

**TOWNSHIP OF DERRY  
DAUPHIN COUNTY, PA**

**REQUEST FOR**

**PROPOSALS:**

**To Provide  
Local Service Tax and  
Occupation Tax Collection  
Services for the  
Township of Derry**

**PROPOSAL INFORMATION**

**Submittal Deadline:**

**Friday, October 14, 2022 at 4PM EST**

**Address Proposals to:**

Mr. Christopher S. Christman  
Township Manager

Township of Derry  
600 Clearwater Road  
Hershey, PA 17033

## **REQUEST FOR PROPOSALS:**

### **Local Service Tax and Occupation Tax Collection Services for the Township of Derry**

The Township of Derry will accept proposals for Local Service Tax and Occupation Tax Collection Services until **4:00 p.m. on Friday, October 14, 2022.**

All proposals shall be prepared in accordance with the Request for Proposal (“RFP”) specifications and required information herein defined and described. Proposals shall contain all required information, documentation, attachments, and supplementary details. Failure to submit any or all materials may result in a disqualification of the proposal.

The Township of Derry Board of Supervisors is expected to consider the proposals and possibly take action and award the contract at its regular scheduled meeting on Tuesday, October 25, 2022.

This RFP does not commit Derry Township to award a contract. Any response by any respondent to the RFP shall become property of Derry Township and may be subject to public disclosure.

This is a request for proposals for a professional service and therefore is not being bid out under the competitive bidding process and shall not be required to comply with such competitive bidding process. The Township is not proceeding with competitive bidding for the anticipated professional services described herein and specifically reserves the right not to proceed with the competitive bidding process. The Township may award the contract for such professional services to the Contractor determined to be in the best interest of the Township.

**TOWNSHIP OF DERRY**  
**REQUEST FOR PROPOSALS:**  
**To Provide Local Service Tax**  
**and Occupation Tax Collection**  
**Services for the Township of**  
**Derry**

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## **I. GENERAL INFORMATION**

### **A. PURPOSE**

The Township of Derry (hereinafter referred to as the “Township”) is requesting proposals from qualified companies to provide collection and administration services of the Township’s Local Service Tax and Occupation Tax. For purposes of this RFP, the term “Contractor” shall mean the qualified company proposing tax collection services in response to this RFP.

- The Contractor shall collect, administer, receive and enforce the aforementioned Taxes and enforce the provisions of the Ordinances, the Local Tax Enabling Act (Act 511) and any successor laws;
- The Contractor shall be granted all of the powers of the Township Tax Officer for the purposes of the collection of Local Service Tax and Occupation Tax.

The Contractor will be required to enter into an agreement with the Township for services further described below in Section C (Scope of Services). This RFP will be awarded to one successful Contractor. Services shall be rendered for the 2023, 2024 and 2025 tax years, with an option to extend the services for two (2) additional one (1) year terms.

### **B. BACKGROUND**

The Township of Derry is a political subdivision of the Commonwealth of Pennsylvania. It is a second-class township governed by a five-member board of elected supervisors. The Township of Derry provides many services including police protection, park and roadway maintenance, and library and recreation services to approximately 28,000 residents. The Township’s 2022 anticipated operating revenue is approximately \$23,825,659. Act 511 taxes provide 50% of the 2022 anticipated revenues, while real estate taxes provide 27% of the 2022 anticipated revenues.

The Township and the Derry Township School District jointly formed the Derry Township Tax Association in 1993 to collect all taxes levied by each entity (note in 2008 all Earned Income Taxes were mandated to be collected on a County wide basis). The Derry Township Tax Association is currently located in a portion of the Township of Derry property located at 600 Clearwater Road Hershey, PA 17033. The Derry Township Tax Association provides full service collection, with regular office and collection hours.

Derry Township does have an elected tax collector and the tax collector has been an integral part of the Derry Township Tax Association since its inception. The School District and Township have an agreement with the Derry Township Tax Collector for the operation of the Derry Township Tax Association.

#### **Taxes Imposed – Township of Derry**

The Township of Derry imposes the following taxes that would be collected by the selected Contractor:

Occupation Tax – Flat \$250 tax levied on each person with an occupation living in Township of Derry. Assessed to any resident age 19-65 making more than \$12,000/year. Estimated revenue for 2022 is \$2,110,000.

Local Services Tax - \$52/year tax levied on anyone working in Derry Township making more than \$12,000 per year. Amount is withheld and remitted by employers. The Township of Derry receives \$47 of the tax and the Derry Township School District receives \$5.00 of the tax. Estimated revenue for 2022 is \$1,290,000.

