

August 13, 2003

Honorable Common Council  
City Hall, Room 205

Re: Third Amendment to Collection Services for Receivables Resolution

Dear Council Members:

Attached please find the Third Amendment to Collection Services for "Receivables of the City of Milwaukee 2002." The Third Amendment is recommended for approval since it clarifies the confusion between the parties regarding the fees to be charged for the collection of delinquent real estate taxes as stated in the second amendment approved by Common Council Resolution No. 021206, adopted on December 20, 2002, and the "Amendment to Collection Services for Receivables of the City of Milwaukee 2002", executed on January 27, 2003.

The collection contract was amended, Common Council Resolution No. 020209, adopted June 4, 2002 to provide for a pilot program for the collection of delinquent real estate taxes. The contract was amended a second time, Common Council Resolution No. 021206, adopted on December 20, 2002 to make the pilot program permanent for the collection of delinquent real estate taxes. As part of this amendment, the Kohn Law Firm's fees are as follows:

Delinquent real estate taxes:

- a. 10% of amount collected pre-lawsuit on all accounts under \$5,000.00.
- b. 8% of amount collected pre-lawsuit on all accounts over \$5,000.00.
- c. 20% of amount collected, net costs and disbursements for accounts after lawsuit is commenced.

This third amendment clarifies the fees as set forth in the second amendment by account number to reflect the agreement of the parties.

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It is recommended this third amendment clarifying the second amendment as to the fees paid to the Kohn Law Firm for recovery of delinquent real estate accounts be adopted.

Very truly yours,

GRANT F. LANGLEY  
City Attorney

BEVERLY A. TEMPLE  
Assistant City Attorney

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Enclosure

c: Wayne F. Whittow

James F. Klajbor

1049-2003-2522