



Request for Proposal

Collection Agency Services

February 2019

QUESTIONS AND INTENT TO RESPOND DUE DATE:

PROPOSAL DUE DATE:

~~Friday March 22~~ Monday April 1, 2019 - 4:00 p.m. (CDT)

PROPOSALS RECEIVED AFTER DEADLINE WILL BE RETURNED UNOPENED

City of Geneva
Finance Manager
15 S. 1st Street
Geneva, IL 60134
(630) 232-0854

1. Purpose of Request for Proposal

The City of Geneva (City) is currently accepting proposals for Collection Agency Services. The City bills for a broad scope of services encompassing several City departments. The City of Geneva is issuing this RFP to invite prospective collection agencies interested in providing their services. While attempting to maximize the City's collections, it is critical this objective be achieved without negative exposure to the City and with careful consideration of consumer's rights. The term of the contract will be for a three-year period.

2. Background

The City of Geneva is a northwestern suburban community of 21,495 residents and lies approximately 40 miles west of Chicago. The City is a non-home rule community and is served by a Mayor and a ten-member Council, elected for staggered four-year terms. The Mayor by and with the advice and consent of the City Council appoints a City Administrator who oversees the day to day operations for the City management team.

The City currently seeks collection services for the following items:

- Utility Billing –
 - The City bills electricity, water, sanitary sewer, and environmental fee on the monthly basis.
 - Approximately 10,000 are billed monthly.
 - Approximately 740 requests for final bills are processed annually.
 - New World ERP currently used for remittance processing.
 - Internal collection efforts are currently limited to sending final bill and late statements. The City then places accounts that are over \$10.00 with an outside agency.
 - In addition to a third party collection agency, the city will be utilizing the State of Illinois Comptroller Office's Local Debt Recovery Program to assist in collecting outstanding balances owed to the City.
 - Current eligible assignment to collections:
 - \$102,313.76
 - 200 accounts
- Code Compliance Fines
 - Current eligible assignment:
 - \$8,000
 - 8 Violators
- Parking Tickets
 - Current eligible assignment:
 - Approximately 175 violators annually
- Miscellaneous Billing
 - Current eligible assignment:
 - \$44,846.06

- 27 Vendors
- Property Damage
 - Current eligible assignments:
 - 5,465.54
 - 9 Vendors

In accordance with City code, any fees or costs incurred with respect to attorneys or private collection agents retained shall be charged to the offender and collected by the collection agency.

3. Instructions to Proposers

A. All proposals shall be submitted to:

Rita Kruse, Finance Manager
City of Geneva
22 S. 1st Street
Geneva, IL 60134

All questions regarding the RFP should be directed to
Finance Manager Rita Kruse at rkruse@geneva.il.us.

- B. All proposals must be in a sealed envelope and clearly marked in the lower left-hand corner: "Sealed Proposal –Collection Agency Services." All proposals must be received by 4:00 pm, local time on ~~March 22~~ **April 1**, 2019, at which time they will be opened. Two (2) bound, one (1) unbound, and one (1) electronic copies of the proposal must be submitted. No proposals submitted by telephone or fax will be accepted. Proposals arriving after the deadline will be returned unopened.
- C. Proposals should be prepared simply and economically, providing a straight forward, concise description of provider capabilities to satisfy the requirements of the RFP. Special bindings, colored displays, promotional material, etc. are not desired. Emphasis should be on completeness and clarity of content.
- D. Failure to comply with any section of the RFP may result in rejection of the proposal as non-responsive.

