



CITY OF NEWARK

220 South Main Street · Newark, Delaware 19711
302.366.7000 · www.cityofnewarkde.us

Request for Proposal No. 19-03

Credit Collection Services

CITY OF NEWARK
Delaware

RFP No. 19-03
CREDIT COLLECTION SERVICES

NOTICE

The City of Newark, Delaware, is accepting priced proposals for credit collection services.

Sealed proposals (six (6) copies) will be received in the Purchasing Office, Newark Municipal Building, 220 S. Main Street, Newark DE 19711 until 2:00 pm on Tuesday, July 16, 2019.

Copies of this request may be obtained from the City's website at www.newarkde.gov/bids

CITY OF NEWARK

Delaware

RFP No. 19-03

CREDIT COLLECTIONS SERVICES

A. BACKGROUND

The City of Newark, Delaware, is seeking proposals from qualified firms to provide Credit Collections Services in accordance with the specifications contained in this Request for Proposal. The process will result in the selection of one firm to provide future credit collections services. All agencies to be considered must have a minimum of five (5) years of credit collections experience to be documented. Collection services will focus on past-due electric utility accounts, with the potential to expand services into water, sewer, stormwater, property taxes and other fees.

B. GENERAL REQUEST FOR PROPOSAL INFORMATION

1. Questions - Any questions concerning this RFP should be directed to Jeffrey Martindale, Assistant to the City Manager, 302-366-7000 X2005 or jmartindale@newark.de.us.
2. Award - The City Manager or their designee will review each of the bids submitted and make a recommendation to the City Council on the disposition of the bids. The City Council reserves the right to accept or reject any or all bids or parts of bids as they may determine and to waive any irregularities or defects where the best interest of the City would be served.
3. Rejection of Proposals - The City reserves the right to reject any or all proposals if deemed to be in the best interest of the City to do so. The City shall have the full authority to award the project to the firm who best meets the specifications and conditions of this RFP.
4. Revisions to RFP/Addendum - In the event it becomes necessary to revise any part of the RFP, changes shall be made only by written addendum issued no later than four (4) calendar days prior to the date set for bid opening. Firms are responsible to confirm receipt of all addendum prior to proposal submittal.
5. Assignment - The firm shall not assign any interest in the contract and shall not transfer any interest in the same without the prior written consent of the City of Newark.
6. Acceptance of Proposal Content - The contents of the proposal of the successful firm will become a part of any agreement as a result of these specifications.
7. Termination of Contract - If through any cause, the firm selected shall fail to fulfill the obligations agreed to in a timely and efficient manner, the City shall have the right to terminate the contract by specifying the date of termination in a written notice to the firm at least thirty (30) days before the termination date. In this event, the firm shall be entitled to just and equitable compensation for the work satisfactorily completed.

8. Indemnification - The contractor shall solely be responsible and liable for the accuracy and completeness of all work performed and shall agree to indemnify, defend and hold harmless the City of Newark, its officers, agents and employees, from and against any and all claims, actions, suits and proceedings arising out of, based upon or caused by negligent acts, omissions or errors of or the infringement of any copyright of patent, by the contractor, its officers, agents, employees or subcontractors, in the performance of the contracted agreement.
9. Ownership of Material and Public Documents - All documents prepared and submitted pursuant to this RFP or resulting MOU or contract shall be property of the City upon submittal and shall be considered public documents. Your submission in its entirety will be made public.
10. Approval - The selected firm may be required to attend meetings to give presentations, and address questions. Cost for attendance shall be incorporated in the proposal.
11. Advertisements - Any bidder submitting a bid will not use the name of the City in any advertisement without first obtaining the written consent of the City Manager.
12. Business Licenses - The bidder shall possess all required state and city business and/or other licenses.
13. Non-collusion - The bidder shall not, either directly or indirectly, enter into any agreement, participate in any collusion, or otherwise take any action in restraint of free competitive bidding in connection with the contract.
14. Time of Completion and Liquidated Damages - Consultant shall commence work on a date to be specified by the City in a written "Notice to Proceed".
15. Billing and Payment - The consultant shall submit monthly bills, detailing the time and material spent for the previous month. Retainage will be held at five (5%) percent of the total contract price until the final product has been accepted and approved.
16. Worker's Compensation and Liability Insurance - Except as otherwise provided by law, the selected firm shall at all times maintain and keep in force such insurance as will protect it from claims under Worker's Compensation Acts, and also such insurance as will protect it from any such claims for damages for personal injuries, including death, which may arise from operations under this contract, whether such operations be by the contractor or by any subcontractor or by anyone directly or indirectly employed by any of them. The selected firm shall be required to provide a copy of this insurance.

