



CITY OF DULUTH
PURCHASING DIVISION
Room 100 City Hall
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Duluth, Minnesota 55802-1199
218/730-5340 218/730-5922 FAX

September 16, 2011

REQUEST FOR PROPOSAL
11-34DS
Special Assessments Application

Please provide the City of Duluth with a proposal for **Special Assessments Application** per the attached description, requirements and goals.

Please mark your proposal with the above number and title on the outside of the envelope and return to: City of Duluth, Purchasing, Room 100, 411 West 1st Street, Duluth, MN 55802 by **2 PM Wednesday, October 5, 2011.**

All proposals will be acknowledged aloud in room 106A of City Hall. Proposals will be reviewed by committee according to established criteria.

The City of Duluth reserves the right to reject all proposals, to select more than one to give presentations if so desired by the City of Duluth, or to select the best one and enter into further negotiations with the vendor.

The City of Duluth will entertain other viable written software initiatives not only "off the shelf" products.

Contact: Dennis Sears (218) 730-5003
Purchasing Agent
dsears@duluthmn.gov

Thank you.

Functional Specifications for Special Assessments Application System

Introduction

1. *Purpose* - To acquire a system to track all aspects of the Special Assessment Program that is managed by the City of Duluth's Finance Department.
2. *Intended Audience* - Assessor, Treasurer, Building Safety, and Public Works and Utilities Departments.
3. *Project Scope* - Implement an application to track special assessments that are assessed to City of Duluth property owners based on projects determined by the City of Duluth Engineering office along with assessments that are turned over to the City of Duluth for collection. This is to include the tracking of all necessary information, produce invoices, receipt payments, submission of delinquencies to Saint Louis County for certification of assessments to the property tax roll and report on necessary information applicable to the application.

Overall Description

1. *Product Perspective* - To replace the City's legacy application for the purpose of tracking all data related to the City's Special Assessment program.
2. *Product Features* - Track all necessary information needed for the special assessment process including but not limited to the setup of contracts/projects, assigning accounts to contracts, calculating and assigning costs and terms to contracts/projects, billing mechanism, delinquency processing and notification, as well as passing delinquent accounts annually to St. Louis County for collection and the receipt of those payments received by St. Louis County. Reporting needs are a critical component of this application as well.
3. *User Classes and Characteristics*
 - a. Ability to create a contract/project that encompasses individual accounts for specific properties within the contract area, preferably chosen via an integration with the City's GIS system
 - b. Ability to bill based on unit or front feet, depending on the type of contract/project
 - c. Ability to specify the specific fund, a time period and interest rate per contract/project that is applied to each account within that contract
 - d. Flexibility to calculate payment schedules, minimum payments, and minimum annual installments
 - e. Ability to create a special assessment account for a property owner within a contract
 - f. Ability to create new contracts in order to bill utility connection fees by identifying plat/parcel via a GIS map
 - g. Parcel number required throughout the system
 - h. Ability to use GIS map with overlay to identify parcels affected by current and prior contracts/projects.
 - i. Ability to input the frontage that each property will be assessed
 - j. Ability to input the cost per front footage
 - k. Ability for system to calculate the total cost of the assessment based on input including but not limited to such items as specified in h and i above

