



KANAWHA COUNTY SHERIFF'S OFFICE

Tax Division

409 Virginia Street, East Room 120
Charleston, WV 25301

Request for Proposals

Date of Issue: August 23, 2010

Debt Collection Services for Kanawha County Sheriff

IMPORTANT NOTICE: You must register with the Kanawha County Commission, Purchasing Department in order to receive subsequent amendments and other information related to this RFP and the bid process. Failure to register may result in the rejection of your offer.

Prepared by:
Steven Bleigh, II
Tax Deputy

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KANAWHA COUNTY SHERIFF'S OFFICE

Debt Collection Services

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Kanawha County Sheriff's Office
409 Virginia Street, East-Room 120
Charleston, WV 25301

Kanawha County Commission
407 Virginia Street, East-Third Floor
Charleston, WV 25301

-REQUEST FOR PROPOSAL-

Re: DEBT COLLECTION SERVICES Date: August 23, 2010
ID: 10-RFP-DBTCOLL Fiscal Year: 2010-2011

RFP Deadline: Proposals must be received on or before Tuesday, September 7, 2010, at 5:00PM EST in the Kanawha County Commission Purchasing Office located at 407 Virginia Street, East, 3rd Floor, Room 229, Charleston, WV 25301 (PO Box 3627, Charleston, WV 25336)

Bid Opening: Cost quotations will be opened on Wednesday, September 8, 2010 at 10:00am in the Kanawha County Commission Purchasing Office located at 407 Virginia Street, East, 3rd Floor, Room 229, Charleston, WV 25301

~USE THIS FORM AS YOUR COVER PAGE FOR YOUR PROPOSAL~

1. Proposals must be received in a sealed envelope with the date and time of time of the bid opening clearly marked on the outside of the envelope.
2. Proposals must be signed in ink, showing all facts and the total amount of the bid (if pertinent)
3. The Sheriff and the County Commission reserve the right to accept or reject, in part or in whole, any bid submitted, whichever is in the best interest of the County.

Item No.	Quantity	Description	Amount
1		Debt Collection Services	

To the Sheriff of Kanawha County and the Kanawha County Commission: The undersigned on behalf of the entity, firm, company, partnership, or other legal entity listed below offers on its behalf to the Sheriff and Kanawha County Commission a proposal that contains all terms, conditions, specifications and amendments in the Request for Proposal issued by the Sheriff and Kanawha County Commission. Any exception to the terms contained in this Request for Proposal must be specifically indicated in writing and are subject to the approval of the Sheriff prior to acceptance. The signature below certifies your understanding and compliance with the requirements, terms and conditions contained in this Request for Proposal issued by the Sheriff and Kanawha County Commission.

Vendor Name: _____ Authorized Signature: _____
Title: _____
Address: _____
Telephone & E-mail: _____ Date: _____

SECTION 1 – GENERAL INFORMATION

1.00

DEFINITIONS

The term "Sheriff" will be used interchangeably throughout this document to represent the elected Sheriff and his staff, as well as the Sheriff's Tax Division proper.

The term "Commission" will be used interchangeably throughout this document to represent the elected County Commission, its staff and the county Purchasing Division.

The term "Offeror" will define anyone who responds to this Request for Proposal by presenting a written response with the intent of providing the services detailed herein.

The term "County" may be used to express the interests of Kanawha County, West Virginia, The Kanawha County Commission, the Sheriff of Kanawha County and the Levying Bodies.

The term "contractor" as used in this document refers to the Offeror who is awarded the Debt Collection Service contract.

1.01

CONTACT PERSON, TELEPHONE, FAX, AND E-MAIL, MAILING ADDRESS, AND RFP CALENDAR

All inquiries and requests for additional information regarding this RFP must be sent in writing to the individual and address below. E-mail is an acceptable form of communication, and you must use the e-mail address listed below. Please refer to the RFP ID: 10-RFP-DBTCOLL on all correspondence.

Contact: **H. Allen Bleigh, II, Chief Tax Deputy**
Kanawha County Sheriff's Office-Tax Division
409 Virginia Street, East Room 120
Charleston, WV 25301

Phone: 304-357-0290

Fax: 304-357-0291

E-mail: allenbleigh@kanawha.us

Offerors must submit five (5) copies of their proposal, in writing, to the Commission at the address shown below. Your response must include a separate cost quotation in a sealed envelope. The cover page for both your response and your cost quotation must be the official cover page provided in this RFP. You may make copies of this document for your use.

Send response/cost quotation to: Kanawha County Commission
Purchasing Department
407 Virginia Street, East Third Floor, Room 229
Charleston, WV 25301

Calendar of Events:	RFP Release	Monday, August 23, 2010
	Deadline for submission of inquiries/ Requests for additional information	Wednesday, September 1, 2020 5:00pm
	Proposal Submission Deadline	Tuesday, September 7, 2010 5:00pm
	Bid Opening	Wednesday, September 8, 2010 10:00am
	Evaluation	September 8, 2010 through September 23, 2010
	Contract negotiation/award	Thursday, September 23, 2010

Contract Award: A final decision regarding the contract award to the successful Offeror will be made during the County Commission's regular meeting on Thursday, September 23, 2010. A specific time cannot be given due to the nature of the Commission's public meeting. The meeting begins at 5:00pm EST, and is held in the Commission Courtroom on the first floor of the Courthouse located at 409 Virginia Street, East, Charleston, WV 25301. This meeting is open to the public, and notice of the meeting and the meeting agenda is made available to anyone online at www.kanawha.us.