### **C. SCOPE OF SERVICES**

#### **I. Tax Collection - Required Services**

- Provide, at Contractor's expense, do and perform all of the work/labor and furnish all of the necessary supervision, equipment, facilities, supplies, forms, notices, postage (at the current rate), and records necessary to assess, collect, administer, receive and enforce the provisions of the Ordinances and/or Resolutions with respect to the collection of the Local Service and Occupation Taxes;
- Collect and receive taxes, fines, interest and penalties levied and imposed thereon by the Ordinances and/or Resolutions of the Township in relation to the above-referenced taxes, and maintain a record showing the amount received by it from each person, business, taxpayer or employer paying the same and the date of such collection and receipt
- Indicate the turnaround time (minimum and maximum) between the Contractor receiving tax revenue and the deposit of tax revenue into the designated Township bank account.

#### **II. Tax Collection - Required Services**

- Provide the Township with monthly reports by the 10<sup>th</sup> day of each calendar month separately identifying the following for prior month collection activity:
  - Tax Monies (including delinquents)
  - Interest
  - Penalties
  - Fines
  - Commission Charged
  - Prior Year Collections

#### **III. Contractual Prerequisites**

- Provide the Township with a Tax Collector Surety Bond and/or other bond of a type and form acceptable to the Township, equal to the amount expected to be collected by the Contractor in the span of a typical tax year, of such Taxes to the Township, for disbursement to the Township by the Contractor/Collector at any given time, jointly and severally with one or more corporate sureties, which shall be surety companies authorized and duly licensed by, or otherwise approved or permitted to sell insurance in Pennsylvania by the Insurance Commissioner of the Commonwealth. Said Bond shall be delivered by the Contractor to the Township Manager as the custodian of the Bond.

- Provide the Township with an annual Certified Public Accountants statement attesting to the solvency of the Contractor serving as Collector, to be delivered as soon as available, but no later than June 1<sup>st</sup>. Collector Solvency Testing must conform to Generally Accepted Accounting/Auditing Standards or other standards utilized to measure fiscal strength and ongoing viability of the Collection Agent.
- Submission of System of Organization Controls (SOC) 16 audit provided to the Township annually.
- Contract with a firm of Certified Public Accountants to have a financial audit of the tax records conducted on an annual basis. Such audit is to occur on a calendar year basis and results delivered to the Township on or before June 30<sup>th</sup> of each year for the preceding year.
- The Township may, at its own expense, undertake either the current generally accepted Standard Auditing Statement (SAS) audit or the AT-C Section 320 audit of the tax collector and/or Contractor. The Contractor, at no expense to the Township, shall make available the information and personnel needed to complete this audit.

#### **IV. Depository and Remittance Standards to Be Followed**

- All Tax, Fines, Interest and Penalties collected are to be treated as public funds and shall be deposited into a federally insured national depository bank trust account and secured by collateral pledged by the depository pursuant to Act 72 (1971) or other applicable state laws.
- All Tax and related amounts are to be distributed in compliance with the Pennsylvania Local Tax Enabling Act, 53 P.S. § 6924.513, provided, however, distributions shall be disbursed to the Township on a weekly basis. The Contractor shall provide electronic notification (e-mail) when funds are disbursed to the Township's Bank Account.

#### **D. CONTRACT TERM**

The contract shall be effective for three (3) years from the date of execution of the agreement, and shall include the collection of tax for tax years 2023, 2024, and 2025, with the option of two (2) one (1) year extensions to collect taxes for tax years 2026 and 2027, if mutually agreeable. The anticipated agreement will provide for early termination if deemed necessary by the Township.

#### **E. PROPOSAL ELEMENTS**

##### **General Requirements**

- Final proposals must be submitted no later than **4:00 p.m. EST on Friday, October 14, 2022** to:

Mr. Christopher S. Christman  
Township Manager  
Township of Derry

**Minority Proposer** – The Township of Derry encourages all qualified businesses, including minority owned and women-owned businesses to respond to all Invitations for Requests for Proposals.

**Preparation Costs** – The Township of Derry will not be responsible for any costs associated with the preparation, submittal or presentation of any proposal.

**Open Records Law/Public Information** – Under the Pennsylvania Right-to-Know (the “Law”), 65 P.S., Section 67.101, ET seq., a record in the possession of the Township is presumed to be a public record subject to disclosure to any legal resident of the United States, upon request, unless protected by a statutory exception. Any contract dealing with receipt of or disbursement of funds by the Township or the Township’s acquisition, use or disposal of services, supplies, materials, equipment or property is subject to disclosure under the Law.