- l. Ability to summarize an estimated billing cost and a final billing cost for both a contract, as well as an individual parcel
- m. Ability to create and generate letters (templated) to property owners for various customer notification needs. Templated letters should include "fill in the blank" for taxpayer name and address, total cost of the contract/project, front feet, hearing dates, etc. Information needed will vary based on the communication notification needed.
- n. Ability to create special assessment invoices
- o. Ability to search by taxpayer name and address, titleholder name and address, total cost, front feet, plat/parcel, address of plat/parcel, and contract/project description.
- p. Ability to modify data within the contract/project, to include but not limited to name, address, annual payment, tax forfeit, low income deferral, suppress certification, suppress penalty and/or interest
- q. Ability to change original estimated price to final price when the assessment is levied
- r. Ability to interface with MCIS to import data including but not limited to parcel number, property address, taxpayer name, taxpayer address, title holder's name, title holder's address, property frontage or area, legal description, etc. as needed
- s. Ability to make adjustments to contract/project due to but not limited to the following conditions: Assessment board action, correction of errors, consolidation or splitting of parcels, withdrawal of certifications to county for current tax year, reinstate assessments on tax forfeited property, etc. while maintaining the history of all changes and requiring specific approvals to do so
- t. Ability to input notes regarding activities on each plat/parcel, property owner account, and contract
- u. Ability to calculate a pay-off figure with a future date including the ability to view daily interest for pay-off activity
- v. Online inquiry of entire payment history including a running balance after each payment and/or adjustments made to the balance at any point creating a full transaction history
- w. Ability to run an annual bill two months or a specified amount of time prior to its due date
- x. Ability to run a 2nd bill for short payments received during the preceding month. These bills print with the scheduled bills for the current month
- y. Ability to apply payments in a specific priority, i.e. 1st penalty, 2nd interest and 3rd principal
- z. We need system flexibility to make modifications; however billing, payment and invoice adjustments must remain historical records. Other fields may be modified, with second party approval via an electronic posting process.
- aa. Ability to enter contracts/projects as "pending" as of 1st Council hearing with an estimated total principal

- bb. Ability to allow new contracts/projects to be created and billed out when the project is 95% or greater in completion. Payment terms are set up at this time which include but are not limited to interest rates, length of term, annual payment and due date. These are typically historical and unable to be modified from this point forward. However, in rare circumstances, we would need the ability to modify the above items due to circumstances such as but not limited to the reconfiguration of parcels, the reinstatement of tax forfeited parcels, etc. This ability to modify these items would be required to have specific approvals applied in order to do so, as well as would need to be recorded as to the changes made and by whom.
- cc. Assessment Certificate Inquiry and Print capability:
 - 1. Ability for interface with the City's Home Energy application to determine any outstanding balances, as well as any outstanding balances within the Special Assessments application to provide a summary of current and pending assessments or indicate that there are none for a specified parcel number
 - 2. Online inquiry and the ability to print an Assessment Certificate showing there are no outstanding liens against the property associated with these programs is required
 - 3. The ability to charge and collect a fee for the printed certificate is required
 - 4. Ability to calculate payoffs using future dates
 - 5. Ability to order certificates online or via email along with an automated payment method
- dd. Ability to store all transaction data indefinitely and/or move transactional data to history
- ee. The annual payment is a fixed amount. The payment amount does not change due to any additional payments made. Any additional payments made to the contract will reduce the principal balance only.
- ff. Ability to export into Excel, Word, etc.
- gg. We do not agree to subordinate our assessments with any financial institutions
- hh. Customer Portal access must be limited due to sales of Assessment Certificates
- ii. Ability to allow auto pay with restrictions on the information available in order to preserve the integrity and revenue of our assessment certificates
- jj. Availability of online low income deferral forms
- kk. Payment deferral capability (interest continues to accrue)
- ll. Special Service District, ability to download and calculate levy, then create a file in a specific format for billing by Saint Louis County on property tax statement
 - 1. Ability to track and base levy calculation off of the Estimated Market Value