1.02

RFP AMENDMENT AND ANSWERS TO OFFEROR'S QUESTIONS, RFP REGISTRATION

If it becomes necessary to amend this RFP for any reason, a copy of the amendment will be sent to anyone registered with the Commission. The Sheriff and the Commission is not obligated to send a copy of any amendment or other information to anyone who has not properly registered for this RFP.

Answers to any questions submitted relating to this RFP will be provided to everyone registered with the Commission. The Sheriff and the Commission is not obligated to send a copy of any answers to questions to anyone who has not properly registered for this RFP. Questions deemed simple in nature which may be answered by providing direction to material that already exists within the RFP may be documented, but not provided to everyone unless deemed necessary by the Sheriff or Commission.

Registration must be made through the Commission's Purchasing Department. For registration information please contact the Commission:

Contact: Jerie Whitehead, Purchasing Director
Kanawha County Commission
Purchasing Department
407 Virginia Street, East Room 229
Charleston, WV 25301

Phone: 304-357-0115

Fax:

E-mail: jeriewhitehead@kanawha.us

1.03

COMMUNICATION RESTRICTIONS

Any communication regarding this RFP will be sent to the responsible party who is registered with the Commission. Responsible parties on behalf of the Sheriff and Commission is set forth in Section 1.01 of this RFP. Any contact with other County employees, elected officials, or other related entities is strictly prohibited, and may result in the rejection of your proposal.

1.04

WITHDRAWAL OF PROPOSAL

Anyone registered as a potential Offeror for this RFP, who decides to withdraw from consideration before or after submission of a formal proposal must do so in writing. Your notice of withdrawal must be sent to:

Contact: Jerie Whitehead, Purchasing Director
Kanawha County Commission
Purchasing Department
407 Virginia Street, East Room 229
Charleston, WV 25301

Phone: 304-357-0115

Fax:

E-mail: jeriewhitehead@kanawha.us

1.05

PREPARATION COSTS

All costs associated with the preparation and submission of a proposal for this RFP is the sole responsibility of the Offeror. Neither the Sheriff nor the Commission assumes any responsibility for costs incurred by the Offeror as a result of preparing a response to this RFP.

1.06

PUBLIC RECORD NOTICE

Any documents or information gathered as a result of this RFP will remain confidential until such time as a contract award is made or other decision given regarding this RFP. After the contract award or other decision is made any material provided to the Sheriff or Commission may be subject to the Freedom of Information Act.

1.07

CONTRACT TERMS

Any contract awarded as a result of this RFP will be based upon a term of one-year (twelve months), with renewable options for three additional one-year (twelve month) periods. Contract renewal must be evidenced in writing on or before the renewal date, and renewal shall be exercised solely by the Sheriff or Commission. The vendor will be responsible for preparing and completing the renewal option document. If the original contract expires before a renewal option is signed, the Sheriff and/or the vendor may terminate the existing contract in writing by delivering said written notice of termination to the other party in the contract thirty (30) days prior to the anniversary date. If no renewal option is prepared and signed within 30 days of the expiration date, and neither party terminates the contract, both parties agree that the contract will continue as written with no modification until the next anniversary date/available renewal period.

1.08

CONTRACT NEGOTIATION

The Sheriff reserves the right to negotiate with the vendor during the renewal period option(s). Vendors must specify which components of their proposal are subject to annual price changes that may occur upon renewal, and provide projected changes that are likely to occur during the three-year renewal period. If projections are not feasible at this time, the vendor must provide a description of the methodology used to determine the changes in contract pricing. Any changes to the original contract must be made in writing, and must be made part of the renewal option documentation.

1.09

RIGHT OF RESERVATION

Notwithstanding any other provision of this Request for Proposal, the Sheriff of Kanawha County, and the Kanawha County Commission expressly reserves the right to:

- a. Waive any immaterial defect or informality; or,
- b. Reject any or all proposals, or portions thereof; or,
- c. Reissue a Request for Proposal; or
- d. Unless the vendor states otherwise, the Sheriff reserves the right to award by individual line item, by group of line items, or as a whole, whichever is deemed most advantageous to the Sheriff and County. If the vendor's offer is an "all or nothing" offer, it must be so indicated on the offer sheet.

1.10

PROPERTY TAX REQUIREMENT

Any vendor who conducts business with the Kanawha County Commission, its agencies, or affiliates and who has taxes assessed in Kanawha County, WV must have all taxes paid current prior to conducting business or being paid for goods and services. It is the responsibility of each vendor to make sure that their taxes are current.

1.11

LOCATION OF WORK

The Offeror will not be provided work space at Sheriff's office or the Commission office. You must have your own suitable work space. In addition, by signing the cover page, the Offeror agrees that:

- a. all services provided by this contract will be performed inside the United States, and preferably Kanawha County, West Virginia;
- b. the Offeror is established and incorporated within the United States of America

1.12

SUBCONTRACTING

Any Offeror who intends to subcontract any portion of their work must state in writing within their proposal the identity of the subcontractor(s), their office address, and state what work they will perform. If the identity of the subcontractor is not known at the time the Offeror's proposal is due for submission, the Offeror must provide the requested information to the Sheriff and Commission as soon as it becomes available. The Sheriff and Commission reserve the right to refuse the use of a subcontractor if it is in the best interest of Kanawha County, West Virginia.