**Format of Technical Proposal**

- A Title Page showing the RFP subject; the Contractor’s name, the name, address, telephone number and email address of the contact person; and the date of the proposal.
- Table of Contents identifying matters submitted by section and page number.
- Signed Transmittal Letter briefly stating the Contractor’s understanding of the services to be performed; the commitment to perform the services within the specified time period; and the person authorized to represent the proposal.
- A statement that the Contractor has no relationship with any elected official of the Township, appointed official or any member of Township staff that would create a conflict of interest.
- Detailed proposal organized in the order set forth below.
- All signed and certified documents supplied in the Appendix section of this RFP.

**Contents of Technical Proposal**

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the Contractor seeking to provide assistance to the Township of Derry regarding the collection of Local Service and Occupation Taxes in conformity with the requirements of this RFP. As such, the substance of the proposals should demonstrate the qualifications of the Contractor and of the particular staff to be assigned to the engagement.

The Technical Proposal should address all points outlined in the RFP, excluding any cost information, which should be included in the submittal. The Technical Proposal should be prepared in a straightforward and economical manner, providing a concise description of the Contractor’s capabilities to satisfy the requirement of this RFP. While additional information may be presented, the following items must be included. They represent some of the criteria against which the proposal will be evaluated.

- Company Qualifications and Experience
  1. To qualify, the Contractor must have comprehensive experience in Local Service and Occupation Tax collection for local governments in general and Pennsylvania local governments in particular. Additional consideration will be given to the Contractor’s qualifications and experience with tax collection administration. The proposal should state the Contractor’s size, the office location from which the work will be conducted, and the number and nature of

the professional staff to be employed in this engagement.

2. The Contractor must identify the principal management, supervisory and professional staff that will be assigned to the engagement; including resumes, as well as the number, qualifications, experience, training and hourly rate of the specific staff to be assigned.
  3. The Contractor must provide a list of all current local government clients for its Local Service and Occupation Tax collection services in the Commonwealth of Pennsylvania.
- Similar Engagements with Other Government Entities
    1. For the Contractor's office that will be assigned responsibility for the collection(s), the list of the most significant engagements (maximum of five) performed in the last three (3) years that are similar to the engagement described in the RFP.
    2. Provide a list of not less than five (5) client references for which services similar to those outlined in this RFP are currently being provided. For each reference listed, provide the name of the organization, dates for which the service(s) are being provided, the name, address and telephone number of the responsible person within the reference client's organization. The Township reserves the right to contact any or all of the listed references regarding the collection services performed by the proposer.
  - Specific Approach to Collection and Administration
    1. The Contractor should set forth a work plan, including an explanation of the methodology to be followed, for the Services as described in this RFP.
    2. Contractors must provide information regarding their approach to be taken to gain and document an understanding of the Township's administrative processes and procedures related to local service and occupation tax collection.

**Format and Contents of Cost Proposal** – The cost proposal should identify the detailed pricing information relative to the Services the Contractor will provide. If a contingency fee structure is proposed, the specific contingency percentage and methodology must be described.

**F. RFP SCHEDULE** (subject to change without notice)

This Request for Proposal will accommodate the following tentative schedule:

| <u>DATE</u>        | <u>EVENT</u>                                                 |
|--------------------|--------------------------------------------------------------|
| September 13, 2022 | RFP Issued and Advertised                                    |
| October 14, 2022   | Submission Deadline (4:00 p.m.)                              |
|                    | Review and Evaluation                                        |
| October 25, 2022   | Anticipated Consideration and Action by Board of Supervisors |



All questions should be submitted via email at: [cchristman@derrytownship.org](mailto:cchristman@derrytownship.org).

## **G. PROPOSAL EVALUATION PROCESS**

**Review of Proposal** - A Township evaluation team consisting of various members of the Township will evaluate all proposals. The Township's evaluation team will make a recommendation to the Board of Supervisors, which will have the ultimate authority to decide which Contractor will be selected. This is considered a professional service RFP and therefore this is not intended to be nor should it be considered a competitive bid.