4. Anticipated Project Schedule

This schedule represents the targeted project milestones for the Collection Agency Services process and selection. This schedule is subject to change by the City:

February 22, 2019	Release of RFP
March 4, 2019	RFP Questions and Intent to Respond Due
March 11, 2019	Release Responses to Questions Received
March 22 April 1 , 2019	RFP Proposals Due

April 2019
April 2019

City Council Approval
Effective Date of Service Agreement

Intent to Respond

All vendors who intend to respond to this RFP are required to submit an email with all contact information by ~~March 22~~ **April 1st**, 4:00 pm to:

Rita Kruse, Finance Manager
City of Geneva
22 S. 1st Street
Geneva, IL 60134
Email Address: rkruse@geneva.il.us

5. **Scope of Work**

The successful bidder may be involved in the collection of the following types of accounts, including but not limited to:

- Utility Billing –
 - The City bills electricity, water, sanitary sewer, and environmental fee on the monthly basis.
 - Each month approximately 10,000 are billed.
 - Approximately 740 requests for final bills are processed annually.
 - New World ERP currently used for remittance processing
 - Internal collection efforts are currently limited to sending final bill and late statements. The City then places accounts that are over \$10.00 with an outside agency.
 - In addition to a third party collection agency, the city will be utilizing the State of Illinois Comptroller Office's Local Debt Recovery Program to assist in collecting outstanding balances owed to the City.
- Code Compliance Fines
- Parking Tickets
- Parking Tickets
 - Approximately 175 violators sent to collections annually
- Property Damage

In accordance with City code, any fees or costs incurred with respect to attorneys or private collection agents retained shall be charged to the offender.

6. **Requirements**

For consideration, agencies are required to submit the following:

- A. Company Overview
 - i. Proof of License

- B. Agency contract for services
- C. Sample monthly reports
- D. Narrative outlining the agency's general collection process, including:
 - i. How the agency will successfully achieve reasonable collection targets.
 - ii. Specify the dollar threshold where various levels of follow-up occur (e.g. small balance accounts)
 - iii. List of sub-contractors (if applicable)
 - iv. Hours of operation
 - v. Types of payments accepted
 - vi. Bi-lingual services
- E. Overview of client relations with department/staff:
 - i. How will the City communicate requests or issues?
 - ii. What is the expected turn-around time for responses?
 - iii. What types of back-up resources are available if the City's main contact person is away?
- F. Information system requirements to send and receive account information
- G. Overview of security processes to ensure protection of any confidential information
- H. Proposed collection fee structure
- I. Remittance Schedule
- J. Customer References – Include a minimum of three (3) of similar comparison to the City of Geneva

7. Evaluation Criteria and Selection Process

The City shall conduct a review of proposal submissions and may request clarification or additional information pertaining to a proposal. Proposals will be evaluated in a fair, consistent and objective manner. Selection will be based on response to questions or requirements identified in this RFP. The final recommendation will be subject to consideration and approval by the City Council, if applicable.

A. Ability to Perform Required Services

The City will consider all the relevant material submitted by each agency, and other relevant material it may otherwise obtain, to determine whether the agency is capable of providing services of the type and scope specific to the RFP. The following elements may be given consideration by the City in determining whether an agency is capable:

- i. Experience, integrity and reputation of the agency and other information having a direct bearing on the decision to award a contract.
- ii. Quality, ability, and skill of the agency to perform the scope of services, and responsiveness of the proposed program/methods.
- iii. Fair Practices Certification that the company follows all applicable laws on Fair Employment Practices, Equal Employment and Business Opportunity with EEO-1 Documentation.

B. Ease of Facilitation

The following elements may be given consideration by the City in determining the ease of facilitation:

- i. Monthly reporting by the first week of the month, broken down by name, date of service, principal and fee total with the ability to customize reports if requested.
- ii. Ability to effectively communicate relevant material to the City's Account Receivable Specialist pertaining to settlement offers, insurance information received and/or other communication and correspondence.
- iii. Access to portals and/or websites to view accounts and activity.
- iv. Ease of transferring data from our financial software to your website.

C. Fees proposed for services to be performed and recovery factor for similar collections.

D. References

E. Other factors the City believes would be in the City's best interest to consider which were not previously described.

8. Award of Agreement

The agency selected as a result of this RFP process will be required to enter into a written professional services agreement. Such agreement shall reflect the terms and conditions included in the RFP and the selected agency's proposal, as well as any other provisions mutually agreed to by both parties. In the event the proposer to whom the services are awarded does not execute a contract within thirty (30) calendar days after approval, the City may give notice to such proposer of intent to award the contract to the next most qualified proposer or to call for new proposals and may proceed to act accordingly.