1.13

BUDGET

The successful Offeror cannot be paid for their service based upon a percentage collection. Under *West Virginia State Code*, only the Sheriff can receive a commission for collection of taxes. As such, the payment arrangement must be structured in such a way to avoid commission based payments.

1.14

OFFEROR'S DUTY TO REVIEW RFP

It shall be the duty of the Offeror to carefully review this RFP and provide written comments or inquiries regarding any defects, or questionable material contained in this document. The Sheriff and Commission is not responsible for any loss that may occur as a result of any defect or Offeror's misunderstanding of items reflected in this RFP, amendments thereto, Appendices, or other material provided to the Offeror.

1.15

OFFEROR'S CERTIFICATION

By signing the cover page to this RFP, the Offeror certifies that they comply with:

- a. the laws of the State of West Virginia;
- b. the Equal Employment Opportunity Act and any related regulations issued by the federal government;
- c. the Federal Civil Rights Act of 1964;
- d. the Americans with Disabilities Act of 1990 and any related regulations issued by the federal government;
- e. all terms and conditions of this RFP;
- f. a condition that the proposal submitted was prepared without collusion, under penalty of perjury;

If any Offeror fails to comply with the terms set forth in items "a" through "f" above, the Sheriff or Commission reserves the right to reject the proposal, terminate the contract, or consider the Offeror in default.

1.16

CONFLICT OF INTEREST

Attached as Appendix I of this RFP is a statement indicating whether or not the Offeror, any subcontractor, or related employee has a possible conflict of interest, and if so, the nature of the conflict. The Sheriff or Commission reserves the right to cancel an award or reject any proposal if any interest disclosed from any source could either give the appearance of a conflict or cause speculation about the integrity of this bid process.

1.17

RIGHTS RELATED TO INFORMATION PROVIDED BY THE SHERIFF OR COMMISSION

The Sheriff of Kanawha County is the legal owner/guardian of all property tax information for Kanawha County, West Virginia. Any information provided to the Offeror during the bid process or after award of a contract remains the property of the Kanawha County Sheriff, not the Offeror. The Sheriff implicitly grants permission to the Offeror who is awarded the contract to use any data provided by the Sheriff to perform their duties relating to the scope of this RFP. Conversely, any data obtained by the Offeror as a result of work performed on behalf of the Sheriff may not be withheld. The Sheriff reserves the right to revoke his permission to use this information in the event it is not being used for its intended purpose, or other significant reason is brought to light during the term of this contract.

1.18

LEGAL ADVERTISEMENT

Public notice regarding this RFP has been provided as required by W. Va. Code §

1.19

PUBLIC RELEASE OF INFORMATION

News releases or other public announcements related to this RFP may not be made without the prior approval of the Sheriff and Commission.

1.20

CONTRACT ASSIGNMENT

The successful Offeror or subcontractor may not transfer or assign any portion of this contract without the written approval of the Sheriff and Commission.

1.21

DISPUTES

Any dispute arising out of this contract will be resolved under the laws of the State of West Virginia.

1.22

SEVERABILITY

If any provision of this contract or agreement is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties to the contract will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

SECTION 2 – STANDARD PROPOSAL TERMS AND CONDITIONS

2.00

AUTHORIZED SIGNATURE

All proposals must be signed by an individual authorized to bind the Offeror to the provisions of the RFP. Proposals must remain open and valid for at least ninety (90) days from the opening date.

2.01

PRE-PROPOSAL CONFERENCE

There is no pre-proposal conference scheduled at the present time. However, if the need presents itself based upon the requests of the Offerors, or if the Sheriff or Commission believe that a pre-proposal conference is necessary at a future time, written notice of the pre-proposal conference will be provided to anyone who is properly registered with the Commission for this RFP.

2.02

SITE INSPECTION

The Sheriff may conduct on-site visits to evaluate the Offeror's capacity to perform the contract. An Offeror must agree, at risk of being found non-responsive and having its proposal rejected, to provide the Sheriff reasonable access to relevant portions of its work sites. Individuals designated by the Sheriff will conduct the inspections at the Sheriff's expense.

2.03

AMENDMENTS TO PROPOSALS

Amendments or withdrawals of proposals will only be allowed if acceptable requests are received prior to the submission deadline. No amendments or withdrawals will be accepted after this deadline.

2.04

CLARIFICATION OF OFFERS

In order to determine if a proposal is reasonable acceptable for award, communications by the Sheriff is permitted with an Offeror to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications may not result in a material or substantive change to the proposal. The evaluation by the Sheriff may be adjusted as a result of a clarification under this section.

2.05

DISCUSSIONS WITH OFFERORS

The Sheriff or Commission may conduct discussions with the offerors during the proposal process for the purpose of ensuring full understanding of the requirements of this RFP. Discussions will be limited to specific sections of the RFP or proposal identified by the Sheriff or Commission. Discussions will only be held with Offerors who have properly registered with the Commission. Any oral modification or agreement made during a discussion must be made in writing by the Offeror.

2.06

PRIOR EXPERIENCE

The Offeror must demonstrate in their proposal that they possess the ability to effectively and efficiently perform the requirements of this RFP. The Sheriff prefers that an Offeror have the following levels of experience:

- a. A minimum of three (3) years experience in providing debt collection services;
- b. The Offeror possess the staffing and infrastructure needed to handle the quantity of cases that the Sheriff has outstanding;
- c. Provide a valid business license issued by the State of West Virginia.

