

Lower Swatara Township

**STRATEGIC MANAGEMENT PLANNING PROGRAM PROPOSAL AND FIVE-YEAR
FINANCIAL PLAN**

REQUEST FOR PROPOSAL

RESPOND NO LATER THAN:

April 12, 2024

INQUIRIES

**Zachary Border Township Manager
1499 Spring Gard Road Middletown PA 17057
zborder@lowerSwatara.org
717-939-9377**

INTRODUCTION

Summary of the Municipality: Lower Swatara Township is a first-class township located in Dauphin County with a population of 9,528 residents. The township has 31 employees with across six different departments including Finance, Administrative, Sewer Authority, Public Works, Planning and Zoning, MS4 and a Police department. All departments, led by a department director, are under the organizational direction of the Township Manager, who is appointed from time to time by the 5-member elected Board of Commissioners.

The stated objective of this RFP is to obtain consulting services through which the development of a long-term fiscal and operational plan, identifying the fiscal and operational changes necessary to ensure the future viability of the Township without overburdening our taxpayer base, may be executed. Each of the Township's 7 departments should be reviewed against the state objective included herein. All administrative and operational policies should also be included as further information to be reviewed in pursuit of departmental preparedness.

A. PROPOSAL SUBMISSION

1. Three (3) copies of the sealed proposal, as well as a CD/flash drive with the Technical Proposal and Price Proposal, must be submitted not later than **April 12th 2024 at 4:00 pm to the following address**
Lower Swatara Township
Attn: Zachary Border Township Manager
1499 Spring Gard Road
Middletown PA 17057
2. The envelope(s) must be clearly marked on the outside **"STRATEGIC MANAGEMENT PLANNING PROGRAM PROPOSAL; Attn Township Manager"**
3. Fee/Cost information shall be in a separate sealed envelope marked **"STRATEGIC MANAGEMENT PLANNING PROGRAM PROPOSAL."**
4. Proposal must be mailed, or hand delivered. No faxed proposals will be accepted.
5. Proposals will be handled confidentially by **Lower Swatara Township** during the pre-award process.
6. Acceptance of a proposal and contract award shall be contingent upon Lower Swatara Township being granted State Funding for the Strategic Management Planning Program.
7. The Municipality will not be responsible for any expenses incurred by a Proposer in connection with this procurement.
8. All proposals shall be valid and binding for a period of 183 days.

B. QUESTIONS

Any questions concerning the Request for Proposal should be directed to **Township Manager Zach Border** at zborder@lowerswatara.org

I. GENERAL CONDITIONS

- A. No verbal instructions or verbal information to proposer (hereafter proposer or contractor) will be binding on the Municipality. These written specifications will be considered clear and complete unless written attention is called to any apparent discrepancies or incompleteness before the opening of the proposals. Should any alterations to these specifications be made in the form of written addenda, they will be emailed to all contractors. These addenda shall then be part of these specifications.
- B. Submission of a proposal will be considered as conclusive evidence of the contractor's complete examination and understanding of the specifications.
- C. The **Municipality** reserves the right to reject any or all proposals; the right to request additional information from any proposer; the right in its sole discretion, to accept the proposal considered most favorable; and the right to waive minor irregularities in the procedures or proposals if it is deemed in the best interest of the **Municipality**.

The **Municipality** reserves the right to negotiate with proposers to establish variations from the original proposal(s), including proposed cost, which may be in the interest of the **Municipality**.

- D. The award will be made to the responsive and responsible contractor whose proposal, conforming to specifications, will be most advantageous to the **Municipality**. Price and other factors will be considered, such as delivery time, quality, service, experience and specific skills and disciplines represented on the consulting team, etc. The award may or may not be made to the consultant or contractor with the lowest cost price proposal.
- E. The **Municipality** shall have the right, without voiding the contract, to make amend the items or work covered by the specifications. In case such amendments are made, an equitable price adjustment shall be made between the **Municipality** and the Contractor. All adjustments in price shall be made in writing.
- F. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, national origin or handicap. The contractor will take affirmative action to ensure that applicants are employed without regard to race, color, religion, sex, age, handicap, or national origin. Contractors will take steps to insure employees are treated during employment without regard to race, color, religion, sex, age, handicap, or nation origin. Such action shall include but not be 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, including apprenticeship.
- G. The contractor shall not initiate work or incur any cost until such time as the **Municipality** receives confirmation that grant funds shall be available, at which time the **Municipality** shall issue a Notice to Proceed.

