

**CITY OF UNION CITY
REQUEST FOR PROPOSAL
PRIVATE COLLECTION OF MUNICIPAL COURT
DEBT**

RFP PRIVATE COLLECTION AGENCY SERVICES

REQUEST FOR PROPOSAL PRIVATE COLLECTION AGENCY SERVICES

Section One

Scope of Work

The City of UNION CITY has generated approximately \$2,639,050.53 of uncollected adjudicated debt incurred by the general public. Union City seeks a one year contract to provide private collection agency services for this adjudicated debt.

Proposer's Objectives

Proposers shall submit a detailed operational plan which demonstrates understanding of, and capability to assume responsibility for, collecting delinquent revenue for the City of Union City. The plan shall provide all details of the methods to be used to maximize successful collections, including initiating and continuing collection attempts within the guidelines set forth by Federal and State regulations regarding fair debt collection practices.

Contract Requirements

1. The successful contractor(s) must operate in accordance with ethical collection practices and obey all federal, state laws, which shall encompass compliance with the Supreme Court Procedures Governing the Private Collection of Municipal Court Debt under L 2009, 233, promulgated March 31 2011, found at <http://www.judiciary.state.ni.ustmcs/collectionagency.pdf>.
2. Insurance requirements: The successful contractor(s) will maintain in force, during the full term of the contract, insurance as follows:
 - a. Comprehensive general liability insurance with a minimum limit of \$1,000,000 per occurrence combined single limit for bodily injury and property damage liability, and also including a \$1,000,000 limit of coverage for contractual liability, personal injury liability (including slander and defamation), products liability and complete operations liability.
 - b. Comprehensive automobile liability insurance with a minimum limit of \$1,000,000 per occurrence combined single limit bodily injury and property damage, including coverage for owned/non-owned and hired auto coverages as applicable.
 - c. Blanket fidelity bond covering all officers and employees, with a

minimum limit of \$1,000,000 including Union City as loss payee as its interests may appear.

d. Workers compensation statutory limits.

The Contractor's comprehensive general liability and comprehensive automobile liability insurance policies shall be endorsed to afford broad form Additional Insured status to the City of Union City and its officers and employees for the full limits stated above. This broad form Additional Insured status shall also be sufficient to cover Union City's sole negligence in relation to any of the Contractor's work and other obligations pursuant to this Agreement. All of the above policies shall also be endorsed to provide thirty (30) days advanced written notice by the carriers to Union City of any cancellation, non-renewal or reduction in coverage. Copies of certificates of insurance and additional insured endorsements demonstrating compliance with the obligations of this section are to be provided to Union City prior to the effective date of this Agreement and prior to performance of any work.

3. Indemnification Agreement: To the fullest extent permitted by law, Contractor shall defend, indemnify and hold harmless Union City and its employees, agents and officials from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including without limitation actual attorney fees incurred by Union City, court costs, interest, other defense costs, expert witness fees, and any other costs or expenses of any kind whatsoever in relation to, as a consequence of, arising out of, or in any way attributable in whole or in part to the Contractor's activities related to this agreement, including without limitation the work contemplated by this agreement. All obligations under this provision are to be paid by Contractor as Union City incurs them. Without affecting the rights of Union City under any provision of this agreement or this section, Contractor shall not be required to indemnify and hold harmless Union City as set forth above for liability attributable to the sole negligence of Union City to the extent that such sole negligence is established either by agreement between Union City and the Contractor or the finding of a court of competent jurisdiction. This exception will apply only in instances where the Union City has been shown to have been solely at fault and will not apply in instances where Union City's fault accounts for any percentage less than 100% of the liability assessed. In addition, this exception will not apply to the extent that the Contractor's insurance as required above provides Union City with "Additional Insured" status and covers Union City's sole negligence. Contractor agrees to obtain executed indemnity agreements from each and every subcontractor, sub-tier contractor or any other person or entity involved by, for, with or on behalf of Contractor in performing work under this agreement which contain provisions setting forth specific

obligations of them to defend, indemnify, and hold harmless Union City, its employees, agents, and officials, identically and to the same extent as required above of Contractor, but in relation to their activities. in this section.. To the extent that Contractor fails to obtain any such indemnity obligations from the others as required here, Contractor agrees to be fully responsible to defend, indemnify, and hold harmless Union City, its employees, agents, and officials for the acts of the others. Any failure of Union City to monitor compliance with these requirements shall impose no additional obligations on Union City and shall not act as a waiver of any rights hereunder. The obligations of Contractor as set forth in this section, including the duty to indemnify and defend Union City, are binding on the successors, assigns, or heirs of Contractor and shall survive any termination of this agreement.