The selected firm shall provide evidence of professional liability insurance with limits of insurance not less than the following amounts:

\$1,000,000 Each Occurrence Limit
\$2,000,000 Personal & Advertising Injury Limit
\$3,000,000 Annual Aggregate Limit
\$3,000,000 Products - Completed Operations Limit
\$1,000,000 Business Auto Liability Limit
\$5,000,000 Commercial Umbrella Limit

The Prime/General Contractor, Newark (owner), and all other parties required of the General Contractor, shall be included as insured on the Commercial General Liability (CGL) coverage, using Additional Insured Endorsements providing coverage as broad as the coverage provided for the named insured subcontractor.

Subcontractors approved in association with the hiring of the successful firm shall be required to provide CGL coverage with limits of insurance not less than:

\$1,000,000 Each Occurrence Limit
\$1,000,000 Personal & Advertising Injury Limit
\$2,000,000 Annual Aggregate Limit
\$2,000,000 Products - Completed Operations Limit
\$1,000,000 Business Auto Liability Limit
\$3,000,000 Commercial Umbrella Limit

17. Equal Employment Opportunity - The firm shall comply with all current federal and state nondiscrimination and equal opportunity status and policies and agrees to not hold the City liable for any inadvertent action by the firm which conflicts with such statutes and/or policies.

C. PROPOSAL AND QUALIFICATIONS

The written proposal shall, at a minimum, include the following information:

1. The firm name, corporate address, local address if applicable, telephone number, contact person, and email address.
2. A brief history of the firm (limit two pages). In addition, provide evidence that the firm is authorized to do business in the State of Delaware.
3. Outline manager and staff education and experience and service capabilities your firm has to offer Newark. Include curriculum vitae of each of the management and staff to be assigned to this contract.

4. Indicate the total number of clients currently represented by your firm's servicing office and the general industry classifications of such clients. In addition, list all clients with government agencies or electric utilities AND the years of service with each specific agency.
5. What was the servicing offices total collections received in 2018? What percentage was government or utility-related?
6. What is your five-year average of the servicing offices total collections received?
7. What is the average size and age of the debt collected?
8. Information on the nature and magnitude of any litigation or proceeding whereby, during the past three (3) years, a court or any administrative agency has found fault, held proceedings or ruled against the firm in any matter related to the professional activities of the firm. Similar information shall be provided for any current or pending litigation or proceeding.
9. The firm shall comply with all current federal and state nondiscrimination and equal opportunity status and policies.
10. The firm shall solely be responsible and liable for the accuracy and completeness of all work performed.
11. All travel expenses incurred by the firm, its employees and/or subcontractors are considered inclusive in their proposal.

D. SCOPE OF WORK

1. City of Newark, Delaware (Newark) is conducting a Credit Collections screening and selection process. The purpose is for Newark to have the opportunity to review the capabilities of a cross-section of qualified credit collection agencies. Such agencies must possess not only credit collections knowledge, but must also have municipal government and/or electric utility expertise necessary to properly evaluate our potential for capturing utility charges for which property owners or tenants are responsible. Knowledge to create and make payment arrangements with debtors of appropriate financing programs to handle such recoupment is essential. Requirements are as follows:
 - a. Acknowledge accounts turned over for collection of debt promptly and provide progress reports on a monthly basis.
 - b. Provide a detailed account of the process to be followed in regard to the active pursuit of the collection of debt. This will include a reasonable number of phone calls, direct mailing efforts and skip tracing procedures as well as all other procedures to be utilized by the agency in the effort to collect on the debt in question.
 - c. A narrative as to how your agency will be able to electronically exchange demographic and financial information in a confidential fashion.