References:

The Offeror's response must include the name, address, phone number, and e-mail address (if possible) of at least three (3) references who are currently receiving debt collection services from the Offeror. The references must be located in the United States, preferably in the state of West Virginia.

The Sheriff reserves the right to investigate any and all references whether or not furnished by the Offeror. This includes reviewing the past performance of any Offeror with respect to its successful completion of similar projects, compliance to specifications and contractual obligations.

2.07

DISCLOSURE OF PENDING OR FINAL JUDGMENTS AGAINST OFFEROR

The Offeror must provide a written statement regarding any pending or final judgments against them regarding their debt collection service. Failure to disclose any pending or final judgment may result in the immediate rejection of a proposal.

2.08

EVALUATION OF PROPOSALS

The Sheriff and Commission, or evaluation committee comprised of staff members from both offices will evaluate the proposals. The evaluation process will consider, but not be limited to the following:

- a. Does the proposal in question provide a complete response to the requirements of the RFP?
- b. Is the vendor that provided the response financially secure, and have there been any legal or regulatory issues with the vendor in the past ten (10) years?
- c. Will the vendor provide the best service to the Sheriff and County?
- d. Is the cost structure fair, and does it provide the best value to the Sheriff/County?
- e. Is the cost of collection versus the economic benefit of collection in the County's best interest?
- f. Is the vendor capable of assisting us in achieving our operational and financial goals?

Based upon the evaluation criteria, the Sheriff and Commission will rank the proposals in order of preference.

2.09

CONTRACT NEGOTIATION

The Sheriff and Commission, after final evaluation, may negotiate with the Offeror of the highest ranked proposal. Negotiations, if held shall be within the scope of this RFP, and limited to those items which would not have an effect on the ranking or proposals. If the highest-ranked Offeror fails to provide necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the Sheriff or Commission may terminate negotiations and negotiate with the offeror of the next highest-ranked proposal. If contract negotiations are held, they may be held during a regular meeting of the County Commission which are conducted in the old Courthouse, 409 Virginia Street, East, First Floor, Charleston, WV 25301.

2.10

NOTICE OF AWARD

The Sheriff will provide written confirmation of his intentions to award a contract to the successful Offeror and all others who are properly registered with the Commission.

SECTION 3 – STANDARD CONTRACT TERMS AND CONDITIONS

3.00

CONTRACT TYPE

Any contract resulting from this RFP shall be a firm, fixed price contract. The contractor will be paid based upon the agreed upon price, for each dollar collected from a delinquent account. No fees, or other costs will be paid outside of the contract stipulations.

3.01

CONTRACT APPROVAL

This RFP does not, by itself, obligate the Sheriff or Commission. The Sheriff's obligation will commence when the contract is approved by the Sheriff and Commission. Upon written notice to the contractor, the Sheriff may set a different starting date for the contract. The Sheriff will not be responsible for any work done by the contractor, even work done in good faith, if it occurs prior to the contract start date set by the Sheriff.

3.02

PROPOSAL AS A PART OF THE CONTRACT

All or part of this RFP, any amendments thereto, or attachments herewith, and the successful proposal may be incorporated into the contract.

3.03

ADDITIONAL TERMS AND CONDITIONS

The Sheriff reserves the right to add terms and conditions during contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluation.

3.04

INSURANCE REQUIREMENTS

The contractor must provide proof of worker's compensation insurance prior to the contract approval. Failure to provide evidence of such insurance coverage is a material breach and grounds for withdrawal of the award or termination of the contract.

3.05

CONTRACT FUNDING

Approval or continuation of a contract is contingent upon approval of an annual budget appropriation. If the appropriation is not funded, the contract will be terminated. The County is not responsible for, and will not pay local, state, or federal taxes. All costs associated with the contract must be stated in U.S. currency.

3.06

INVOICING AND STATEMENTS

The contractor shall provide a monthly invoice to the Clerk of the County Commission, with a copy to the Sheriff for services rendered.

In addition to the monthly invoice, the contract shall provide a written statement containing the following information:

- a. Total number of accounts assigned to the contractor by the Sheriff—in tax year order;
- b. Tax year and ticket number for each account in which the contractor received funds during the previous month;
- c. The amount collected from each account;
- d. Total amount collected during the previous month;
- e. Total amount due contractor as fee for collection services based upon account collections;
- f. Total amount pending collection for each tax year assigned to contractor.

3.07

CONTRACT PERSONNEL

Any change of the project team members named in the contract must be made in writing by the contractor.

3.08

TERMINATION FOR CONVENIENCE

The Sheriff or Commission, by written notice to the contractor, may terminate this contract, in whole or in part, at no cost to the County when it is in the best interest of the County. The County is only liable for payment in accordance with the payment provisions of this contract for services rendered before the effective date of termination.

Upon termination of this contract, whether by expiration, termination, or non-renewal, the contractor shall immediately return to the Sheriff, all information and documentation related to all accounts that been assigned to the contractor since the date of inception.

If the contractor is in active litigation, approved by the Sheriff, for an assigned case, and the contractor wishes to continue with the litigation process, the case shall remain with the contractor and the County will cooperate in the litigation pursuant to the terms of this contract. Accounts that remain with the contractor under this section shall be governed by the terms of this contract.