4. Remittance and Reporting Requirements: The successful contractor(s) will be required to submit to the City of Union City required monthly remittances and statements no later than thirty (30) days following the month of collection.
5. The private collection agency shall accept electronic files from the Administrative Office of the Courts on behalf of the municipal court or reports from the municipal court identifying cases selected for collection. The private collection agency shall be responsible for converting Administrative Office of the Courts supplied information or report data from the municipal court to the private collection agency's computer system.
6. Statement of corporate ownership (c.52:25-24.2)
7. Each candidate shall submit proof of business registration with the New Jersey Division of Taxation (P.L. 2004 C.57) and must comply with the Affirmative Action requirement contained in N.J. A.C. 17:27 et seq.
8. The City reserves the right to omit a collection matter if it deems it to be in the best interests of the City.

SPECIAL NOTICE

The State of New Jersey Administrative Office of the Courts and the New Jersey Department of Community Affairs, Division of Local Government Services each has final approval of the successful contractor (s).

Section Two

EXECUTIVE SUMMARY QUESTIONNAIRE

This section should contain an outline of the respondent's general approach along with a brief summary of the prominent features of the proposal submitted.

1. How long has your company been in business?
2. History of agency, key members of management/collection team, including the makeup of the agency and experience with municipal accounts.
3. What geographic territories do you collect in?
4. What is the average total number and total dollar amount of both primary and secondary accounts you receive per month?
5. A statement of your firm's background and experience in providing collection services to governmental organizations. Be very specific about relevant New Jersey office experience in collection services.
6. Include a listing of governmental agencies in New Jersey that your firm has provided services to over the last five years. Indicate each organization's name and address, contact person, reference telephone number, nature of services provided and dates of the engagement.
7. How many collectors do you currently employ? How many can you comfortably expand to? Please describe your requirements and procedures for hiring new collectors.
8. Description of training for collectors including initial training program and any ongoing training/monitoring.
9. Description of collector compensation programs.
10. Please specify your office/collection hours. Do you operate on Saturdays and at night? Do you make collection calls on Sundays? Until what time at night do you make collection calls?
11. Description of the normal method used to collect accounts, including specific work standards based on balance ranges. Include number of both written and telephone attempts. Describe when these accounts are sent to credit rating agencies.
12. Policy or procedure on complaint handling.
13. Samples of all form/correspondence and telephone scripts to be used for

collection.

14. Are the collectors automated? If so, what type of system is utilized?
15. Description of automated abilities to handle accounts from placement procedures to remittance.
16. What requirements and procedures are in place to ensure minimal adverse action after payment is received?
17. Can a terminal be put in the City of Union City office for on-line access to account information? Is dial access via PC and modem available?
18. Any formal policy on equal opportunity?
19. What Municipal Courts in New Jersey do you have a contract to provide collection services?
20. Is your collection staff bilingual? Please describe your collection practices with non-English speaking persons.
21. Does your collection company report failure to pay fines to collection agencies?

The City of Union City intends to award this contract to the Agency that it deems most responsive and will provide the most comprehensive and the highest quality of service to Union City inclusive of fee considerations. Union City reserves the right to accept other than the lowest price offer and to reject all proposals that are not responsive to this request.

Fee information is to include the following: New Jersey law permits the governing body of Union City to authorize the assessment of a fee by a private collection agency, not to exceed 22% of the amount collected, to be paid by the defendant to the private collection agency for the purpose of paying for the cost of collection. What percentage of the amount collected will you require to manage our municipal court debt?

Additionally, please identify the allocation of costs and expenses associated with such collection procedures.

OTHER INFORMATION

Questions regarding the RFP should be submitted by October 25, 2013
in writing to: Michael Robinson, Purchasing Agent

City of Union City
3715 Palisade Avenue
Union City, New Jersey 07087
Phone: 201-348-5620
Fax: 201-617-0283

SUBMISSION REQUIREMENTS

Sealed RFPs will be publicly opened by the Union City Clerk in her offices at Union City Hall, 3715 Palisade Avenue, Union City, at 11 a.m. on October 29, 2013. The RFP must be received no later 11 a.m. on October 29, 2013 by:

Laura M. Miller - City Clerk
City of Union City
3715 Palisade Avenue
Union City, New Jersey 07087

Please submit one original and two (2) copies of the RFP. Please use white 8 ½" x 11" paper. Please staple the original and two (2) copies in the upper left corner. Please do not bind the submissions in any manner or place each copy in folders.