- d. Detail the mechanism in which collected debt will be deposited into a dedicated City escrow account within one week of collections being received.
- e. Work in cooperation with our designated point-of-contact to turn over accounts in which debt collection is unsuccessful.
- f. Provide an overview of customer resources, such as a customer portal.
- g. The basis for assurance that the agency can meet the professional performance requirements of the Federal Fair Debt Collection Practices Act.
- h. Audited Financial Statements from the previous two years which also can adequately portray the agencies financial position of the collection operation.
- i. Newark reserves the right to waive any formalities it deems appropriate and to reject any and all proposals. Failure to furnish the requested information will disqualify the candidate from further consideration.

E. BASIS FOR FEES SUBMISSION/QUOTATION

In a separate envelope marked “Basis for Fees, RFP No. 19-03 Pre-Qualification and Selection of Credit Collections Services” provide a Current Fee Schedule (commission-based, fee schedule, or combination of both) for all services and materials to be provided. Fee schedule should be based on the collection of delinquent electric accounts only at this time.

F. PROPOSAL EVALUATION CRITERIA

A Selection Committee, as designated by the City Manager, will review and score proposals and make a recommendation to City Council. The Committee may schedule oral interviews with one or more responding companies to gain clarification as needed. The proposals will be evaluated according to the criteria listed below with a maximum score of 100 points. The final scores will be at the discretion of the individual members of the selection committee. The City reserves the right to reject any and all proposals received and to award the contract for project services to the firm that the City believes will offer the best value on this project.

EVALUATION CRITERIA	POINTS
1. The firm name, corporate address, local address if applicable, telephone number, contact person, and email address.	5
2. A brief history of the firm (limit two pages). In addition, provide evidence that the firm is authorized to do business in the State of Delaware.	10
3. Outline manager and staff education and experience and service capabilities your firm has to offer Newark. Include curriculum vitae of each of the management and staff to be assigned to this contract.	15
4. Indicate the total number of clients currently represented by your firm’s servicing office and the general industry classifications of such clients. In addition, list all clients with government agencies or electric utilities AND the years of service with each specific agency.	10
5. What was the servicing offices total collections received in 2018? What percentage was government or utility-related?	10
6. What is your five-year average of the servicing offices total collections received?	5
7. What is the average size and age of the debt collected?	10
8. Information on the nature and magnitude of any litigation or proceeding whereby, during the past three (3) years, a court or any administrative agency has found fault, held proceedings or ruled against the firm in any matter related to the professional activities of the firm. Similar information shall be provided for any current or pending litigation or proceeding. How many settlements (and what total value) have been made over the past three years to avoid legal proceedings?	25
9. The firm shall comply with all current federal and state nondiscrimination and equal opportunity status and policies. Provide the workplace diversity efforts made by your firm.	10

G. DEADLINE FOR SUBMISSION AND NUMBER OF COPIES REQUIRED

1. In one sealed envelope, six (6) copies of the Proposal marked "RFP No. 19-03 Pre-Qualification and Selection Credit Collection Services."
2. In a separate sealed envelope provide three (3) copies of the firm's fee schedule and cost estimate marked "Basis for Fees, RFP No. 19-03 Pre-Qualification and Selection of Credit Collections Services." The envelope will not be opened until after firms have been ranked.
3. Firms must satisfy themselves as to all requirements of the project and familiarize themselves with the site with attendance at the mandatory pre-bid meeting. After proposals have been submitted, firms shall not assert that there was a misunderstanding concerning the scope or nature of the work to be completed.
4. Both envelopes must be received in the Purchasing Office, City of Newark, Purchasing Office, 220 S. Main Street, Newark DE 19711 on or before 2:00 pm on July 16, 2019.

H. SELECTION AND CONFIRMATION

1. The selected firm may be required to attend a City Council meeting in order to answer any questions from Council or the public.