**Evaluation Criteria** – The Township will consider the following criteria, among other things, when selecting the successful proposal:

- The Contractor's professional qualifications for performing the work described in this RFP.
- The Contractor's past experience and performance with comparable engagements.
- The Contractor's success in enabling other clients to improve their Local Service and Occupation Tax collection processes and achieve enhanced efficiency.
- The quality of the Contractor's professional personnel to be assigned to the engagement and the quality of the Contractor's management support personnel to be available for technical consultation.
- Thoroughness of approach to conducting the Local Service and Occupation Tax collection and demonstration of understanding best practices.
- Fees to be charged for conducting the collections and producing the required reports, specified for each of the taxes to be collected.

***Complete Appendix F: Fee Table***

**Oral Presentations** - During the evaluation process, the Township's evaluation team may, at its discretion, request any or all Contractor's to make oral presentations. Such presentations will provide Contractors with an opportunity to answer any questions on the Contractor's proposals. All Contractor's may not be asked to make such oral presentations. Key personnel from the Contractor, who will be assigned to the work, must be present for the oral presentation.

**H. RESERVATION OF RIGHTS** - The Township reserves and may at its sole discretion, exercise the following rights with respect to this RFP and all proposals submitted pursuant to this RFP:

- To reject all proposals and reissue the RFP at any time; to require, in any RFP for similar products and/or services that may be issued subsequent to this RFP, terms and conditions that are substantially different from the terms and conditions set forth in this RFP; or to cancel this RFP with or without issuing another RFP.
- To reject any proposal if, in the Township's sole discretion, the proposal is incomplete, the proposal is not responsive to the requirements of this RFP, the proposer does not meet the qualification requirements set for in this RFP or the Township otherwise determines that rejection of any proposal is in the best interests of the Township

- Accept or reject any or all items in any proposal and award a contract for the whole or any part of any proposal if the Township determines, in its sole discretion, it is in the Township's best interest to do so.
- To reject the RFP of any Contractor that, in the Township's sole judgment, has been delinquent or unfaithful in the performance of any contract with the Township, is financially or technically incapable or is otherwise deemed to be not a responsive proposer.
- To waive any informality, defect, non-responsiveness and/or deviation from this RFP that is not, in the Township's sole judgment, material to the proposal.

This is a professional service RFP and is not intended to be nor should it be considered a competitive bid.

## **I. MISCELLANEOUS**

1. This RFP does not, under any circumstances, commit and/or bind the Township to any cost incurred by any Contractor prior to the execution of a final agreement with the Township.
2. The Township reserves the right to reject any and all proposals received as a result of this request and to negotiate separately with competing Contractors.
3. Contractor may submit questions prior to submitting a proposal. Questions must be submitted by email to the email provided herein at least five (5) business days prior to the day and time specified for the receipt of proposals.
4. Proposals should be prepared simply and economically, providing a straightforward, concise description of the Contractor's ability to meet the requirements of this RFP.
5. Contractor may be asked to make an oral presentation to the Derry Township Board of Supervisors.
6. Please be advised that all responses to this request are subject to the Pennsylvania Right-to-Know Law through the Township's Open Records Officer.
7. Contractor shall identify the point person for the Township to contact in relation to this request.
8. This is neither a contract nor a promise of the Township to enter into a contract. This is a request for proposals from Contractors to provide tax collection services to the Township of Derry as set forth herein. No decision has been made regarding the Township withdrawing from its current agreement for the collection of taxes. Nothing contained herein is to be considered a commitment on the part of the Township to award any contract to any Contractor responding hereto.

## II. GENERAL CONDITIONS

### Definitions and Headings

- The Request for Proposal, the proposal, the notification of award and the purchase order (if any) or contract constitutes the complete agreement between the parties (hereinafter the “Agreement”). References to the Agreement include these General Conditions. “Township” or “Township of Derry” and “Contractor” are the parties identified as such in this Agreement. “Contractor” means the selected respondent to the RFP. “Services” means the services identified in this Agreement as being the services to be performed by Consultant under the Agreement. The “Goods” means the equipment or items to be supplied by Consultant under this Agreement.
- All headings of the Articles of these General Conditions are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

**Precedence** – Where conflict exists between the Request for Proposal, the Contractor’s Proposal and any other signed document, the terms of this request for Proposal shall prevail unless specifically stated to the contrary in the subsequently signed contractual document.

**Availability of appropriated fund** – The parties agree that any and all payment due from the Township that may be required under the terms of the Agreement are contingent upon the availability of appropriated funds.

**Taxes** – The Township is exempt from all Federal excise and transportation taxes and Pennsylvania sales and use tax. The Township’s IRS Employer Identification Number is 23- 6000290. No exemption certificates are required and none will be issued. Nothing in this paragraph is meant to exempt a Contractor from the payment of all applicable Federal, State and Local taxes.