2. Ability to track a target assessment for the Special Services District
 3. Ability to place a cap on a single property
 4. Ability to allow the cap to be modified on an annual basis
 5. Ability to compile and send delinquent assessment billing in a specified file format to St. Louis County for assessing and printing on the property tax statement the following year.
 6. Ability to allow for manual adjustments should a property have more than one parcel
- mm. Test system area needs to exist to be able to enter data, run various calculation scenarios on the creation of special assessment projects and then seamlessly move from the Test system area into a Live Production area
- nn. Ability to transfer and track delinquent garbage assessments into the system and attach to the parcel number. Ability to issue letters to the taxpayer's name and mailing address for those assessments. If not paid by due date, need the ability to certify onto the tax rolls the following year with a fee and a percentage penalty.
- oo. Ability to transfer and track delinquent storm water assessments per parcel and issue letters to taxpayer indicating amount due, due date and location to make payment. If not paid, need the ability to certify onto the tax rolls the following year.
- pp. Ability to transfer and track delinquent street light utility assessments per parcel and issue letters to taxpayer indicating amount due, due date and location to make payment. If not paid, need the ability to certify onto the tax rolls the following year.
- qq. Ability to transfer and track delinquent administrative fine assessments into the County's assessment system by the parcel number. Ability to issue letters to the taxpayer's name and mailing address for those assessments. If not paid by due date, need the ability to certify onto the tax rolls the following year with a fee and a percentage penalty.
- rr. Ability to electronically provide Saint Louis County with assessments to be added to property tax statements in a specified format, along with the ability to create form letters. This includes special assessments due, delinquent storm water, street lighting, garbage service and administrative fines.
- ss. Ability to track delinquencies that were certified to the County for collection via property taxes, so as to track at a minimum but not limited to the parcel number, address, taxpayer information, and year the assessment was certified to the tax roll.
- tt. Ability to track all payments received from the County via payments made through property taxes for delinquencies and be able to balance them to the amounts owing through certifications to allow for balancing of the certified delinquencies and monies received against them.
- uu. On-line customer account and payment capability

vv. Ability to track payments by general ledger fund

4. Operating Environment

- a. Microsoft Windows Server 2008 R2 - all servers (application, database, etc.) need to be able to run within a virtual environment
- b. SQL 2008 R2
- c. Web based

5. User Documentation - User manuals, online help and tutorials.

System Features

1. Automation

- a. Auto payment (EFT) capabilities are required of this application.
- b. Export capabilities to Microsoft Excel, Word, CSV
- c. Online access via a Customer Portal for property owners
- d. Security mechanisms need to be in place to ensure customer information is secure.
- e. Online access needs to be able to offer the customer the ability to view their account and/or make payments, as well as view the amount of an outstanding connection fee per property
- f. Online access regarding assessment certificate issuance needs to have the ability to charge fee per assessment certificate request and allow for payment to be made prior to the assessment certificate being issued and printed.
- g. This application must seamlessly interface with the City's Assessment information for use in verification of plat and parcel information to ensure a valid property within the City of Duluth.

Deleted:

2. Integration

- a. Seamlessly integrate with a payment processor
- b. Seamlessly integrate with New World Systems finance application with automated journal entries to the accounting system
- c. Seamlessly interfaces with the City's Assessment information for use in verification of plat and parcel information
- d. Seamlessly integrates with Home Energy application for use in gathering information on outstanding balances to be used in the creation of Assessment Certificates
- e. Seamlessly integrate with the City's GIS system which utilizes ESRI software

3. Reporting/Output

- a. Create daily and monthly reports (list will be provided as they currently exist)
- b. Ability to run both monthly and annual reports including but not limited to:
 - 1. Adjustment Summary Report
 - 2. Cash Receipt Summary
 - 3. Unpaid Assessment Report (sorted by type and contract)

4. Report of Unpaid Certified Assessments
Remaining on County Tax Roll

5. Uncollected Connection Fees

- c. Special Assessment bills
- d. Customer letters including but not limited to hearing notification, delinquency letters, payoff letters
- e. Assessment Certificates
- f. Ability to choose and add criteria for all reports.
- g. Ability to create custom reports easily
- h. Ability to report historical data
- i. Ability to view, share, print, email reports on demand
- j. Ad hoc reporting capabilities on all fields
- k. Ability to run a report on a contract/project that includes all properties involved with total costs and total frontage.

4. *Support*

- a. Onsite training
- b. Detailed user manual
- c. Online help
- d. Online tutorials
- e. Technical support

5. *Other*

- a. Data migration from existing legacy system (mainframe)
- b. Field flags for forfeitures, senior citizens, vets, etc

External Interface Requirements

- New World Systems Finance application
- City's Assessment system for plat and parcel information
- City's Central Address database system
- Saint Louis County MCIS system
- City's Home Energy Loan system
- CRW's TRAKiT system