- H. **CONTRACT TERMINATION:** A contract may be cancelled by the **Municipality** by giving the contractor a minimum of seven business days or provided in written notice to the contractor.
- I. **INDEMNIFICATION:** The contractor shall hold the **Municipality** harmless from and indemnify the **Municipality** against any and all claims, demands and actions based upon or arising out of any activities performed by the contractor and its employees and agents under this Contract and shall, at the request of the **Municipality**, defend any and all actions brought against the **Municipality** based upon any such claims or demands.
- J. **INSURANCE:** The successful contractor, prior to commencing work, shall provide at its expense, the following insurance to the **Municipality**, evidenced by Certificates of Insurance. Each certificate shall require that notice be given, thirty (30) days prior to cancellation or material change in the policies, to the Municipality's representative.

Workers' Compensation including Occupational Disease and Employer's Liability Insurance

- 1. Statutory-amounts and coverage as required by Pennsylvania Workmen's Compensation and Occupational Disease Laws.
- 2. Employer's Liability – Bodily injury by:
 - a. Accident \$100,000 each
 - b. Disease \$500,000 minimum policy limit
 - c. Disease \$100,000 each employee

Liability

The successful contractor shall maintain a commercial general liability insurance policy, using an occurrence form of coverage. The required coverage forms are:

- 1. **Comprehensive**
- 2. **Premises – Operation**
- 3. **Contractual Insurance**
- 4. **Independent Contractor**

The Comprehensive General Liability Policy shall have a minimum limit of liability of \$300,000 per occurrence.

Automobile liability coverage with minimum combined single limits of \$300,000 per occurrence.

The successful contractor shall obtain total minimum coverage limits of \$1,000,000 per occurrence. The additional limits above the General Liability and Automobile Liability policies (required above) may be provided by Excess and/or Umbrella Liability policies.

All policies except Professional Liability shall name the Municipality, its officers, agents, and employees as an additional insured. This coverage shall be reflected on the Certificates of Insurance.

II. SCOPE OF WORK

The **Municipality** has applied for grant funds offered by the Commonwealth of Pennsylvania, Department of Community and Economic Development's Strategic Management Planning Program. The purpose of the program is to establish short- and long-term financial and managerial objectives that will strengthen the fiscal capacity of the municipal government along with the integration of long-term community and economic development strategies that strengthen the area's tax base. The Strategic Management Planning Program is designed, in part, on recommended financial management practices of the Government Finance Officers Association (GFOA).

III. ENGAGEMENT OBJECTIVES

With financial assistance from this program and assistance from the consultant, **Municipality** will develop and implement a multi-year financial management program and strategies. The objectives of the engagement are to:

- A. Strengthen multi-year financial planning processes for the **Municipality**.
- B. Assist the **Municipality** on an Strategic Management Planning Program basis to identify and address financial difficulties.
- C. Develop the internal capacity within the **Municipality** so that it is able to develop, adopt, monitor, and implement Multi-Year Financial Management plans and incorporate this process into the annual budget process.
- D. Assess possible revenue creation in a community which has limited taxation ability.
- E. Conduct related management studies that will improve the management, financial administration, operations, and economic development activities within the **Municipality**. This part of the study should include but not be limited to an analysis of the appropriate structure, command, scheduling, and staffing levels of each department and a review of current practices compared to established "best practices" and standards of excellence for local government service delivery. It should also include a review of all current collective bargaining agreements and recommendations regarding cost containment and cost sharing for relevant departments and operations.
- F. Implement a system of multi-year revenue and expenditure financial monitoring and trend analysis so that the **Municipality** can anticipate and plan for future financial circumstances. This includes analysis of retirement plans, liability and health insurance coverage and cost.
- G. Determine and establish the adoption of "best practices" for management of the **Municipality** and develop standards that support financial stability.
- H. Provide a mechanism by which the **Municipality** may adopt prioritized short- and long-term goals and objectives for subsequent adoption and implementation.

- I. Explore the opportunities for promoting inter-municipal and regional cooperation strategies and cost-sharing among area local governments.