**Warranty** – Contractor warrants to the Township that work performed under this Agreement shall be done in a skilled manner and shall comply with industry standards. Contractor shall promptly re-perform Services after receiving notice from the Township of defects or nonconformance with such standards.

**Indemnity** – Contractor agrees to indemnify and hold harmless the Township, its elected officials, employees and agents from and against any and all liability, damages, claims, suits, liens and judgments (including reasonable attorney’s fees) of whatever nature, including but not limited to injuries to or death of any person or persons, or loss or damage of property, to the extent attributable to the negligent acts of Contractor, its subcontractors or respective agents, servants, or employees of such parties’ failure to perform in accordance with the provisions of this Agreement. Contractor shall indemnify and hold the Township harmless from any and all claims relating to the Contractor’s services and/or lack of services provided for the collection of the above-referenced taxes under this RFP and the anticipated agreement.

**Force Majeure** –Neither party shall be liable for any failure or delay in performance resulting from any cause beyond its reasonable control including, but not limited to acts of God, acts or omissions of civil or military authority; fires; floods; unusually severe weather; strikes or other labor disputes; embargos; wars; political strife; riots; delays in transportation; sabotage; or fuel, power, material or labor shortages; provided that the affected party notifies the other party, in writing within forty-eight (48) hours subsequent to the commencement of the occurrence of Force Majeure.

## II. **GENERAL CONDITIONS** (continued)

**Termination for convenience** – The Township reserves the right, at any time for its convenience to terminate the Agreement in whole or in separable part by written notice to Contractor. Such notice shall be provided, in writing, at least thirty (30) days prior to the intended termination date. Contractor shall be compensated for Goods accepted or Services performed in accordance with the provisions of this Agreement up to the effective date of the termination, less any payments previously made by the Township for such Goods or Services, but in no event shall Contractor be entitled to recover loss of profits.

**Termination for Cause** - In the event that either the Contractor or the Township defaults in the performance of any obligations specified herein, the non-defaulting party shall notify the other party in writing and may suspend the Agreement, in whole or in part, pending the remedy of the default. If such default is not remedied within fifteen (15) days from the receipt of such notice, or if the other party is diligently attempting to cure such default but is unable to cure such default within thirty (30) days from the date of receipt of such notice, then the non-defaulting party shall have the right to terminate the Agreement immediately by providing written notice of termination to the other party.

If during the term of this Agreement, Contractor shall be adjudged bankrupt, make a general assignment for the benefit of its creditors, or become insolvent, Contractor shall give the Township written notice of such occurrence as soon as is legally permissible. If such occurrence or proposed occurrence is unacceptable to the Township, the Township may terminate this Agreement immediately upon written notice thereof to Contractor.

**Notices** - All notices required under the Agreement resulting from the award of this RFP shall be in writing. Written notices shall be effective if delivered by hand, or if sent by registered or certified mail, by verified facsimile, or by confirmed courier to the address specified for each party in the Agreement.

**Time is of the essence** - Time is of the essence in the performance of this Agreement. In the event delivery of Goods or completion of Services is delayed, the Township reserves the right, without liability, and in addition to its other rights and remedies, to terminate the Agreement by written notice to the Contractor, and to purchase substitute Goods or Services elsewhere and charge Contractor with any loss of additional cost incurred.

**Ownership of Work Product** - The Township, its departments, employees, agents or assigns shall have the unrestricted right and authority to reproduce, distribute and use in whole or in part any submitted report or written materials generated by the Contractor in the performance of this Agreement.

**Records, Audit and Inspection** - Contractor shall maintain such records as may be necessary to adequately reflect the accuracy of Contractor's charges and invoices for reimbursement under this Agreement and such other additional records as the Township may reasonably require in connection with this Agreement. Contractor shall preserve such records in accordance with statutory requirements, but in no case for less than three (3) years after the date of final payment. The Township and its duly authorized representatives shall have the right, from time to time, and upon reasonable notice, to audit, inspect and verify the records kept by Contractor in connection with the Agreement. The Township and its duly authorized representatives shall have the right to visit, observe, audit, and inspect, during the Contractor's normal business hours, Contractor's production and related facilities utilized to perform its obligations under this Agreement.

## II. **GENERAL CONDITIONS** (continued)

**Assignment** - Contractor shall not assign the Agreement in whole or in part nor delegate any duties, without the prior written consent of the Township. Any assignment consented to by the Township shall be evidenced by a written assignment agreement executed by the Contractor and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of the original Agreement and to assume the duties, obligations, and responsibilities being assigned. In the event of an assignment, the Contractor shall remain responsible for the performance of the services under the Agreement.

