

ORD # 103 >

**Proposed Ordinance Implementing Act 1 of 1996  
and Act 20 of 2003 Concerning Collection of Municipal Fees**

AN ORDINANCE OF STOWE TOWNSHIP, DESIGNATING PENNSYLVANIA MUNICIPAL SERVICE COMPANY AS THE COLLECTOR FOR DELINQUENT SEWAGE FEES IMPOSING ON DELINQUENT RATEPAYERS THE OBLIGATION TO PAY REASONABLE COSTS INCURRED BY THE DELINQUENT FEE COLLECTOR FOR COLLECTION OF DELINQUENT FEES, PENALTIES AND INTEREST.

WHEREAS, Pennsylvania Municipal Service Company has been designated as the collector of Delinquent Sewage Fees;

AND WHEREAS, the Pennsylvania legislature adopted Act 1 of 1996 and Act 20 of 2003 (hereinafter "Act 1 & Act 20") allowing municipalities to impose "reasonable costs" on delinquent ratepayers and to permit the delinquent fee collector to retain such reasonable costs; and

AND WHEREAS, Stowe Township (Township) desires to exercise all of its legal authority in accordance with legislative pronouncements set forth in Act 1 of 1996 and Act 20 of 2003, to encourage and facilitate the collection of delinquent fees and to eliminate the expense associated with collections by imposing reasonable costs on the delinquent ratepayer.

NOW, therefore, be it ordained and enacted as follows:

FIRST: The Township designates Pennsylvania Municipal Service Company as its exclusive agent for purposes of collecting Delinquent Sewage Fees as well as any and all penalties, interest and costs assessed and levied pursuant to all resolution and/or ordinances respecting said taxes, during the period of this agreement.

SECOND: The Township hereby designates and authorizes Pennsylvania Municipal Service Company by and through its legal counsel to lien properties and to appear before any district court judge or any other appropriate court on behalf of the Township in those cases in which Pennsylvania Municipal Service Company determines legal action would be appropriate means of collecting the delinquent Sewage Fees and any penalties, interest, costs and Reasonable Costs due and owing.

THIRD: Because (1) Pennsylvania legislature adopted Act 1 of 1996 and Act 20 of 2003 (hereinafter "Act 1 & Act 20") allow a municipality to approve reasonable costs, charges and expenses ("Reasonable Costs") which may be imposed on the delinquent ratepayer, collected and retained by the delinquent fee collector; and, (2), the Township desires to exercise all of its legal authority in accordance with the legislative pronouncements set forth in Act 1 of 1996 and Act 20 to encourage the collection of delinquent fees and to eliminate the expense associated with such collections by imposing the Reasonable Costs on the delinquent ratepayer;

The Township and Pennsylvania Municipal Service Company agree as follows:

1. The Township designates Pennsylvania Municipal Service Company as its exclusive agent for purposes of collecting Delinquent Sewage Fees including all penalties, interest, costs, Reasonable Costs, Attorney Fees, lien fees, etc. assessed and levied pursuant to the Township's resolutions and/or ordinances.
2. The Township set forth approves the following Reasonable Costs to be paid to Pennsylvania Municipal Service Company by the delinquent ratepayer:
  - (a) A sum of (10%) of gross collections of all Delinquent Sewage Fees plus delinquent costs, charges and expenses prior to the initiation of enforced collection proceedings before the district court judge or other court and the amount of (20%) of gross collections plus delinquent costs, charges and expenses on or after the initiation of enforced collection proceedings before

the district court judge or any other court. Said amount shall be deemed compensation and Reasonable Costs for services rendered by Pennsylvania Municipal Service Company in the collection of Delinquent Sewage Fees.

- (b) For purposes of this provision the term "gross collections" shall mean the original fee plus applicable penalties and interest.
- (c) In addition to the amounts set forth in paragraphs 2(a) and 2(b), any attorney's fees, posting fees, notice fees and lien fees related to collection of delinquent fees, interest, penalty or other charges shall be paid by the delinquent ratepayer as part of the "Reasonable Costs" to be paid to Pennsylvania Municipal Service Company by the delinquent ratepayer. A schedule of said charges, costs and expenses is set forth as Appendix A to this Ordinance.
- (d) Such Reasonable Costs, together with and including costs, reimbursement for postage and other out-of-pocket expenses, shall be collected directly from the delinquent ratepayers in accordance with Act 1 of 1996 and Act 20 2003 and all other applicable laws.

Ordained and enacted this 13<sup>th</sup> day of July, 2021.

ATTEST:

*James J. Parrella*  
*Deborah*  
*[Signature]*

Appendix A  
Pennsylvania Municipal Service Company  
Utility Fee Delinquent Cost Schedule

**Fees paid by delinquent ratepayer:**

First Delinquent Notice Fee/Commission	10% / notice
Second Delinquent Notice	\$20.00 / cycle
Termination Notice	\$45.00 / notice
Poster	\$75.00 / notice
Shut Off	\$55.00 / notice
Litigation Notice	\$25.00 / notice
Additional fees/commission added if litigation is initiated	10%/notice (Total 20%)
Civil Complaint Preparation	\$50.00 / complaint
Bankruptcy Claims	\$50.00 / acct
Sheriff Sale Claims	\$50.00 / acct
Non-Sufficient Funds	\$30.00/ check
Part Payment Fee	\$ 3.00

**Fees paid by Township:**

Fees and or charges imposed by the Court, Prothonotary, Sheriff or any other public office in connection with the collection of the Township's claims. In addition, the fees for Civil Complaint Preparation, Bankruptcy Claims and Sheriff Sale Claims will be paid by the Township and reimbursed when the fees are paid by the delinquent ratepayer.