



CITY OF HOUSTON

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Date: March 12, 2009

Subject: Letter of Clarification No. 1 for Delinquent Parking Citation Services for the City of Houston

Reference: Request for Proposal No: S30-T23174

To: All Prospective Contractors:

This Letter of Clarification is issued for the following reasons:

Replace pages 20, 24, and 27 of 62 and replace with pages 20, 24, and 27 of 62 marked revised March 12, 2009.

See attached pages "Questions and Answers".

This clarification will be considered part of the solicitation.

Furthermore, it is the responsibility of each proposer to obtain any previous Letters of Clarification associated with this solicitation.

A handwritten signature in cursive script that reads "Richard Morris".

Richard Morris
Senior Procurement Specialist
832-393-8736

Attachments: Pages 20, 24, and 27 of 62 marked revised March 12, 2009

Questions and Answers
Parking Notice 30 Day
COH Parking State Analysis
Parking Notice 40 Day
Parking Notice Boot

Partnering to better serve Houston

SECTION II. SCOPE OF WORK

Delinquent Parking Citation Collection Services

1.0 Scope of Work

- 1.1 The scope of work outlines the services the City expects the Contractor to provide during the contract term. Proposer responses should clearly identify their project management approach to the implementation and support of the Delinquent Collections Contract.
- 1.2 The Parking Management Division (PMD) manages the City's on-street and some off-street parking operations, but it is not the only City department involved with or affected by the services solicited in this RFP. For example, the Police Department issues about 20% of all parking citations.
- 1.3 Citations are delinquent if payment has not been made within 45 days. The Director will designate the amount of delinquent citations that have not been resolved within 60 days **of issuance** to be turned over to the Contractor for collections.
- 1.4 Municipal Courts Judicial is responsible for citation adjudication and employs hearing officers to provide an informal, administrative hearing for contesting parking citations.

The tables below illustrate the number of citations for a seven year period:

2.0 PARKING CITATIONS ISSUED BY YEAR

| Fiscal Year | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009* |
|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Parking Citations | 265,880 | 253,030 | 241,324 | 211,846 | 225,851 | 211,000 | 218,000 |
| Revenue Collected | \$5.6 M | \$6.0 M | \$8.0 M | \$6.4 M | \$7.8 M | \$7.6 M | \$7.6 M |

*Figures for 2009 represent proposed budget

Parking Citations Referred to Collection Vendor

| Calendar Year | 2006 | 2007 | 2008 |
|------------------------------|-------------|-------------|-------------|
| Number of Citations Referred | 91,593 | 85,363 | 76,019 |
| Dollar Amount of Referrals | \$10.5M | \$9.7M | \$8,649,915 |

and has accrued unpaid Cases for a total amount owed in excess of \$1000.

5.4.2 Acquisition of Telephone Numbers. In addition to the foregoing electronic and manual skip-tracing the Contractor shall also, for any Violator for which it does not have a valid telephone number, utilize methods to obtain a valid telephone number. Once a new telephone number is located and the file is updated, Contractor shall provide the new information to the City on a daily basis directly to the Parking Management Citation System.

5.5 Mail Notices

5.5.1 Frequency of Notices. The Contractor at a minimum shall send four written notices according to the following schedule with respect to each Violator for which there is an address (which address has not been previously returned):

5.5.2 Individual Parking Cases

- 5.5.2.1 Within seven (7) Business Days of Initial assignment of a Case
- 5.5.2.2 Within twenty-one (21) Business Days, of initial assignment of a Case
- 5.5.2.3 Within thirty-five (35) Business Days of initial assignment of a Case
- 5.5.2.4 Within sixty (60) Business Days of the initial assignment of a Case

5.6 Pre-Penalty Cases Prior to New Contract

5.6.1 Form and Content of Notices. The form, content, and mailing sequence of all notices shall be reviewed and approved by the Director prior to implementation. The Contractor must develop notices in both English and Spanish, duplex printing. If the City has provided all necessary information and approved the requisite forms, notices shall include a payment stub with an OCR scan line that provides the required information ~~to all~~ for off-site payment processing.

5.6.2 Returned Notices. The Contractor, upon receipt of any notices that are mailed and returned because of incorrect information, shall obtain appropriate address and phone number prior to resuming noticing efforts. The Contractor shall maintain violator contact history and all address and telephone number updates electronically, on a daily basis to the Parking Management Citation System.