Upon termination of this contract, the contractor shall not use any information received from the Sheriff, or collected by the contractor while performing collection services on accounts referred by the Sheriff for any purpose.

3.09

TERMINATION FOR DEFAULT

If the Sheriff or Commission determines that the contractor has refused to perform the work, or has failed to perform the work with such diligence as to ensure its timely and accurate completion, the Sheriff or Commission may, by providing written notice to the contractor, terminate the contractor's right to proceed with part or all of the remaining work.

This section does not restrict the County's termination rights under Section 3.08.

3.10

CONTRACT CHANGES – UNANTICIPATED AMENDMENTS

During the course of this contract, it may become necessary to modify the work being performed within the general scope of the initial contract. If additional work is required, the Sheriff will provide the contractor a written description of the additional work and request that the contractor confirm in writing that they agree to perform said work and state a firm price for the change order.

The contractor will not commence additional work until the Sheriff has issued a written contract amendment reflecting changes in work and pricing.

3.11

CONTRACT INVALIDATION

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

3.12

QUALIFYING COLLECTION CRITERIA

In order for a payment to qualify as a "debt collection," for purpose of inclusion in the payment due to the contractor, it must be part of the accounts assigned by the Sheriff to the contractor, and be received by the contractor. Collections which are received by the Sheriff during the normal course of business shall not qualify for consideration into the payment structure for the contractor even if it is part of the accounts assigned by the Sheriff. See also Section 5.09

3.13

COLLECTION IN FULL-WITHOUT SETTLEMENT

Under West Virginia law, the Sheriff does not have any authority to settle an amount due for ad valorem taxes. The law has been interpreted to allow installment payments for personal property when a reasonable request is made by the taxpayer, but they must pay the entire amount due, plus accrued interest until the balance owed is paid in full. The contractor is bound by this same restriction.

3.14

SUSPENSION OF COLLECTION ACTIVITY

The contractor agrees to suspend all collection actions, either temporarily or permanently, upon written notification from the Sheriff. If collection action is suspended on an account, there shall be no penalty to the Sheriff.

3.15

SELECTION OF ACCOUNTS FOR LEGAL PROCEEDING

If the contractor determines that legal action is required to enforce collection against a taxpayer, the contractor will be responsible for securing appropriate and competent legal representation, and must provide any additional legal service required as a result of the legal action including, but not necessarily limited to vigorous pursuit of collection and defense if countersued by the taxpayer. The following procedure must be taken prior to the initiation of any legal action:

- a. Provide a list of tickets/accounts including the amount of delinquency, and taxpayer name to the Sheriff of Kanawha County, and Prosecuting Attorney for Kanawha County, WV.;
- b. The Sheriff and Prosecuting Attorney must review and approve the selection made by the contractor, and provide the contractor with said approval in writing;
- c. The contractor must establish a procedure with the Sheriff and Prosecuting Attorney to file any approved law suit with the appropriate court;

The Sheriff is not required to pay filing fees for civil suits brought against a taxpayer for non-payment of taxes. Any court fees owed will be added to the amount due for taxes by the taxpayer.

3.16

REVIEW AND ASSESSMENT OF CASES ASSIGNED

After a period of 12 months, the contractor and Sheriff shall review the disposition all accounts assigned to the contractor, and determine if any accounts should be written off, recalled, or re-assigned.

3.17

RECORD OF COLLECTION ACTIVITY

The contractor is responsible for maintaining records for each account assigned to them by the Sheriff and any other documentation developed during the course of collection activities. Such documentation includes, but is not limited to: phone notes taken during calls, copies of collection letters, certified returns, and correspondence received from taxpayers.

SECTION 4 – PROJECT OVERVIEW

4.00

BACKGROUND INFORMATION

The Sheriff of Kanawha County is responsible for the collection and collection enforcement action of ad valorem taxes in Kanawha County, West Virginia. The Sheriff receives payments for both real estate and personal property taxes. *West Virginia State Code* specifies the collection enforcement proceeding for real estate. Each year, the Sheriff conducts a public auction to sell the tax lien held by the County for any unpaid real estate tax.

Personal property does not have a similar collection enforcement mechanism, but the law does define several collection enforcement methods including, but not limited to civil action and distraint. Due to the cost of civil actions, the Sheriff's collection enforcement policy only includes this method of enforcement as a last resort for high dollar accounts only. The accounts targeted for civil action are also limited based upon probability of collection.

Historically, we have a 95% collection rate over a five year period of collection. *See also Appendix III – Statement of Changes in Taxes Receivable and Report of Collections dated June 30, 2010 for a complete summary of taxes receivable.* As a new tax year is added to the receivable balance, the oldest year is written off. For accounting purposes, we maintain a receivable account for the current tax year and five (5) prior years. The 95% collection rate applies to the fifth and final year.

Collection enforcement actions of the past have included mass litigation, targeted civil actions, mailing and phone solicitations, third party debt collection services, and in one case distraint. All methods of collection enforcement have had varying degrees of success. The most difficult issue is how one defines success, and whether or not the collection enforcement action actually solicited funds that we would otherwise never have received in the normal course of business.