9. Reservation of Rights

The City of Geneva reserves the right, at its sole discretion, to use without limitation any and all information, concepts, and data submitted in response to this RFP, or derived by further investigation thereof. Each entity further reserves the right at any time and for any reason to cancel this solicitation, to reject any or all proposals, to supplement, add to, delete from, or otherwise change this RFP if conditions dictate. The City may seek clarifications from a respondent at any time and failure to respond promptly may be cause for rejection.

10. Terms and Conditions

- A. The City will not be liable in any way for any costs incurred by respondents in replying to this RFP.
- B. An agreement resulting from the acceptance of a Proposal shall be on forms approved by the City's legal counsel and shall contain, as a minimum, the

applicable provisions of this request for Proposal and the Proposal itself. The City reserves the right to reject any agreement which does not conform to the request for Proposal, the Proposal of the firm concerned, or the City's requirements for agreements and contracts.

- C. The contracted vendor shall not assign any interest in the contract and shall not transfer any interest without the prior written consent of the City.
- D. Respondents shall thoroughly examine and be familiar with the RFP specifications. The failure or omission of any respondent to receive or examine this document shall in no way relieve any respondent of obligations with respect to this RFP or the subsequent agreement.
- E. If, through any cause, a vendor contracted pursuant to this RFP fails to fulfill the obligations agreed to in a timely and proper manner, the City shall have the right to terminate the contract by notifying the vendor in writing and specifying a termination date not less than thirty (30) calendar days in advance. In such event, the contracted vendor shall be entitled to just and equitable compensation for any satisfactory work completed.
- F. Confidentiality - City officials shall direct the examination of the Proposals and other documents submitted to determine the validity of any written requests for nondisclosure of proprietary or confidential information. After award of the contract, all responses, documents, and materials submitted by the Respondent pertaining to this RFP will be considered public information unless otherwise determined by the City. All data, documents and other information developed because of these contractual services shall become the property of the City. Based on the public nature of RFP's a Respondent must inform the City, in writing, of the exact materials in the submittal, which it believes, are proprietary or confidential, and should not be made part of the public record in accordance with the Illinois Freedom of Information Act. The Respondent will be financially responsible for all expenses of the City, its public officials, consultants, employees, agents and representatives in defending the denial of access to such material pursuant to a Freedom of Information Act request.
- G. The Proposer attention is direct to the fact all applicable federal, state and municipal laws, ordinances, rules and regulations and codes of all authorities having jurisdiction shall apply to the Contact Document throughout and they are deemed to be included herein the same and though herein written out in full.

11. Proposal Format

- A. RFP cover letter – a signed letter briefly stating the proposer's understanding of the work to be done in compliance with the City's Request for Proposal, and a statement that the proposal is a firm and irrevocable offer for 180 days. Any exceptions to requirements listed in the City's Request for Proposal must be clearly identified in the cover letter, including exceptions to the desired scope of services outlined in Section 5. The cover letter must be signed by an authorized representative of the agency.

- B. The cost of services to be provided and an explanation of the basis on which fees are determined. All potential services and associated pricing must be disclosed.
- C. Resume(s) of staff to be assigned to this project.
- D. Minimum of three (3) professional references for similar projects.

12. Indemnification:

The Proposer hereby agrees to protect, defend, indemnify, and hold harmless the City against loss, damage, or expense from any suit, claim, demand, judgment, cause of action, or shortage initiated by any person whatsoever, arising or alleged to have arisen out of work described herein, except that in no instance shall the Proposer be held responsible for any liability, claim, demand, or cause of action attributable solely to the negligence of the City.