5.6.3 Noticing Scheme Modifications. The Director, at his or her sole discretion, may modify form, content, sequence, number and timing of notices that are mailed to Violators. Any modification(s) shall be implemented not later than ten (10) Business Days after receipt of written instructions from the Director.

5.6.4 Noticing Records. The Contractor shall maintain and provide monthly performance reports as part of the invoice process. The performance reports must provide noticing detail regarding each ~~category of~~ Case. The format for this noticing records performance report must be approved by the Director. The Contractor shall maintain complete documentation, in a manner approved by the Director, of all noticing activity undertaken and shall provide the Director with such documentation monthly. The proposer shall include samples of all performance reports.

the percentage of the compliance for each as set out above. The report will be in a form to be agreed upon by the Director and the Contractor. The reports that provide performance metrics as to required processes shall be a part of the invoice process.

7.0 Payment Processing

7.1 The Contractor shall instruct Violators to make payments to a post office box or other address **as approved** by the Director. The City's transaction detail with updated transaction data shall be provided to the Contractor on a daily basis via FTP file transfer, in turn it is required that the Contractor updates its database with this transaction detail on a daily basis. If there is any problem with this upload, the Contractor shall provide the City immediate notification and at no later than the end of the same Business Day. It is the Contractor's responsibility to ensure that the transaction upload information is done daily and that the collection personnel for the Contractor have online, real time access to this important information. The City does not want a Violator contacted when their Case has been resolved. **The Contractor shall provide one license to process payments in real time**

7.2 The selected Contractor must provide proof of PCI Compliance. The Contractor shall properly provide a process for all credit card payments, electronic check payments, or other forms of electronic payments used by the Contractor's telephone collection staff. All payments must be processed immediately and reported in real time. The criteria and the process for this transaction detail shall be approved by the City and must be real time payment information that is provided directly to the City's Parking Management Citation System.

7.3 The Contractor's personnel that are processing credit card, electronic check payments etc. must be bonded and checked for fraud on a quarterly basis and regularly monitored to avoid the potential problem of identity theft. If the Contractor finds any issue or receives any complaint from a citizen that their credit card has been used falsely by personnel of the Contractor, the City expects to be notified in writing within 48 hours that the investigation has commenced and that personnel will no longer be allowed to work with the City of Houston account.

8.0 Contractor Service Levels

8.1 System Compatibility

The City shall create and transmit to the Contractor by a mutually agreed method citation information. As the City provides this information to the Contractor the Contractor shall update its relational database on a daily basis with the transaction detail provided by the City. Any issues or concerns regarding this upload must be reported to the City immediately and the Contractor must address any technical difficulties

8.1.1 The Contractor shall create and transmit to the City a FTP file on a daily basis, which shall show any updated identification on Violator location/contact information, payments received by the Contractor in its collection efforts. The Contractor shall prepare the FTP file in a standard file format to be mutually agreed by the Contractor and the City.

Delinquent Parking Citation Collection Services (S30-T23174)
Questions and Answers

1. **Question:** Who is the the current vendor:
Answer: Linebarger Goggan Blair & Sampson, LLP

2. **Question:** What is the annual commission paid to agency
Answer: The total collections by the current vendor are stated below. The amounts include the fine and collection fee.

| 2006 | 2007 | 2008 |
|---------------|---------------|---------------|
| \$2.6 million | \$2.8 million | \$2.6 million |

3. **Question:** What is the liquidation rate:
Answer: The City has not exercised this option for the duration of the current contract.

4. **Question:** What contact information will be provided with an account (phone number, address)?
Answer: The address is provided if it is on file with the Texas Department of Transportation.

5. **Question:** If different for each account, can you provide the percentage of accounts forwarded to current agency with an address and percentage forwarded with a phone number?
Answer: The City would estimate that 25% do not have ownership information.

6. **Question:** Will accounts worked by current vendor be sent to the awarded vendor, if different?
Answer: Yes

7. **Question:** Why is the contract out to bid at this time?
Answer: The current contract expires June 9, 2009.

8. **Question:** Who are the incumbents?
Answer: See answer to question 1.

9. **Question:** How long have the incumbents been providing the requested services?
Answer: Since December 2002

10. **Question:** To how many vendors are you seeking to award a contract?
Answer: One

11. **Question:** Has the current contract gone full term?