**Publicity** - Neither Contractor nor any assignee shall use the name of the Township of Derry or quote the opinion of any Township employee in any advertising, publicity, endorsement or testimonial, without the prior written approval of the Township.

**Compliance with laws** - In the performance of this Agreement, Contractor shall comply with all applicable laws, ordinances, rules and regulations of governmental authorities and shall further specifically comply with those sections related to Equal Employment Opportunity.

**Independent Consultant** -The employees, methods, facilities, and equipment used by Contractor shall be at all times under Contractor's direction and control. Contractor's relationship to the Township under this Agreement shall be that of an independent contractor, and nothing in this Agreement shall be construed to constitute Contractor, its assignees or any of their employees as an employee, agent, associate, joint venture, or partner of the Township.

**Substance Abuse** - Contractor shall advise its employees and the employees of its assignees and agents that:

- It is the policy of the Township of Derry to provide a drug-free work environment. To that end the Township prohibits the illegal use, possession, sale, manufacture, dispensing, and distribution of drugs or other controlled substances on the work site, and prohibits in the workplace the presence of an individual with such substances in the body for non-medical reasons.
- Any employee of Contractor who is found in violation of the policy may be removed or barred from the work site at the discretion of the Township.

**Governing Law** - This Agreement shall be interpreted under the substantive law of the Commonwealth of Pennsylvania, without giving effect to any choice of law provision.

**Contractor Certification** - Contractor certifies that it is not currently under suspension or debarment by the Commonwealth of Pennsylvania or federal government, and if the Contractor cannot so certify, then it agrees to submit along with the proposal a written explanation of why such certification cannot be made.

If the Contractor assigns this Agreement to any assignee who is currently suspended or debarred by the Commonwealth of Pennsylvania or federal government during the term of this Agreement or any extensions or renewals thereof, the Township shall have the right to require the Contractor to terminate such assignment or employment, at no cost to the Township. The Contractor agrees to reimburse the Township for costs and expenses incurred due to the Contractor's noncompliance with the terms of this certification requirement.

II. **GENERAL CONDITIONS** (continued)

**Severability** - The provisions of this Agreement shall be deemed to be severable. Consequently, in the event that any provision of this Agreement is found to be void or unenforceable, such findings shall not be construed to render any other provision of this Agreement either void or unenforceable, and all other provisions shall remain in full force and effect unless the provisions which are void or unenforceable shall substantially affect the rights or obligations granted to or undertaken by either party.

**Entire Agreement** - This Agreement contains the complete and entire Agreement between the parties and may not be altered or amended except in a writing executed by a duly authorized official of the Township and by a duly authorized individual of the Contractor.

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### **III. LEGAL ADVERTISEMENT**

#### **REQUEST FOR PROPOSALS**

Notice is hereby given that the Township of Derry, Dauphin County, PA will receive proposals from qualified tax collection entities and/or companies interested in collecting two (2) Act 511 taxes for Derry Township – Local Services Tax and Occupation Tax - for tax years 2023, 2024, and 2025, with the option for two (2) one-year extensions. The anticipated start date of the contract is January 1, 2023. This is a professional service RFP and is not intended to be nor should it be considered a competitive bid.

Proposals are due Friday, October 14, 2022 at 4:00 p.m. EST. Proposals may be submitted via email to [cchristman@derrytownship.org](mailto:cchristman@derrytownship.org) or hard copy to:

Mr. Christopher S. Christman  
Township Manager

Township of Derry  
600 Clearwater Road  
Hershey, PA 17033

Christopher S. Christman, Township Manager  
Ad Date: 09-13-22

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## **IV. APPENDIX**

### **A. BONDING AND INSURANCE**

#### **1. Tax Collector Surety Bond (and/or other bond of a type and form acceptable to the Township)**

- A. Contractor shall provide Derry Township with a Tax Collector Surety Bond and/or other bond of a type and form acceptable to the Township, equal to the amount expected to be collected by the Contractor in the span of a typical tax year for disbursement to the Township by the Contractor at any given time, jointly and severally with one or more corporate sureties, which shall be surety companies authorized and duly licensed by, or otherwise approved or permitted to sell insurance in Pennsylvania by the Insurance Commissioner of the Commonwealth. Said Bond shall be delivered by the Contractor to the Township Manager as the custodian of the Bond. The form and type of bond to be provided shall be subject to the review and approval of the Township and intended to provide acceptable coverage for the tax collection services proposed to be provided to the Township, including but not limited to a Tax Collector Surety Bond.