IV. STATEMENT OF WORK TO BE PERFORMED

The Strategic Management Planning Program is guided by a philosophy that establishes five (5) specific measures that a local government can take to manage its financial position and achieve or maintain its long-term economic viability: 1) expenditure reduction; 2) revenue enhancement; 3) implementation of a long-term economic development strategy; 4) adoption of best management practices to achieve operating efficiencies; and 5) pursuit of intergovernmental cost-sharing strategies.

The Strategic Management Planning Program requires that the municipality prioritize its most critical needs and establish a process that ensures that resources are focused on areas of highest priority, thus creating a “triage” approach to fiscal distress intervention.

The Strategic Management Planning Program must be designed to meet the individual and specific needs of the Borough of Lemoyne. The development of the plan is to be divided into 6 steps:

- Step 1 Financial Condition Assessment** – This assessment is to be performed as a means to establish a realistic baseline of the **Municipality’s** historic and financial condition. A review of each fund starting with the General Fund and all Municipal funds that exist for the municipality. This review should include a minimum of four (4) years of detailed historical financial data.
- Step 2 Financial Trend Analysis** – Performed over a multi-year period, this analysis will project future revenue, expenditure, economic and demographic trends for at least a three (3) year period so that the **Municipality** can understand its future financial position and take immediate steps to counteract any negative trends.
- Step 3 Emergency Plan for Current Fiscal Year (if necessary)** – The Multi-Year Financial Management Plan should allow the **Municipality** to pursue both short- and long-term strategies on parallel tracks. If the above analysis has identified a critical cash flow situation that may impact on the health, safety and welfare of residents, an Emergency Plan should be included to address actions to be taken during a 6- to 12-month timeframe to avoid a fiscal emergency. The Emergency Plan, if applicable, should set forth a strategy regarding: i) whether the current fiscal year’s budget can and should be reopened, amended or modified; ii) whether operational and/or personnel reductions should occur; iii) whether short-term borrowing, including possible unfunded debt borrowing, is necessary; and iv) whether other types of administrative reorganization or short-term actions should be effectuated in order for the **Municipality** to remain solvent in the current fiscal year.
- Step 4 Management Audit** – With assistance from the consultant, the Municipality shall perform a management audit of all departments and operations. The audit is to include narrative summaries of each department comprised of budget and personnel information as well as other relevant data. This data is to be supported by interviews with members of the governing body, Department Heads, and key staff members as may be required in order to facilitate the most comprehensive view of the

Municipality's most critical operational needs. Recommended structure, command, scheduling and staffing levels (based on "best practices" for local government service delivery) should be provided for each department so that it will be possible for management to use a "benchmarking" strategy to address operational deficiencies. The management audit shall encompass any and all areas outlined by the Municipality during the interview and consultant selection process.

Step 5 Multi-Year Plan Strategy – The Plan, at its foundation, will identify the Municipality's top three financial management priorities. Additional prioritization should be conducted at the departmental level, and interdepartmental objectives that are Municipal-wide. These should be detailed in the Plan. Each objective is to contain a detailed action plan that describes: 1) policy objectives is to be achieved; 2) the budgetary impact; 3) the timing and deadlines for each action step; and 4) which employee and/or department has the primary responsibility for the objective.

Step 6 Multi-Year Plan Implementation – The Strategic Management Planning Program is an ongoing process and an adopted plan must be evaluated, adjusted and adopted each year. A master implementation schedule should be created that specifies key deadlines for each objective set forth in the Plan. Key to the ultimate implementation of the Plan, this schedule will serve to monitor whether or not individual department objectives are being met, thus providing a means by which the local government can measure its overall progress in implementing the Plan.

V. SUPPORT TEAM

The consultant will be expected to work with a consortium of individuals representing the **Municipality's** management, elected officials and any community members appointed by the governing body.

VI. REPORTS REQUIRED

The following reports as detailed above in Section V are expected during the course of and at the completion of the engagement:

- A. Assessment of the **Municipality's** Financial Condition
- B. Financial Trend Analysis
- C. Management Audit
- D. Five-Year Plan

VII. SCHEDULE

During the review, the consultant may be required to meet with various elected or appointed officials, department heads, staff members or members of the public to discuss the progress of the engagement or related matters.