Answer: It will go full term.

12. **Question:** Have all options to extend the current contract been exercised?

Answer: Yes.

13. **Question:** Will you also be referring secondary placements, and should bidders provide proposed fees for secondary placements?

Answer: Secondary placements will be included. Fees will be limited to the 30% collection fee authorized by the State.

14. **Question:** What collection attempts are performed or will be performed internally prior to placement?

Answer: A courtesy notice is mailed at 20 days and a delinquent notice is mailed at 46 days. If the vehicle accumulates three or more delinquent citations, the City also mails a boot-eligibility notice.

15. **Question:** Current contingency fees or other fees currently being billed by any incumbent(s), by category.

Answer: None

16. **Question:** Actual dollar amounts of monies paid last year to any incumbent(s), if applicable by category.

Answer: See answer to question 2.

17. **Question:** Historical rate of return or liquidation rate either provided by any incumbent(s) or anticipated as a result of this procurement.

Answer: See answer to question 2.

18. **Question:** If applicable, will accounts held by any incumbent(s) or any backlog be moved to any new vendor(s) as a one-time placement at contract start up?

Answer: All backlog accounts will be referred to vendor awarded the new contract.

19. **Question:** To what extent will the location of the bidder's call center and/or corporate headquarters have a bearing on any award(s)?

Answer: None

20. **Question:** Can you please provide greater explanation of your expectations related to any required subcontracting to minority-owned, women-owned, or other types or categories of small or "disadvantaged" businesses? For example, what is required with the proposal, and what is required to comply during the term of the contract?

Answer: Please refer to Exhibit I in the RFP Documentation for answers to this question.

21. **Question:** Who is the current collections vendor?

Answer: See answer to question 1.

22. **Question:** What fees have been paid to or retained by the current vendor for 2006, 2007, and 2008?

Answer: See answer to question 2.

23. **Question:** Per Article 103, what collection fee has been authorized to be added?
Answer: Please refer to the RFP document, specifically Section 27.6 in the project scope.

24. **Question:** Does the current vendor retain 100% of the authorized collection fee?

Answer: No, payment is made upon debtor payment verification by the City.

25. **Question:** How many notices are sent prior to assignment at 60 days?

Answer: See question 14

26. **Question:** Please provide copies of all notice types sent by the City prior to assignment.

Answer: See attachments Parking Notice 20 day, Parking Notice 46 day and Parking Notice Boot

27. **Question:** Section 2.0 Parking Collections Referred to Collections Vendor”
Please provide statistics on the number of citations and dollars collected by the current vendor for assignments in 2006, 2007, 2008.

Answer: Please refer to the RFP document, page 20.

28. **Question:** What collection methods does the City currently authorize its vendor to utilize, e.g. Credit Bureau Reporting, Civil Judgment filing and enforcement, boot and tow.

Answer: The City welcomes proposals for all current methods successfully used by the vendor. The final authorized methods will be agreed upon in the contract.

29. **Question:** Section 4.0, 4.1.4: Payment Collection: Is the successful vendor expected to maintain its own web-based pay site or can payments be directed to Parking Management’s web portal?

Answer: Payments can be directed to Parking Management’s web portal.

30. **Question:** Will Parking Management continue to accept payments via 311 and in-person for assigned citations?

Answer: Yes

31. **Question:** Section 5.2: Can you please provide a copy of the interface control document showing all records and formats that are being exchanged between the City’s system and current vendor.

Answer: See attachment Parking Citation Interface.