#### **2. Insurance**

- A. The Contractor is required to maintain Workmen's Compensation Insurance in the amounts required by law, for all employees employed at any site under this Contract. In no event will the amount of the policy be less than \$100,000; Bodily Injury by Accident: \$100,000 Each Accident; Bodily Injury by Disease: \$100,000 Each Employee; Bodily Injury by Disease: \$500,000 Policy Limit.
- B. The Contractor is required to maintain General Liability, Professional Liability, and Umbrella Liability Insurance in amounts deemed acceptable to the Township, and shall have the Township named as an additional insured under such policies.
- C. Within seven (7) calendar days from the mailing of the Notice of Acceptance, the Contractor will submit copies of all policies and Certificates of Insurance for all coverages detailed above. The Certification of Insurance must clearly stipulate that the insurer will notify the Township, in writing, ten (10) days prior to the cancellation of the policy.
- D. The Contractor will indemnify and hold harmless the Township of all claims made by employees of the Contractor arising from the execution of work required under the Agreement.



**B. NONCOLLUSION AFFIDAVIT**

NONCOLLUSION AFFIDAVIT

I state that I am \_\_\_\_\_ of \_\_\_\_\_  
Title Name of Firm

and that I am authorized to make this affidavit on behalf of my firm and its owners, directors and officers. I am the person responsible in my firm for the price(s) and the amount of the bid.

I state that:

- (1) The price(s) and amount of this proposal have been arrived at independently and without consultation, communication or agreement with any other firm or person who is a respondent or potential respondent and they will not be disclosed before proposal opening.
- (2) Neither the price(s) nor the amount of this proposal and neither the approximate price(s) nor approximate amount of this proposal have been disclosed to any other firm or person who is a respondent or potential respondent and they will not be disclosed before proposal opening.
- (3) No attempt has been made or will be made to induce any firm or person to refrain from submitting proposals on this contract or to submit a proposal higher than this proposal or to submit any intentionally high proposal of other form of complementary proposal.
- (4) The proposal of my firm is made in good faith and not pursuant to any agreement or discussion with or inducement from any firm or person to submit a complementary proposal.
- (5) \_\_\_\_\_, its affiliates, subsidiaries, officers, directors and  
Name of Firm

employees are not currently under investigation by a governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction involving conspiracy or collusion with respect to bidding or submitting proposals on any public contract, except as follows:

I state that \_\_\_\_\_ understands and acknowledges that the  
Name of Firm

above representations are material and important and will be relied on by the Township of Derry in awarding the contract(s) for which this bid is submitted. I understand and my firm understands that any misstatement in this affidavit is and will be treated as fraudulent concealment from the Township of Derry of the true facts relating to the submission of proposals for this contract.

By: \_\_\_\_\_  
Printed Name

Sworn to and subscribed before me this

Title: \_\_\_\_\_  
Signature

**C. HOLD HARMLESS CLAUSE**

**HOLD HARMLESS CLAUSE**

The contractor shall indemnify and save harmless the Township of Derry from and against all losses, claims, demands, payments, suits, actions, recoveries, and judgements of every nature and description brought against or recoverable from the Township of Derry by reason of any act or omission of the contractor, its agents, employees, assigns, and any entity acting in the contractor's behalf and on the contractor's direction in the execution of the work or in consequence of any negligence or carelessness connected with the execution of any work and any activities directly or indirectly incidental thereto.

The contractor shall assume all risk and bear any loss or injury to the property or any person which is caused by the negligence of the contractor. The contractor shall also assume all responsibility for any and all loss by reason of the contractor's negligence or violation of any local, state or federal law, regulation, practice, or order.

The contractor, in executing this Agreement, represents to the Township of Derry that the contents of this hold harmless clause has been communicated to any subcontractors or employees and that this representation is made in behalf of both him/herself and all persons or organizations acting in the contractors' behalf including any subcontractors.

ATTEST:

\_\_\_\_\_  
NAME OF FIRM

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PLEASE PRINT NAME

## D. NONDISCRIMINATION CLAUSE

### NONDISCRIMINATION CLAUSE

During the term of the contract, contractor agrees as follows:

A. Contractor shall not discriminate against any employee, applicant for employment, independent contractor or any other person because of race, color, religious creed, ancestry, national origin, age, sex, or handicap.