Ad valorem taxes are based upon the application of a tax rate to an assessed value. The tax rate is comprised of various levies imposed by the state of West Virginia, Kanawha County, and its municipalities. These "levying bodies" receive their proportionate share of taxes collected by the Sheriff. The County receives on average \$0.18 of every dollar collected. In many cases the cost to the County for an enforcement action exceeds this revenue. As such, the County subsidizes the other levying bodies by virtue of the fact that it must absorb the entire cost of collection actions. Legislative changes have been proposed to allow for cost sharing, but none have been approved to date. Therefore, the Sheriff is adverse to collection enforcement actions which exceed its share of the tax revenue.

4.01

RESTRICTION FOR COMMISSION BASED PAYMENTS

The incumbent Sheriff is the only individual entitled to receive a commission for the collection of taxes (49 Op. Att'y Gen. 236 (1961)). Under W. Va. Code §11A-1-17, and related Attorney General opinions, any contract entered into by the County for the purpose of collecting taxes must not contain a commission for the collection of said taxes. In addition, the Sheriff must receive 100% of the taxes owed. The contractor shall not withhold a percentage or itemized amount due net of the tax amount received by the contractor.

SECTION 5 – SCOPE OF WORK

5.00

WRITTEN OPERATIONAL PLAN

The Offeror must provide a written operational plan that clearly indicates how the Offeror proposes to assume the duties as required under the contract. The Offeror's plan must specify how they intend to satisfy the requirements outlined in this RFP.

All facets of the Offeror's proposed operation must be detailed in the operational plan including, but not limited to, account acceptance and information return, coordination and communication, electronic filing process, compliance with federal, state, and local laws and regulations relating to debt collection methods, potential legal proceedings against a client, client payments, reporting capabilities, collection statements and reports, and the process for remitting collected funds to the Sheriff. In addition, the plan must also address how the Offeror will bill the sheriff for services rendered without violating any statutory restriction.

5.01

SCOPE

Upon execution of the contract, the Sheriff will assign a series of delinquent accounts to the contractor for collection. An electronic file containing the name, last known address, tax account, tax year, ticket number, and amount due will be provided to the contractor. If additional information is needed from the Sheriff, the Offeror must specify the additional information they need within their operational plan. The Sheriff anticipates that he will assign the oldest tax year (2005) first, and proceed in chronologic order from that point at the discretion of the Sheriff. Upon acceptance of the electronic file, the contractor shall begin performing collection services based on the terms and conditions of this RFP. The contractor shall be compensated based on the agreed upon collection fee method.

The Sheriff expects the collection accounts assigned to the contractor to be of varying amounts, and the level of service and degree of effort undertaken by the contractor to collect the amount due on each account shall be the same regardless of size.

5.02

COORDINATION AND COMMUNICATION

During the RFP process several entities including the office of the Sheriff, Prosecuting Attorney and County Commission will be involved in the development and evaluation of this RFP. However, once a contract is awarded, the contractor will be assigned a contact(s) from within the Sheriff's office, and their assignments will be given by the Sheriff's office. Communication by and between the contractor and County will be conducted through the Sheriff's office.

It is the contractor's responsibility to coordinate and communicate with the Sheriff's office to ensure the transfer of all applicable information. In addition, it is the contractor's responsibility to maintain adequate

communication that ensures the Sheriff and contractor are kept up to date with each account assigned for collection.

The contractor must endure that they have staff available during regular business hours (8:00am to 5:00pm EST, Monday-Friday, and until 7:00pm on Thursday) to answer or otherwise address any questions or issues that may arise regarding the collection enforcement actions.

5.03

ELECTRONIC FILE TRANSFERS AND DOCUMENT STORAGE

The required method of data transfer between the Sheriff and contractor is through an electronic file format. The contractor and Sheriff must agree upon a desired file format, which the Sheriff must approve prior to implementation. If necessary, the contract must provide a secure FTP site to conduct the file transfers.

In addition, the Sheriff has an electronic file storage system, which is intended to reduce the amount of paper stored or utilized for normal operations. The preferred method for document transfer and storage is in electronic format (.pdf or .tiff).

5.04

CONTRACTOR LIABILITY

The contractor shall be fully liable for violations of the contract that are related to its services of an account that has been assigned for collection. This liability remains after the termination of the contract for actions taken by the contractor while the contract was in effect.

5.05

CONTRACTOR COMPLIANCE

The contractor must maintain a written policy that ensures compliance with all applicable federal, state, and local laws and regulations. The policy must also commit the contractor to continued compliance should any new laws or regulations be implemented or changes occur to existing statutes. By signing the cover page to this RFP, the Offeror agrees to comply with federal, state and local laws and regulations including, but not limited to:

- a. Fair Debt Collection Practices Act (FDCPA)
- b. Telephone Consumer Protection Act (TCPA)
- c. Fair Credit Reporting Act (FCRA)
- d. Patriot Act (for OFAC compliance)
- e. Gramm Leach Bliley (GLB)
- f. Fair and Accurate Credit Act (FACT ACT)
- g. Truth in Lending Act

- h. All federal, state and local laws that apply to consumer information protection, identity theft, payment processing, debt collection, bankruptcy, and related financial information
- i. The West Virginia Collection Agency Act of 1973 (W.Va. Code Chapter 47, Article 16)

5.06

POPULATION SUMMARY AND STATISTICS

The table below provides a summary of the number of outstanding tickets and their related value that could be assigned to the contractor. There is no minimum or maximum number of tickets or value that may be assigned by the Sheriff to the contractor:

Population Summary and Statistics					
Tax Year	2005	2006	2007	2008	2009
Total Amount Receivable	\$1,924,353.55	\$1,696,238.43	\$2,055,664.99	\$2,492,148.21	\$5,010,349.16
No. of Delinquent Tickets	7,138	6,628	6,972	7,883	19,137
Average value	\$269.59	\$255.92	\$294.85	\$316.14	\$261.81
Maximum value	\$73,498	\$65,976	\$496,806	\$509,357	\$173,501
Minimum value	\$10	\$1	\$7	\$16	\$4
Median value	\$88	\$96	\$80	\$82	\$119

The chart above was compiled in August 2010. Interest accrues at the end of each month based upon the statutory rate of 9% per year.