I hereby certify that the item(s) proposed is/are in accordance with the specifications as noted and that the prices quoted are not subject to change; and that

_____ (Vendor Name) is not barred by law from submitting a bid to the City for the project contemplated herein because of a conviction for prior violations of either Illinois Compiled Statutes, 720 ILCS 5/33E-3 (Bid Rigging) or 720 ILCS 5/33-4 (Bid Rotating); and that

_____ (Vendor Name) is not delinquent in payment of any taxes to the Illinois Department of Revenue in accordance with 65 ILCS 5/11-42.1; and that

_____ (Vendor Name) provides a drug free workplace pursuant 30 ILCS 580/1, et seq.; and that

_____ (Vendor Name) certifies they have a substance-abuse program and provide drug testing in accordance with 820 ILCS 130/11G, Public Act 095-0635: and that

_____ (Vendor Name) is in compliance with the Illinois Human Rights Act 775 ILCS 5/1.101, et seq. including establishment and maintenance of sexual harassment policies and program.

13. City of Geneva Insurance Requirements

These requirements are baseline standards for insurance to be provided in City procurements. They may require adjustment from time to time based on a variety of factors, including the nature, scope, duration, and value of the procurement, subject to approval of the City Administrator.

A. Worker's Compensation and Employer's Liability with limits not less than:

- (1) Worker's Compensation: Statutory;
- (2) Employer's Liability:
\$500,000 injury-per occurrence

Such insurance shall evidence that coverage applies in the State of Illinois.

B. Comprehensive Motor Vehicle Liability with a combined single limit of liability for bodily injury and property damage of not less than \$2,000,000 for vehicles owned, non-owned, or rented.

All employees shall be included as insureds.

C. Comprehensive General Liability with coverage written on an "occurrence" basis and with limits no less than:

\$2,000,000 Bodily Injury and Property Damage Combined Single Limit
Coverage is to be written on an "occurrence" basis.

Coverages shall include:

- Broad Form Property Damage Endorsement
- Blanket Contractual Liability (must expressly cover the indemnity provisions of the Contract)
- Independent Contractors
- Personal Injury (with Employment Exclusion deleted)
- Broad Form Property Damage Endorsement
- Bodily Injury and Property Damage

D. Professional Liability Insurance, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate and covering the supplier or vendor against all sums that supplier or vendor may be obligated to pay on account of any liability arising out of the contract. This requirement shall apply to design and consulting projects, as well as to contracts for professionals involved in construction projects.

E. Umbrella Policy. The required coverages may be in any combination of primary, excess, and umbrella policies with a limit not less than \$2,000,000. Any excess or umbrella policy must provide excess coverage over underlying insurance on a following-form basis such that when any loss covered by the primary policy exceeds the limits under the primary policy, the excess or umbrella policy becomes effective to cover such loss.

F. City as Additional Insured. The City shall be named as an Additional Insured on a primary & non-contributory basis.

Each such additional Insured endorsement shall identify the City as follows: The City of Geneva, including its City Council members and elected and appointed

officials, its officers, employees, agents, attorneys, consultants, and representatives.

- G. Coverages shall be from a company authorized to do business in Illinois with at least an "A XII" rating from A.M. Best Company.

- H. Other Parties as Additional Insureds. Other entities should be included and named as additional insured on appropriate policies.

EXHIBIT A
References

City of Geneva
Collection Service RFP

Provide a list of client references of similar sized and/or municipal accounts which the proposer has served over the past two years and is currently serving. Provide no fewer than three (3) references. Provide a contact person, telephone number, and email address for each customer reference.

Municipality: _____
Address: _____
City, State, Zip: _____
Contact
Person: _____
Telephone: _____ Email: _____
Dates of Service: _____

Municipality: _____
Address: _____
City, State, Zip: _____
Contact
Person: _____
Telephone: _____ Email: _____
Dates of Service: _____

Municipality: _____
Address: _____
City, State, Zip: _____
Contact
Person: _____
Telephone: _____ Email: _____
Dates of Service: _____

Municipality: _____
Address: _____
City, State, Zip: _____
Contact
Person: _____
Telephone: _____ Email: _____
Dates of Service: _____