All reports are to be presented publicly to the governing body of the municipality no later than the following dates:

<u>Steps 1 and 2:</u>	The Assessment of the municipalities Financial Condition and Fiscal Trend Analysis	Date
<u>Step 3:</u>	The Management Audit	Date
<u>Step 4:</u>	The Five-Year Plan	Date
<u>Step 5:</u>	Implementation Schedule	Date

A preliminary review may be undertaken by the governing body. The report should include:

The Assessment of the municipalities Financial Condition and Fiscal Trend Analysis
The Management Audit
The Five-Year Plan and Operational Analysis

VIII. PROPOSAL

Proposals are to be submitted in two (2) parts with each sealed in a separate envelope. The first part of the proposal (marked "Technical Proposal") shall include the technical aspects as thereafter explained but shall not include any discussion of fees or out-of-pocket expenses to be billed to the Municipality. The second part of the discussion (marked "Price Proposal") shall include details as to fees charged and out-of-pocket expenses to be billed. Five (5) copies of each of the Technical Proposal and the Price Proposal shall be submitted. The Municipality also requires a CD or flash drive with the "Technical Proposal" and "Price Proposal" be included. All proposals shall be valid for a period of 183 days.

A. Technical Proposals should include the following information in the order detailed:

1. Title Page – List the RFP subject, the name of the firm, the local address, telephone number, name of the contact person and date.
2. Table of Contents – Include a clear identification of the material included in the proposal by page number.
3. Letter of Transmittal – Limit to two (2) pages. State a positive commitment to perform the required work within the time requested. Also, provide the name(s) of the person(s) who will be authorized to make representation for your firm, their title, and telephone numbers.
4. Profile of Proposer – State whether your firm is local, national or international in size. Give the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at the office. Briefly describe the range of activities performed by the local office such as legal, auditing, accounting, tax services, and management advisory services.

5. Summary of the Proposer's Qualifications – Describe recent local and/or regional experience similar to the type requested in the proposal and provide the names and telephone numbers of client references who might be contacted regarding your firm's work. At least three (3) references are requested.

Provide a brief resume for each of the persons to be assigned to the engagement. At a minimum, detailed information should be provided at the consultant in charge of the review, and the financial consultant who will oversee the field work. Resumes should include educational and professional experience with particular emphasis on financial consultation to governmental units.

Provide details as to the capability of your firm to provide financial management advisory services over a multi-year period.

6. Management Review Approach – Provide a statement reflecting an understanding as to the scope of work requested and briefly describe your firm's management review approach and provide specific illustrations of the review procedures which will be employed. Submit at least one (1) sample of a recent management audit report prepared by your firm for a governmental unit.
7. Utilization of Municipal Resources – The Proposer should provide an estimate of the number of hours which will be required of: (1) **Municipality's** staff to assist with the provision of data; (2) management staff to provide interviews; and (3) **Municipal** interviews/meetings.
8. Additional Data – Include in this section any pertinent information not covered in any of the previous sections. If there is no additional information to present, please so state.

B. Price Proposals shall include the following information for each year:

1. Compensation – The estimated **maximum** number of hours and hourly rates by staff classification necessary to complete the engagement. The estimated out-of-pocket costs and the resulting all-inclusive **maximum fee** for which the requested work will be done.
2. Billings and Payment Terms – Proposers shall include required payment terms, although monthly progress billings are preferred for both the consultant fees and out-of-pocket expenses. Billings should show the total professional hours, by classification, together with applicable rates and extensions, actual travel expenses incurred, and a reasonable itemization of other out-of-pocket expenses.

IX. EVALUATION OF THE PROPOSALS

The Technical Proposals will be evaluated in terms of: (1) the Proposer's demonstrated understanding of the **Municipality's** requirements and plans for meeting them; (2) the professional qualifications and related experience of the professionals assigned to the engagement; (3) the prior experience and reputation of the Proposer in performing municipal management consultation, and (4) the organization size and structure of the Proposer.

After the three (3) best Technical Proposals have been selected including the Price Proposals of these three (3) firms, an award will then be made to the firm which, in the opinion of the

Governing Body of the **Municipality** submitted the most beneficial proposal, cost and other relevant factors considered. Please note that the award may or may not be made to the firm submitting the lowest cost proposal.

The **Municipality** reserves the right to reject all proposals submitted and to request additional information from Proposers. Notice is also given of the possibility that an award may be made without discussion or after limited negotiations. It is, therefore, important that all proposals contain the most favorable terms possible, and should be complete in all respects.

Proposals will be evaluated by a team consisting representatives of the governing body of the **Municipality**, a regional representative of the DCED/CLGS and others as selected by **Municipality**.