5.07

RETURN TO SHERIFF DUE TO UNCOLLECTIBLE OR ERRONEOUSLY ASSESSED TICKETS/ACCOUNTS

If during the course of collection actions, the contractor determines that a ticket/account is uncollectible or erroneously assessed for any reason, the contractor must specify the ticket/account in question, the reason for return (i.e. bankruptcy, non-existent property, etc.), and the taxpayer name. If the taxpayer is bankrupt, the contract must provide a copy of the bankruptcy documentation to the Sheriff. The information required by this section may be provided as part of the monthly invoice/statement as required under Section 3.06 of this RFP.

5.08

CREDIT REPORTING

The contractor must develop a procedure for reporting the status of each ticket/account on a monthly basis to the credit bureaus, and remain in compliance with all applicable laws and regulations pertaining thereto.

5.09

PAYMENT FOR COLLECTION ENFORCEMENT ACTIVITIES

The contractor shall provide notice to the taxpayer for accounts assigned to them under this contract that all payments, regardless of the method of payment, must be made directly to the contractor. In some

cases the taxpayer may disregard the notice, and mail a payment to the Sheriff. In these cases the remittance will be given to the contractor for inclusion in their collection activity.

However, if a taxpayer makes a payment to the Sheriff on a ticket/account that is assigned to the contractor, and said payment is not identified as being part of the contractor's collection enforcement activity, and/or is included with a payment for other taxes owed to the Sheriff which have not been assigned to the contractor, the Sheriff may accept payment and this ticket/account will not be included in the contractor's collection activity.

5.10

APPOINTMENT OF COLLECTOR AND BOND

West Virginia Code §11A-1-5 states that . . .

"The county court may appoint a collector in any county when necessary to collect such taxes. The collector shall have a reasonable time for making collections and accounting therefore. Before acting, he shall execute an official bond, in the penalty of not less than five thousand dollars, to be approved by the county court, and filed with the clerk thereof. All provisions of this chapter in respect to the rights, duties and liabilities of the sheriff shall be applicable to the collector, should one be appointed."

As such, the Offeror who is awarded the contract must comply with this statute.

SECTION 6 – PROPOSAL FORMAT AND CONTENT

6.00

OVERVIEW

Proposals must include the complete name and address of the Offeror's firm, and the name, title, telephone number, fax number, and E-mail address of persons that may be contacted regarding the proposal. The Proposal must also confirm that the Offeror will comply with all provisions of the RFP. Proposals must be signed by a company officer empowered to bind the company. Failure to include these items in the proposal may cause the proposal to be rejected.

6.01

CONFIRMATION OF PROJECT GOALS AND OBJECTIVES

Offerors must provide a narrative statement that illustrates their understanding of the project goals and objectives. The narrative must clearly demonstrate that the Offeror has a thorough understanding of the project, debt collection practices, the Fair Credit Act, the West Virginia Collection Agency Act of 1973, and all other items related to the collection of past due debt. The narratives must also demonstrate an operational plan that will ensure the required services are delivered in an efficient and effective manner, with equal effort being given to each account regardless of size.

6.02

PROPOSAL FORMAT AND CONTENT

The Sheriff and Commission discourage overly lengthy and costly proposals. However, in order for the Sheriff and Commission to evaluate proposals fairly and completely, Offerors must address the required items set forth in this RFP. There is no intent to limit the contents of a proposal; however, proposals that merely state that they "will meet the general or specific requirements of the RFP" will not be considered responsive and will not be given further consideration.

The following summary is provided to demonstrate the required items for each proposal. An Offeror's failure to include these items at a minimum may cause their proposal to be determined non-responsive and the proposal may be rejected:

1. Cover Page with authorized signature;
2. Separate cost quotation in a sealed envelope labeled, "Debt Collection Services RFP for Sheriff-Cost Quotation;"
3. Contact information required under Section 6.00;
4. The written proposal which specifies the Offeror's understanding of the project goals and objectives
5. Appendix I—signed
6. Appendix II—signed
7. List of references as required under Section 2.06

APPENDIX I – Conflict of Interest Statement

1	Name of person/entity doing business with Kanawha County, WV
2	Describe each affiliation or business relationship with an employee of the Sheriff of Kanawha County or Kanawha County Commission who makes recommendations or decisions regarding the expenditure of money. If none exist simply write "N/A."
3	Describe each affiliation or business relationship with a person who is a local government officer and who appoints or employs a local government officer of Kanawha County, WV that is the subject of this RFP. If none exist simply write "N/A."
4	If an affiliation or business relationship does exist as specified in section 2 or 3 of this Conflict of Interest Statement, you must name the employee or local government officer with whom a relationship exists. For each instance that a relationship exists, please describe the nature of the relationship and whether or not the employee or local government officer receives taxable income from the person/entity listed in section 1 of this form.
5	Describe any other affiliation or business relationship that might cause a potential conflict of interest.
6	By signature below you attest that the information provided above is complete and truthful to the best of your knowledge.
<div>Signature of person or authorized individual doing business with Kanawha Co., WV</div> <div>Date</div>	

