue Recovery can bring in much-needed revenue by recovering unpaid fees, fines and costs that have accumulated over time.

We offer cost-effective collection without the hassle. From daily consumer information updates to proven telephone techniques, we've invested in the tools and training to find offenders, gain their cooperation and get your money.

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### Experience Pays Off

We pioneered recovery services for county and municipal governments in 1993 and now serve nearly half of all Tennessee jurisdictions. Our experience and effectiveness have paid off—literally—for many local governments.

- Collected more than \$1.5 million in the past four years for Maury County, Tennessee, dramatically improving their ability to meet an ever-tightening budget
- Recovered nearly \$400,000 in two years for the Lebanon, Tennessee police department
- Helped Giles County, Tennessee meet payroll with collections that supplemented low monthly revenues

**“With the monies recovered by Solutia, we were able to hire and train a new police officer, enabling us to further our mission to protect life and property and maintain community trust.”**

**Tommy Goetz,**  
Chief of Police, Mount Pleasant, TN

### Sophisticated Tools + Veteran Team = Increased Collections

Our customized revenue recovery programs help Solutia's customers meet their targets and objectives. We tailor our calling procedures and tactics to your specifications, with our veteran team of government recovery specialists leveraging all available information to reach offenders and increase collections. We also make it easy for offenders to pay, offering all major payment options.



## Collecting Debts to Society

Unpaid fees, fines and costs are rising, with offenders squeezed by tough economic times and disregard of their obligations. Solutia Revenue Recovery has a long history of successfully recovering delinquent payments for cash-strapped county and local governments.

**"That Solutia was able to recover close to \$400,000 on our behalf during this tough economic downturn shows their commitment to delivering results, regardless of the challenges."**

**Tina McCrimmon**

Records Supervisor, City of Lebanon, TN

- Custom tools and information-rich databases generate accurate and up-to-date consumer contact information
- "Watch" software notifies us of offenders' new phone numbers, employment and bank accounts
- Respectful, persistent and resourceful collection specialists who average 10 years at Solutia deliver superior performance
- Proprietary customer logging system accelerates client service requests to key managers and staff
- Multiple payment options mean no excuses: offenders can pay online or by check, money order, or credit card

Licensed by the State of Tennessee Collection Service Board

Fully compliant with the Federal Trade Commission's Fair Debt Collection Practices Act

**Solutia**RevenueRecovery

Phone.....931-388-0250  
 Toll-Free.....888-252-5418  
 Fax.....931-490-4445  
 Email.....info@solutiarecovery.com

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 Columbia, TN 38401  
[www.solutiarecovery.com](http://www.solutiarecovery.com)