32. **Question:** Will the City entertain changing the interface specifications or would the new vendor be expected to use the existing interface?
Answer: The City is open to changing the interface as long as the required information is provided. The current interface is based on a court/criminal system and not a parking management system.
33. **Question:** What percentage of violators are in-state versus out-of-state? Please provide a breakdown of issuances by state for the past year.
Answer: See attachment COH Parking State Analysis
34. **Question:** How does the City obtain out-of-state registrations?
Answer: The City does not obtain out of state registrations at this time.
35. **Question:** Will unidentified violators, no hit at DMV, be assigned for collection?
Answer: Yes
36. **Question:** Section 5.6.4: Performance Reports. How can proposers obtain performance reports that have been submitted by the current vendor as part of its contract with the City of Houston?
Answer: Submit a Public Information Request to Strategic Purchasing Division for this information.
37. **Question:** Section 5.9 Litigation: How many cases has the current vendor litigated in 2006, 2007, 2008?
Answer:
2006: 8 lawsuits totaling 728 parking cases
2007: 7 lawsuits totaling 400 parking cases
2008: 3 lawsuits totaling 525 parking cases
38. **Question:** What are the established criteria for approving a case for litigation?
Answer: Criteria will be established during contract negotiations.
39. **Question:** Will the successful vendor be expected to implement collection services with the current City system and then convert to the new system when implemented?
Answer: Parking Management does not intend to require the new vendor to interface with the old case management system (ICMS).
40. **Question:** What is the expected date for a new system to be implemented?
Answer: Summer 2009
41. **Question:** Who is the incumbent?
Answer: See answer to question 1.
42. **Question:** How long has the incumbent been providing the requested services?
Answer: See answer to question 9.

43. **Question:** What is the incumbent's current fee?
Answer: Fees will be limited to the 30% collection fee authorized by the State.
44. **Question:** What is the incumbent's current collection rate?
Answer: See question 2
45. **Question:** Can the City provide a copy of the incumbent's current contract with the City?
Answer: See answer to question 36.
46. **Question:** Page 20, Section 1.3, and 5.3.2 will the delinquent accounts have an owner/billable contact when turned over to collections (ie: name no valid address etc)?
Answer: The City estimates that 75% of the delinquent accounts turned over to collections have the owner's data.
47. **Question:** Please explain the requirements for sending the information back to the city.
Answer: Payment information and updates to violator's contact information should be included.
48. **Question:** Page 22, Section 3.2, mentions "...will incorporate a relational database and web development technology..." please describe what is meant by 'web development technology.' Are you looking for the contractor to provide a website for collection payments or can the City's existing website for payments be used?
Answer: Vendor may direct payments to City's existing website.
49. **Question:** Page 22, Section 4.1, please describe what is meant by "utilizes non-traditional" methods of collection?
Answer: Non-traditional methods would include methods other than phone, skip tracing and mail.
50. **Question:** Page 23, Section 5.3.4 what file format is required to return NCOA information via ftp?
Answer: The file format will not be known until the new parking management system is in operation.
51. **Question:** Page 23, Section 5.3.5 what file format is required to return Skip Tracing information via ftp?
Answer: The file format will not be known until the new parking management system is in operation.

52. **Question:**Page 24, Section 5.5.1. the four written notices listed in section 5.52 seem to be sent prior to the citation becoming eligible for collections (Section 1.3, 60 days). How many 'collection' notices are required to be sent?

Answer: The notices are required after initial assignment of the case.

53. **Question:** Page 24, Section 5.6.1 "...OCR scan line that provides the required information to all for off-site payment processing" Should the word 'for' be 'four'?

Answer: See revised page 20 of 63. n

54. **Question:** Page 25, Section 5.7.1 – will an exception to '6' phone calls be allowed? Based on best practices we have found this number of attempts is not worth the efforts of our staff.

Answer: The City would consider alternative proposals.

55. **Question:**Page 25, Section 5.7.1 – would a translation service be acceptable in lieu of a Spanish speaking staff?

Answer: This would be at the discretion of the Director and would require the Director's approval prior to implementation of the service.

56. **Question:** Page 26, Section 6.2 – Liquidated Damages Table – please describe in detail what is meant by the percentages and amounts?

Answer: Example: An audit of the Vendor's performance records determines that telephone efforts were made to only 90% of the cases assigned in a month. The Vendor would owe the City \$10,000.

Example: The contract states that the vendor will conduct 10 non-traditional collection efforts on a monthly basis. An audit determines only 8 (80%) were conducted. The vendor would owe the City \$5,000.

57. **Question:** Page 27, Section 7.0 – what file format is required for the transactional detail?

Answer: The file format will not be known until the new parking management system is in operation.

58. **Question:** Will placements be made daily, weekly or monthly?

Answer: Daily

59. **Question:** How many violations on average does each debtor have?

Answer: Not available

60. **Question:** Please describe the account recall process. For example, will the City recall inventory after a certain period of time with the Contractor? Will Contractor be required to cancel and return accounts after a certain period of time from placement or will Contractor be allowed to retain accounts in inventory during the duration of the contract term?

Answer: There is no recall process at this time.

61. **Question:** Will the current inventory being worked by the City's current Contractor be recalled and placed with the newly awarded Contractor?

Answer: Yes

62. **Question:** If so, please provide an estimated number of violations / debtors and dollar amount of such inventory. Please provide such number and dollar amounts by age of inventory (e.g., less than 1 year, 1-2 years, 2-3 years 3-5 years and older than 5 years from delinquency).

Answer: 5 years or older - 481,198 cases

3-4 years old - 134,106 cases

1-2 years old - 122,007 cases

Less than 1 year - 58,218 cases

63. **Question:** Please confirm that the City anticipates awarding a single contract pursuant to this RFP.

Answer: See answer to question 10.

64. **Question:** 8.12 states that clerical support will be provided to the City along with reproduction of documentation costs to be born by the successful bidder. Will the City please elaborate on the number of clerical positions required, and the average monthly expense associated with the reproduction of documentation? Does the incumbent currently provide support staff, and if so, how many?

Answer: No.

65. **Question:** 8.22 states that 'Any subcontracting must be specified in the proposal.' What are the noticing provisions associated with changing subcontractors during the term of the contract?

Answer: Must be approved by Affirmative Action.

66. **Question:** In section 11.3.2 – Please confirm that if the City were to select separate counsel that this would be at the City's expense.

Answer: If the City were to select separate counsel to represent the City on the City's behalf, the City would pay. However, if the Contractor were to hire separate counsel to represent the Contractor on its behalf, the Contractor would pay for those services.

67. **Question:** Section 16. – Please confirm whether the City anticipates and desires the Contractor to subcontract actual collection activities in order to meet the minimum MWBE requirements, as this would generally be required to meet the required level.

Answer: The RFP has a stated minimum requirement of 11% MWBE subcontractor participation.

68. **Question:** Section 27.6 and Exhibit 3 – Please confirm that with respect to pricing that a bidder need to only confirm its acceptance of the 30% statutory rate pursuant to TX CCP§ 103.0031

Answer: This is correct.

69. **Question:** Section 28 – Please confirm that a Contractor will receive commission fee for all payment types for accounts placed with Contractor whether such payment is received directly by Contractor or directly by the City.

Answer: If payment is made due to the result of a vehicle being booted, the Contractor will not receive payment for these accounts.

70. **Question:** Section II Scope of Work, section 1.2 – Please confirm whether all referrals will be on a single file or a single file format. For example, will citations issued by the Police Department be separately referred or in a different file format?

Answer: All cases will be in one file format.

71. **Question:** Section II Scope of Work, section 2 – Please confirm that the historic placement volumes are a reasonable estimate of account referrals that the City intends to refer under a newly awarded contract. If not, please provide the City's best estimate of future referrals.

Answer: The historic volume is a reasonable estimate.

72. **Question:** Section II Scope of Work, Section 2 – A, the fine amounts on average for prior placements are approx \$114. Do the Fine amounts continue to increase after day 45 or are there large percentages of higher dollar fine violations that result in the \$114 average balance?

Answer: The fine amounts do not continue to increase after 45 days. The \$114 average balance is probably due to the higher fine amount for parking in a disabled parking space.

73. **Question:** Section II Scope of Work, section 3.3 and 3.4 - Is the City asking for the ability to manually update the Contractor's system?

Answer: No

74. What information will the City update?

Answer: Not available.

75. **Question:** Can the City clarify what functionality you are looking for regarding 'advanced reporting'?

Answer: Vendors are encouraged to include samples of their reports with the

proposal. Report formats will be agreed upon during contract negotiations.
76. **Question:** Section II Scope of Work, section 4.1.11 - How many amnesty periods does the City anticipate during the contract term?

Answer: Amnesty periods are held at the discretion of the Presiding Judge.

77. **Question:** What are the typical terms and duration of an amnesty period?

Answer: The last amnesty period was held in May 2007 for three weeks. Delinquent fees were waived and the 30% collection fee was based on the original fine amount.

78. **Question:** Section II Scope of Work, section 4.2 - "Contractor shall maintain copies for review by the director." Does this mean that the Contractor can maintain examples of our letter series, or is it required to scan actual copies of the letters that we send to each debtor?

Answer: Copies of the letter series should be maintained for review.

79. **Question:** Does the Contractor have to maintain and attach the debtor correspondence we receive by scanning it and attaching it to the debtor's account?

Answer: Updates should be made to the debtor's account noting that there is correspondence on file.

80. **Question:** Section II Scope of Work, section 5.3.2 – The Contractor must interface with the DMV to locate debtors. Are there provisions for out of state debtors?

Answer: The City will consider the vendor's proposal for handling out of state debtors.

81. **Question:** Section II Scope of Work, section 6 – Does the current contract include similar liquidated damage provisions and amounts? If so, what are the cumulative damages paid by the current Contractor during each year of the contract term?

Answer: See answer to question 3.

82. **Question:** Section 6.2 Damages

The requirement for telephone effort seems like it would be effected by the availability of phone numbers for a particular case. How will you measure this against the minimum requirements? The same question for notices sent i.e. no good address available?

Answer: The Vendor would be required to provide documentation of unsuccessful efforts to obtain a valid phone number and/or address for these cases.

83. **Question:** Is there a current provider of these services? Can you tell us the current recovery rate by the vendor? For what time period?

Answer: See answer to question 2

84. **Question:** Will there be secondary placements from a previous vendor?

Answer: See answer to question 13.

85. **Question:** If so, can you provide data on numbers, age and dollars to be assigned?

Answer: Data is not available. The City will not refer any cases older than January 1, 2004.

86. **Question:** Will the new vendor also receive the current active accounts from a previous vendor that were recently placed with them?

Answer: See answer to question 13.

87. **Question:** When will the current vendor relinquish these accounts to the new vendor?

Answer: Upon termination of the current contract.

88. **Question:** Who is the current vendor for this contract and how long has this vendor had the contract?

Answer: See answers to question 1 and 9.

89. **Question:** Why is this contract out for bid and have all extensions been exhausted?

Answer: See answers to questions 7 and 12.

90. **Question:** Regarding the current vendor:

- a. What is the current vendor recovery percentage (dollars collected/dollars referred)? **Answer:** See answer to question 2.
- b. What is the current collection fee being charged on the City's accounts? **Answer:** See answer to question 43.
- c. What did the City pay the current vendor in commission fees in each of the last three years? **Answer:** See answer to question 2
- d. Of the total dollar amount referred to your current vendor over the past 12 months, what is the percent of citations issued for the following:

Answer:

- i. Individuals? n/a
- ii. Business/rental car companies? n/a
- iii. In-state vehicle owners? See attachment COH Parking State Analysis
- iv. Out-of-state vehicle owners? See attachment COH Parking State Analysis

91. **Question:** Will the City award a contract to just one vendor or to multiple vendors?

Answer: See answer to question 10.

92. **Question:** If a new vendor is chosen, will accounts that were referred to the current vendor be withdrawn and referred to the new vendor? If so, please provide the approximate number of accounts and dollars that will be transferred to the new vendor. The current vendor's contract expires in June.

Answer: For data as of 2008, see answer to question 62.

Section II—Scope of Work Questions

93. **Question:** Section 2.0 (page 20) has a table showing revenue collected. Were these amounts collected by the vendor, the City, or both?

Answer: Both

94. **Question:** Section 5.5.2 (page 20) requires that a minimum of four letters be sent unless a previous notice sent to the violator was returned and no new address has been found. Correct?

Answer: Yes but the City would expect the vendor to exhaust all efforts to locate.

95. **Question:** Section 5.6.3 (page 24) states that the Director could modify form, content, sequence, number, and timing of notices mailed to Violators.

a. Have any modifications to notices been done while with the current vendor? **Answer:** No

b. What determines if any modifications to notices or volume of letters are needed? **Answer:** The Director's review of the vendor's performance.

c. Any such changes after initial contract may have an adverse effect on the contractor's financial performance. If the City requests changes to notice strategy, would the City agree that changes would be the result of an effectiveness analysis and be agreed upon by both parties?

Answer: Yes

96. Section 5.6.4 (page 24) refers to each "category of case." Is this a specific violation type? Please clarify. **CORRECTION**

The performance reports must provide notice detail regarding each Case.

97. **Question:** Section 5.7.1 (page 25) requires that a contractor shall attempt to contact the violator not less than six times within a forty-five day period. How can this requirement be met if no current telephone number can be found for the violator? Will the City have allowances for this situation?

Answer: See answer to question 82.

98. **Question:** Section 5.8 (page 25) requires the contractor to provide a seasonal marketing strategy for the City, including a proposed budget. Does this mean the

cost for this additional service to be provided by the contractor will be paid by the City and is not to be included in the cost of providing collection services?

Answer: No, the cost of non-traditional collection methods (i.e. marketing strategy) shall be the sole responsibility of the vendor.

99. **Question:** Section 6.2 (page 26) has a table showing liquidated damages. Please provide the following information regarding this table:

- a. Skip-tracing. Please provide additional parameters regarding the process.
 - i. For example, if a contractor has a current telephone number and address for a violator, is skip tracing still required? **Answer:** No
 - ii. If not, how will the City reconcile which accounts are to be counted vs. which are not counted in determining the 95% level? **Answer:** Upon review of the new cases assigned to the vendor on a monthly basis, the City will determine which cases lack a current address and require skip tracing.
 - iii. For violators with bad addresses or telephone numbers where new information cannot be found, does the skip-trace attempt count toward the 95% level? **Answer:** See answer to question 82.
- b. Mail notices. Will the City consider a balance threshold for notices or will the contractor be held accountable for all balances? **Answer:** The contractor will be held accountable for all balances.
- c. Telephone efforts. Regarding meeting a 95% level or higher, and in conjunction with our previous question (#9) about the requirement to attempt contact with a violator not less than six times within a 45-day period:
 - i. What if no telephone number can be found for a violator? **Answer:** See answer to question 82
 - ii. How can this requirement be met and a contractor meet the 95% level? **Answer:** Upon review of the new cases assigned to the vendor on a monthly basis, the City will determine which cases lack a current address and require skip tracing.
 - iii. When a current telephone number cannot be located, will the City have allowances for this requirement and for not having liquidated damages assessed? **Answer:** See answer to question 82
 - iv. What constitutes an "attempted" contact? **Answer:** Performance reporting will be agreed upon during negotiations.
- d. Will the City consider a balance threshold for telephone efforts or will the contractor be held accountable for all balances? **Answer:** The contractor will be held accountable for all balances.
- e. Minimum staffing levels. Regarding meeting a 95% level or higher on a monthly basis, please provide additional detail as to what constitutes the

minimum staffing level. **Answer:** Minimum staffing levels will not be included in the Liquidated Damages table.

- f. Non-traditional collection methods. Please provide additional detail as to how the City will determine if a contractor has met a 95% or higher level on seasonal marketing plan objectives. **Answer:** See answer to question 56.
- g. How were the liquidated damage amounts determined for each category listed? **Answer:** Prior contract terms
- h. Was a similar performance standard with the same liquidated damages table, and amounts, in place with the current vendor? If so, how much in liquidated damages were assessed from the current vendor during the last contract? **Answer:** See answer to question 3.

100. **Question:** Section 7.2 (page 27) requires that payments must be reported to the City in real time.

- a. Since violators can make payments via the City's 311 Customer service center (311) or online at the Parking Management's (PM) web portal (Section I.28.0 on page 19), payments are required to be reported to the City in real time, and the RFP calls for daily file processing, we have the following questions:
 - i. Will daily payment updates, although not real time, satisfy the city? **Answer:** No, the City requests that payments be made in real time. One license to the parking management system will be provided for processing payments.
 - ii. Will the contractor be required to direct violators to use the City's 311 system and/or the PM website to make credit card payments or will the contractor be able to use its own credit card payment processing system? **Answer:** The Contractor can direct violators to the Parking Management web portal. The Contractor is required to be PCI compliant and will be required to process its own credit card payments.

101. Section 10.3 (page 29) requires the proposer to provide a certified collection record of the two largest municipal or government clients covering the last three years expressed in both dollars and as a percentage of total accounts collected. These internal records are considered confidential by our clients and by NCO. If the City becomes a client of NCO, we would similarly consider your account information confidential and not open to release to other potential clients. What can we provide to the City to comply with this request without violating our confidential agreements with our clients? For example, can we provide ranges of dollars placed and percentages collected in order to provide the City with an approximation of the numbers without divulging the actual information?

Answer: Yes.

Exhibits Questions

102. Exhibit III Pricing Form.
- a. **Question:** There is no pricing form after the title page. Is there supposed to be one?
Answer: No.
- b. **Question:** Section 27.6 (page 19) refers to a municipality entering into a contract with a private contractor having authorization to add a collection fee in the amount of 30 percent on each item collected by the contractor. If the pricing is added on and is already a set fee, why does a contractor need to provide pricing?
Answer: Pricing is not required. Fees are limited to the 30%.
- c. **Question:** Section III.3.1.2 (page 30) requires the transmittal letter to state that the per-unit proposed price and/or lump sum (if prices are proposed) is the total fixed price for the equipment and services enumerated. Does the city want the contractor to propose a per unit price or should we assume that the City will impose the additional 30% collection fee as detailed in Section 27.6?
Answer: Pricing is not required. Fees are limited to the 30%.
- d. **Question:** If the City imposes the additional 30% collection fee as detailed in Section 27.6, how will the City evaluate RFP respondents with respect to Section IV.2.1.b (page 32) and the financial impact/benefit to the City as measured by net revenues or costs to the City? Please clarify.
Answer: The collection record, experience, references and additional services offered to increase the collection rate.
103. **Question:** If we have questions regarding the WBE/MBE program or completing the attached forms, whom can we contact? **Answer:** Richard Morris
104. **Question:** If we have questions regarding the Pay or Play program or completing the attached forms, who can we contact? **Answer:** Richard Morris
105. **Question:** RFP Page 23, item 5.4. – The RFP states: “For the following Case type listed below in (i) where the electronic skip-tracing described in subsection (d) above...” On page 26, item 6.1, it states “...failure to perform the required processes as set out in Section B above...”. However, there is no subsection (i), item (d), or Section B anywhere in the RFP. Please confirm if (i) is actually item 5.4.2, subsection (d) is actually item 5.3.5, and Section B is actually Section 5.0. If incorrect, please clarify each reference for (i), (d), and B. This is correct
106. **Question:** RFP page 29, item 10.3 – The RFP states the proposer should supply collections for the proposer’s “two largest municipal or government clients”. Please clarify if “largest” refers to the size of the entity’s portfolio, or the entity’s population.

Answer: The entity's population but the City prefers that the portfolio include parking citations.

107. **Question:** RFP page 43, Exhibit III – There is no Pricing Form provided in the RFP (the Exhibit III page states “*PRICING FORM*” at the top, but no form is present). **Answer:** See **answer** to question 102. The following questions are in the interest of understanding the relationships of the requested collection system and the planned Case Management (ticket processing and booting):
- a. Will the ticket processing and booting systems be a standalone or unified systems? **Answer:** Unified
 - b. If systems are unified will the collection system require a real-time interface or use a back channel data transfer? **Answer:** Real-time interface
 - c. If real-time, what will be the network protocol required to pass information between systems? **Answer:** Dependent on selection of the new parking management system
 - d. Will the ticket processing system provide real-time access to the Contractor's collection staff for processing credit card payments and other forms of electronic payments and provide case inquiry capabilities? **Answer:** One license will be provided to the Contractor.
108. **Question:** If systems are closely interfaced and a system failure occurs, how would you prefer update processing to the case management system to be handled?
Answer: The updates would be required at the time of system restoration.
109. **Question:** When systems recover how would you prefer updates to occur?
Answer: FTP and real-time updates
110. **Question:** Will the case management system provide full synchronization with the collection system? If so, how often?
Answer: Yes
111. **Question:** What extent of data conversion is required for the new case management system? Will the new case management system retain the existing data format (i.e., ticket number)?
Answer: This will depend on the new parking management system.
112. **Question:** What is the frequency with which the Director will be turning over delinquent citations?
Answer: See answers to question 59.
113. **Question:** Will all of the delinquent citations unresolved and greater than 60 days old be turned over for collections on some regular basis? In other words, the statement “the Director will designate the amount” implies that some portion of the unresolved debt may not be assigned. Please clarify.
Answer: The Director would like to reserve the right to designate the amount of delinquent citations turned over for collections.

114. **Question:** What does the City mean by “cumulative”? Perhaps the City would provide examples of how it calculates cumulative damages?
Answer: The amount will increase based on the failure to meet each performance standard. If all performance standards were less than 90%, the cumulative amount of damages would be \$40,000.