Contractor shall take affirmative action to ensure that applicants are employed and that employees or agents are treated during employment without regard to their race, color, religious creed, ancestry, national origin, age, sex, or handicap. Such affirmative action shall include, but is not limited to, the following: employment upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training.

Contractor shall post in conspicuous places, available to employees, agents, applicants for employment and other persons, a notice to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

B. Contractor shall, in advertisements or request for employment placed by it or on its behalf, state that all qualified applicants will receive consideration for employment without regard to race, color, religious creed, ancestry, national origin, age, sex, or handicap.

C. Contractor shall send each labor union or workers' representative with which it has a collective bargaining agreement or other contract or understanding, a notice advising such labor union or workers' representative of its commitment to this nondiscrimination clause. Similar notice shall be sent to every other source of recruitment regularly utilized by contractor.

D. It shall be no defense to a finding of noncompliance with this nondiscrimination clause that contractor had delegated some of its employment practices to any union, training program, or other source of recruitment which prevents it from meeting its obligations. However, if the evidence indicates that the contractor was not on notice of the third-party discrimination or made a good faith effort to correct it, such factor shall be considered in mitigation in determining appropriate sanctions.

E. Where the practices of a union or of any training program or other source of recruitment will result in the exclusion of minority group persons, so that contractor will be unable to meet its obligations under this nondiscrimination clause, contractor shall then employ and fill vacancies through other nondiscriminatory employment procedures.

F. Contractor shall comply with all state and federal laws prohibiting discrimination in hiring or employment opportunities. In the event of contractor's noncompliance with the nondiscrimination clause of this contract or with any such laws, this contract may be terminated or suspended, in whole or in part, and contractor may be declared temporarily ineligible for further Commonwealth contracts, and other sanctions may be imposed and remedies invoked.

G. Contractor shall furnish all necessary employment documents and records to and permit access to its books, records and accounts by the contracting agency for purpose of investigation to ascertain compliance with the provisions of this clause. If contractor does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the contracting agency.

H. Contractor shall actively recruit minority and women subcontractors or subcontractors with substantial minority representation among their employees.

I. Contractor shall include the provisions of this nondiscrimination clause in every subcontract so that such provisions will be binding upon each subcontractor.

J. Contractor obligations under this clause are limited to the contractor's facilities within Pennsylvania, or where the contract is for purchase of goods manufactured outside of Pennsylvania, the facilities at which such goods are actually produced.

**E. CURRENT RATES AND COLLECTION HISTORY**

| Act 511 Tax Revenue         | Current Rates              | Revenue History by Year |             |             |             |             |             |             |
|-----------------------------|----------------------------|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                             |                            | 2022<br>(Budgeted)      | 2021        | 2020        | 2019        | 2018        | 2017        | 2016        |
| Local Service               | \$52 per person/year       | \$1,290,000             | \$1,464,468 | \$1,340,062 | \$1,481,090 | \$1,573,650 | \$1,316,177 | \$1,376,755 |
| Occupation                  | \$250.00 per resident/year | \$2,110,000             | \$2,328,968 | \$2,163,824 | \$2,146,469 | \$2,186,182 | \$2,205,182 | \$2,191,208 |
| LST & Occupation Delinquent |                            | \$362,521               | \$437,260   | \$425,970   | \$343,884   | \$409,007   | \$403,264   | \$405,640   |

**Local Services Tax** – A total tax of \$52 per person earning \$12,000 or more per year is collected and this tax is shared with the Derry Township School District. Of the \$52 collected, the Township receives \$47 per person employed in the Township that earns more than \$12,000 annually. Similarly, the Derry Township School District receives \$5.00 per person employed in the Township that earns more than \$12,000 annually.

**Occupation Tax** – The Township levies \$250.00 from all residents who are employed and earn \$12,000 or more per year. The Township tax is mailed in January of each year. Similarly, the Derry Township School District also levies \$250.00 from all residents who are employed and earn \$12,000 or more per year. The School District tax is mailed in July each year.

**F. FEE TABLE**

| <b>Act 511 Taxes</b>        | <b>Proposed Fee (%)</b> | <b>Proposed Fee (Flat \$)</b> | <b>Other Applicable Fees (% or \$)</b> |
|-----------------------------|-------------------------|-------------------------------|----------------------------------------|
| Local Service               |                         |                               |                                        |
| Occupation                  |                         |                               |                                        |
| Local Service<br>Delinquent |                         |                               |                                        |
| Occupation<br>Delinquent    |                         |                               |                                        |

ADDITIONAL NOTES: