

**BOROUGH OF EDGEWOOD
COMMONWEALTH OF PENNSYLVANIA**

ORDINANCE NO. 1083

AN ORDINANCE OF THE BOROUGH OF EDGEWOOD, COUNTY OF ALLEGHENY, COMMONWEALTH OF PENNSYLVANIA, ADOPTING A SCHEDULE OF ATTORNEY FEES IN CONNECTION WITH THE COLLECTION OF TAXES, TAX CLAIMS, TAX LIENS, MUNICIPAL CLAIMS, AND MUNICIPAL LIENS PURSUANT TO ACT 1 OF 1996 AND ACT 20 OF 2003 AND ADOPTING A SCHEDULE OF CHARGES, EXPENSES AND FEES PURSUANT TO THE ACT OF MAY 16, 1923, AS AMENDED, 53 P.S. §7101, §7103, AND §7106, WHICH ORDINANCE REPEALS ANY OTHER ORDINANCES INCONSISTENT HEREWITH RELATING TO A SCHEDULE OF ATTORNEY FEES PURSUANT TO ACT 1 OF 1996.

WHEREAS, the Borough of Edgewood (hereinafter "Municipality") is required from time-to-time to enforce by various means the collection of unpaid taxes, tax claims, tax liens, municipal claims, and municipal liens (hereinafter referred to as "Claim" or "Claims"); and

WHEREAS, the expense of such enforced collection, and of the recordkeeping and other services related to the collection, filing, satisfaction, assignment and revival of Claims (hereinafter referred to as "Servicing"), when absorbed by the Municipality constitutes a further demand on the Municipality's resources; and

WHEREAS, Act 1 of 1996 (hereinafter "Act 1") and Act 20 of 2003 (hereinafter "Act 20") amend, inter alia, §3 of the Pennsylvania Municipal Claim and Tax Lien Law (hereinafter the "Act"), Act of May 16, 1923, PL 207, §3, as amended, 53 P.S. §7106 to permit a municipality as that term is defined in the Act, to recover reasonable Attorney fees in connection with the collection of Claims from the persons and property owing such Claims; and

WHEREAS, §1, §2, and §3 of the Act, as amended, 53 P.S. §§7101, 7103, and 7106, respectively, permit the Municipality to recover as part of each unpaid Claim, among other things, various charges, expenses and fees, and Attorney fees relating to the failure to pay the Claims promptly and subsequent enforced collection of same; and

WHEREAS, the Municipality desires to exercise all such legal authority in order to encourage timely payment and collection of Claims, and to reduce, if not eliminate, the expense associated with Servicing of its Claims and enforced collection of same; and

WHEREAS, the Municipality desires to repeal any prior ordinances which are inconsistent herewith.

NOW, THEREFORE, IT IS HEREBY ORDAINED AND ENACTED by the Borough of Edgewood, County of Allegheny, Commonwealth of Pennsylvania, as follows:

Article I. Short Title: This Ordinance shall be known as the Tax, Tax Claim, Tax Lien, Municipal Claim and Municipal Lien Attorney Fees and Servicing Charges, Expenses and Fees Ordinance.

Article II. Expenses Approved:

Section 1. TITLE SEARCH.

In any enforcement proceeding, the actual cost of a title search in an amount not to exceed \$250.00 shall constitute a reasonable expense for each title search necessary for the initiation of each proceeding and compliance with Pa. R.C.P. 3129. The sum not to exceed \$50.00 shall constitute a reasonable expense for each bringdown or update of the title search in connection with entry of judgment, issuance of execution, listing for sale, or other action.

Section 2.

Actual out-of-pocket expenses in connection with any enforcement action, such as for postage, non-Sheriff's service of process, investigation of the whereabouts of interested parties and other necessary expenses shall constitute reimbursable expenses as part of each Claim recovered.

Article III. Attorney Fees Approved:

Section 1. FLAT FEE MATTERS

The following schedule of Attorney fees is hereby adopted and approved as reasonable Attorney fees pursuant to Act 1 and Act 20 for all matters described, which fees shall be awarded to the Municipality, its agents, counsel or assigns in each action initiated pursuant to the Act for the collection of unpaid Claims. The property owner's obligation to pay the full amount of the flat fee for each phase of each action shall accrue upon the initiation of any aspect of each phase. The full amount of each flat fee for each prior phase of the proceeding shall carry over and be due on a cumulative basis together with the flat fee for each subsequent phase.

A. FILING OR MUNICIPAL CLAIM. The sum of \$150.00 shall constitute reasonable Attorney fees for the preparation and

filing of a Municipal Claims as defined under the Act.

B. PREPARATION AND SERVICE OF WRIT OF SCIRE FACIAS OR COMPLAINT IN ASSUMPSIT AS PROVIDED IN THE ACT. The sum of \$450.00 shall constitute reasonable Attorney fees for the initiation of each proceeding and shall include preparation and filing of the Praecipe for Writ of Scire Facias or Complaint in Civil Action, Sheriff's direction for service, Notice pursuant to Pa. R.C.P. §237.1 and the preparation and filing of the Praecipe to Settle and Discontinue the proceeding. The above does not include:

1. Federal Tax Liens, Judgments and Mortgages. Where there are federal tax liens, federal judgments, federal mortgages or other record federal interests, the sum of \$200.00 shall constitute reasonable Attorney fees for all matters necessary to properly notify and serve the United States with all required additional Notice and the presentation of related motions to Court.

2. Alternative Service of Legal Pleadings. In the event that a Special Order of Court is necessary to serve original process or any other pleading, notice, court order or other document, the following amounts shall constitute reasonable attorney fees as follows:

a. Investigation of Defendant(s) whereabouts and preparation of Affidavit of Diligent Search - \$100.00

b. Preparation and Presentation of Motion for Alternative Service, and delivery of the Order of Court, along with appropriate directions to the Sheriff for service - \$200.00

C. AMICABLE SCIRE FACIAS OR CONSENT JUDGMENT. The sum of \$400.00 shall constitute reasonable attorney fees for the preparation, filing, monitoring and conclusion of an amicable Scire Facias or consent judgment, including negotiation, preparation and filing of the pleading, acceptance of service, installment payment and/or forbearance agreement and satisfaction. See 53 P.S. § 7185. Municipality may, in its sole and absolute discretion, hold the amicable Scire Facias or consent judgment and file only in the event of a default in the terms and conditions of the amicable Scire Facias

or consent judgment or any related installment or forbearance agreement. If a consent judgment is entered following the filing of Writ of Scire Facias or Complaint in Assumpsit, then the flat fee for entry of the consent judgment shall be the same as that amount provided for in Paragraph D., “ENTRY OF JUDGMENT,” below

D. ENTRY OF JUDGMENT. The sum of \$225.00 shall constitute reasonable Attorney fees in connection with entry of judgment which shall include preparation and filing of the Praeipe to Enter Judgment, Notices of Judgment, Affidavit of Non-Military Status, and the Praeipe to Satisfy Judgment.

E. WRIT OF EXECUTION - SHERIFF'S SALE OF PROPERTY OR EXECUTION UPON ASSUMPSIT JUDGMENT. The sum of \$ 700.00 shall constitute reasonable Attorney fees for preparation of all documents necessary for each execution upon any judgment pursuant to the Act. This sum shall include the preparation and filing of the Praeipe for Writ of Execution, all Sheriff's documents, preparation and service of Notices of Sheriff's Sale, staying the writ of execution, and attendance at one (1) Sheriff's Sale.

1. Postponements. The sum of \$100.00 shall constitute reasonable attorney fees for each continuance of Sheriff's Sale at the request of the defendant.

F. SALE PURSUANT TO §31 OF THE ACT, 53 P.S. §7281. The sum of \$700.00 shall constitute reasonable Attorney fees for the sale of property pursuant to §31 of the Act, 53 P.S. §7281 including preparation and service of necessary documents, court appearances, attendance at Sale and preparation of proposed schedule of distribution of the proceeds realized from such Sale.

G. SALE PURSUANT TO §31.1 OF THE ACT, 53 P.S. §7282. The sum of \$500.00 shall constitute reasonable Attorney fees for a sale of property pursuant to §31.1 of the Act, 53 P.S. §7282, including the preparation of necessary documents, service, court appearances, and the preparation of proposed Sheriff's Schedule of Distribution.

H.. INSTALLMENT PAYMENT AGREEMENT. The sum of \$150.00 shall constitute reasonable Attorney fees for the preparation of each written installment payment agreement.

I. MOTIONS. The sum of \$200.00 shall constitute reasonable Attorney fees for the preparation, filing, and presentation of motions, other than for alternative service, which shall include, but are not limited to, motions to reassess damages, motions to amend caption, motions to continue the Sheriff's Sale.

Section 2. HOURLY RATE MATTERS

The following schedule of Attorney fees is hereby adopted and approved as reasonable Attorney fees pursuant to Act 1 and Act 20, which fees shall be awarded to the Municipality, its agents, counsel or assigns as compensation in all contested matters, and in all other matters not specifically referenced in Article III, Section 1, above, undertaken in connection with the collection of Claims:

- A. Senior Attorneys
(practicing law for 10 years or more) \$185.00 per hour
- B. Junior Attorneys
(practicing law for less than 10 years) \$160.00 per hour
- C. Paralegals \$ 100.00 per hour
- D. Law Clerks \$ 65.00 per hour

each as recorded and charged in units of 1/10th of an hour for all time devoted to enforcement and collection of the Municipality's Claims. Counsel, whether duly employed or duly appointed by the Municipality, its agents or assigns, shall not deviate from this fee schedule absent a subsequent ordinance amending the same. Hourly rate matters include, but are not limited to, any matters where any defense, objection, motion, petition or appearance is entered in any phase of any proceeding by or on behalf of any Defendant or other interested party.

Article IV. PROCEDURE

A. Required Notice: The Notice required by the Act, as amended, 53 P.S. §7106, shall be provided in accordance therewith and shall be incorporated into an appropriate delinquency notice or notices sent by the Municipality, its agent, counsel or assigns.

B. Fees to be Accrued and Claims to be Filed: Fees shall accrue for all efforts in collection after the 30th day after the Notice, or after the 10th day of any required Second Notice under the Act, as amended, 53 P.S. §7106, on all accounts referred to counsel for

enforcement. Fees accumulated as a result of enforced collection shall be certified by duly appointed counsel for the Municipality authorized to pursue collection of Claims pursuant to the Act, or by counsel for the Municipality's agents or assigns and, if not collected in due course with the debt as by voluntary payment, shall be included in any Claims filed on behalf of the Municipality or by its agents or assigns in the course of enforcement including any Claims originally filed with the Department of Court Records, any Claims filed with the Sheriff or in any other Claims filed or statements provided where attorney fees are due.

C. The amount of fees determined as set forth above shall be added to and become part of the Claim or Claims in each proceeding as provided by the Act and as provided herein.

Article V. Servicing Charges, Expenses and Fees Approved:

A. The following schedule of charges, expenses and fees (hereinafter collectively referred to as "Servicing Fees") is hereby approved and adopted by the Municipality pursuant to §1, §2, and §3 of the Act of May 16, 1923, as amended, 53 P.S. §§7101, 7103 and 7106, which amounts are the direct result of each person's or property's failure to pay Claims promptly. The Servicing Fees established, assessed, and collected hereunder shall be in addition to the record costs, Article III Attorney fees and Article II. Expenses associated with legal proceedings initiated by or on behalf of the Municipality to collect its Claims.

B. Servicing of a Claim or Claims may result in voluntary payment without the initiation of enforcement proceedings. It is the intent of this Article V to pass the cost of servicing on to the delinquent person or property as part of each Claim. The recovery of Servicing Fees established herein shall not be contingent upon the initiation of enforcement proceedings. However, such Servicing Fees are due even where enforcement proceedings are initiated. The purpose of this section is to pass the cost and expense associated with delinquent collection on to the delinquent person or property and to make the Municipality whole on all Claims collected.

C. **Schedule:** The following schedule of Fees shall constitute reasonable and appropriate Servicing Fees for each indicated service. The Servicing Fees shall be added to and become part of the Municipality's Claims, together with the face, penalties, interest, costs and Attorney fees and shall be payable in full before the discharge or satisfaction of any Claim. The schedule of Fees is

separate and distinct from any amounts imposed by the Sheriff, Department of Court Records, Court or any other public office in connection with the collection of the Municipality's Claims.

- A. Assignments \$ 5.00 per Claim;
- B. Filing Tax Liens \$ 6.00 per item;
- C. Satisfactions \$10.00 per Claim;
- D. Tax Claim Revivals (i.e. S&A) \$30.00 per Claim;
- E. Act 1/Act 20 Compliance \$35.00 per Case;
- F. Filing Municipal Claim and Filing Municipal Claim Revivals \$30.00 per Claim;
- G. Municipal Claim/ Short Title Examination \$45.00 per Claim;
- H. Sheriff Sale Claim Certificates \$70.00 per case;
- I. Claim Certifications \$15.00 per year;
- J. Municipal "No Lien Letter" \$45.00 per parcel
- K. Servicing including staffing, computers, office space, telephones, equipment, and materials:
For **all** delinquent and liened taxes, tax liens, municipal claims (filed or unfiled) and municipal liens 10% of gross collections
- L. Postage and Court costs Actual Cost

Article VI. Effective Date and Retroactivity:

A. This Ordinance shall take effect on the date of enactment set forth below and with respect to Attorney fees pursuant to Articles III and IV shall apply to all taxes, tax claims, tax liens, municipal claims, municipal liens, Writs of Scire Facias, Judgments, or Executions filed on or after December 19, 1990, or as otherwise provided by law.

B. In no event shall the Municipality's right to charge and collect reasonable Attorney fees pursuant to Article III of this Ordinance be impaired by the fact that any Claim may also include an attorney commission of five percent (5%) for Claims filed prior to December 19, 1990. Any attorney fees assessed and collected under this or any prior ordinances pursuant to Act 1 shall be in addition to any five percent (5%) commission previously included in any Claim or judgment thereon.

C. Attorney fees and expenses incurred in pending enforcement proceedings prior to the effective date of this Ordinance, pursuant to a prior ordinances adopted under Act 1, but not collected, shall

remain due and owing in accordance therewith, and shall be incorporated in any future statement, Claim, pleading, judgment, or execution. Attorney fees and expenses in any pending or new action incurred after the effective date of this Ordinance shall be incurred, charged, and collected in accordance with the schedules and procedures set forth in this Ordinance.

D. The charges, expenses and fees set forth in Article V of this Ordinance relate to all unpaid Claims in favor of the Municipality, its agents and assigns, and shall be retroactive to the date of each Claim.

Article VII. Assignment: The Municipality assigns the provisions of this Ordinance to any assignee of its Claims unless the assignment limits the assignee’s ability to collect such amounts. The Municipality and its duly authorized agents and their counsel shall retain all rights to charge reasonable Attorney fees, charges, expenses, and fees in accordance with the provisions of this Ordinance in actions commenced under the Act and for Servicing any Claims retained by the Municipality.

Article VIII. Severability. If any one or more of the provisions or terms of this Ordinance shall be held invalid for any reason whatsoever, then, such provision or terms shall be deemed severable from the remaining provisions or terms of this Ordinance to the maximum extent possible and shall in no way affect the validity or enforceability of any other provisions hereof.

Article IX. Repealer: All prior ordinances are hereby repealed in whole or in part to the extent inconsistent herewith.

ORDAINED AND ENACTED THIS _____ day of _____, 2023.

ATTEST:

BOROUGH OF EDGEWOOD

Rob Zahorchak
Borough Manager

Justin Petrolla
Council President

EXAMINED AND APPROVED by me this _____ of _____, 2023.

Ryan O'Donnell, Mayor

Approved as to form by:

Thomas P. McDermott, Solicitor