APPENDIX II – Competitive Bidding Statement

1	By signing below, the Offeror certifies that:
A	The submission of their proposal/offer did not involve collusion or anti-competitive practices;
B	The Offeror has not given, offered to give, nor intends to give any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer/proposal;
C	The Offeror acknowledges that failure to sign this document, or signing it with a false pretense shall void the submitted offer or any resulting contracts, and the Offeror may be barred from future competitive bidding with Kanawha County, WV.
2	By signature below you attest that the information provided above is complete and truthful to the best of your knowledge.
<div style="display: flex; justify-content: space-between;"><div>_____ Signature of person or authorized individual doing business with Kanawha Co., WV</div><div>_____ Date</div></div>	

**Appendix III-
STATEMENT OF CHANGES IN TAXES RECEIVABLE AND REPORT OF COLLECTIONS
MIKE RUTHERFORD, SHERIFF/TREASURER OF KANAWHA COUNTY**

For the Month Ending 6/30/10													
Tax Entity: Total All Funds													
DESCRIPTION	TOTALS	CURRENT 2009		CURRENT 2009		1ST PRIOR 2008		1ST PRIOR 2008		2nd PRIOR 2007		2nd PRIOR 2007	
		REAL	PERS	REAL	PERS	REAL	PERS	REAL	PERS	REAL	PERS	REAL	PERS
Taxes Receivable, Beg. Bal 6/01/10	21,715,428.62	8,371,634.51	5,839,690.19	13,403.73	2,150,974.53	-13,687.00	1,595,280.61	-29,705.78	1,199,977.15	-1,418.82	1,304,384.40	-12,466.55	1,297,359.65
CHANGES:													
Sheriff's Tax Collections	1,843,572.00	831,326.16	858,064.99	2,505.12	88,687.89	-2.82	59,080.85	19.44	2,049.75	22.41	1,461.06	0.00	347.35
Exonerations	-400,978.71	834.86	50,450.01	-131,113.82	12,071.15	-122,601.96	8,959.38	-116,527.09	4,086.33	-108,631.72	2,884.87	0.00	209.28
Back Tax	2,862.25	0.00	1,227.11	0.00	131.03	0.00	1,134.44	0.00	170.07	0.00	199.60	0.00	0.00
Sold To State	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Suspended From Sheriff's Sale	-536.74	-538.83	0.00	0.00	0.00	2.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Write-off Due to Bankruptcy	-786.34	0.00	-41.19	-56.41	-11.35	0.00	-875.74	-19.44	240.20	-22.41	0.00	0.00	0.00
Other adjustments	-118,629.53	0.00	-121,339.06	0.00	2,128.41	0.00	581.12	0.00	0.00	0.00	0.00	0.00	0.00
Undistributed Change in AIR	9.95	1.01	2.40	0.07	2.31	0.02	1.85	0.02	1.14	0.00	0.84	0.00	0.29
NET CHANGE	1,326,112.88	831,623.20	788,364.26	-128,665.04	103,009.44	-122,602.67	69,891.70	-116,527.07	6,547.49	-109,631.72	4,546.37	0.00	556.92
Taxes Receivable, End Bal 6/30/10	20,389,315.74	7,540,011.31	5,051,325.83	142,098.77	2,047,985.09	108,915.67	1,526,388.91	88,821.29	1,193,429.66	108,214.90	1,299,838.03	-12,466.55	1,296,802.73
Supplemental Taxes Collected	199,426.61	32,000.94	196,716.07	0.00	2,127.42	0.00	581.12	0.00	0.00	0.00	0.00	0.00	0.00
Interest & Penalties Collected	110,434.61	4,522.71	51,216.10	360.58	12,341.07	-0.20	13,221.94	0.00	529.48	0.00	592.88	0.00	171.81
Exonerations Refunded	22,856.13	5.58	16,107.54	1,232.18	385.26	63.58	311.42	65.89	167.55	0.00	0.00	0.00	0.00
Discounts	15.74	5.58	10.18	-0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fees	6,475.00			-15.00	5,020.00	-160.00	990.00	0.00	420.00	0.00	160.00	0.00	60.00

SUMMARY OF CASH PAYMENT

Tax Collections	1,843,572.00
Sheriff's Commission	0.00
Exonerations Refunded	-22,856.13
Supplementals	199,426.61
Discounts	-15.74
Interest/Penalties	110,434.61
Fees	92,945.00
Cash distribution adjustment	0.00
Computer Difference	20.41
Assessor's Valuation Fund	0.00
BANKRUPTCY	0.00
Collections Prior to last 6 years	1,440.75
Advanced Distribution -Gen Fund	
TOTAL TAX DISTRIBUTION	2,224,967.51

ASSESSOR'S VALUATION FUND

Interest Earned On Investments	0.00
Advanced Tax Distribution to General Fund	162.67

TOTAL PAYMENTS	2,225,130.18
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SCHEDULE OF BALANCES DUE TO ASSESSOR'S VALUATION (AVF) FUND

Balance Due To AVF at Beginning of Month	196.79
Current Month Payment	0.00
Balance Due To AVF at End of Month	196.79

Signature _____