



CITY OF HOUSTON
Strategic Purchasing Division
Administration & Regulatory Affairs
Department

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April 30, 2009

SUBJECT: Letter of Clarification No.2
Delinquent Collection Services RFP for Municipal Courts Administration and Fire Departments

REFERENCE: Invitation to Bid No.: S46-T23226

TO: All Prospective Bidders

This Letter of Clarification is issued for the following reasons:

• **To revise and remove the following requirements for the referenced solicitation:**

1. Page 2, RFP Opening has been revised to extend the due date from Friday, April 24, at 2:00 PM to May 8, 2009 at 2:00 PM. The RFP Opening provision should be revised to read as follows: "The City of Houston, Texas will receive proposals at the City Secretary's Office, City Hall Annex, Public Level, 900 Bagby, Houston, Texas 77002 until ~~Friday, April 24, at 2:00 P.M.~~ Friday, May 1, 2009 at 2:00 P.M., Friday, May 8, 2009 at 2:00 P.M. No proposals will be accepted after the stated deadline. Remove Page 2, 5 and 17 and replace with attached Page 2, 5 and 17 marked Revised – April 30, 2009.
2. Page 18, Part 1 – Definition of Terms under Section II – Scope of Works:

PART 1 - MUNICIPAL ADMINISTRATION COURTS DEPARTMENT

PART 1 - MUNICIPAL COURTS ADMINISTRATION DEPARTMENT
3. Page 23, Subsection 4.0, Required Processes and Standard under Section II – Scope of Works:

4.2.5 *Manual Skip-tracing. The Contractor shall differentiate between electronic skip-tracing methods as described in Subsection (d) above which must be performed on all Cases (Pre-Penalty and otherwise) and manual skip-tracing.*

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4. Page 23, Subsection 4.0, Required Processes and Standard under Section II – Scope of Works:

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5. Page 24, Subsection 5.0, Mail Notices under Section II – Scope of Works:

5.1.2 Vehicle Registration Refusal

5.1.4.1 *First notice 15 business days of initial assignment of case; and*

5.1.4.2 *Second notice 45 business days of initial assignment of case.*

5.1.2 Vehicle Registration Refusal

~~5.1.4.1~~ 5.1.2.1 First notice 15 business days of initial assignment of case; and

~~5.1.4.2~~ 5.1.2.2 Second notice 45 business days of initial assignment of case.

6. Page 25, Subsection 5.0, Mail Notices under Section II – Scope of Works:

5.1.3 *Pre-Penalty Cases Prior to New Contract*

5.1.5.1 *Pre-Penalty Cases that were assigned after the Effective Date of this Agreement are not charged the 30% compensation fee, however, the Contractor shall be required to mail notices for these Cases on the same schedule as set forth above for Traffic/Non-Traffic Cases. All other Pre-Penalty Cases shall be included in Annual Sweep.*

5.1.5.2 *Form and Content of Notices. The form, content, and mailing sequence of all notices shall be reviewed and approved by the Director or Designee 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 allow for off-site payment processing.*

5.1.5.3 *Returned Notices. The Contractor, upon receipt of any notices that are mailed and returned because of incorrect information, shall use the methods identified in Sub-Subsection 1(c)-(e) to obtain the appropriate address and phone number prior to resuming noticing efforts or ceasing collection efforts. The Contractor must provide to the City any and all address and telephone number updates electronically, on a daily basis directly to the ICMS.*

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- 5.1.5.4 *Noticing Scheme Modifications. The Director or Designee, at his or her sole discretion, may modify form, content, sequence, number and timing of notices that are mailed to Defendants. Any modification(s) shall be implemented not later than ten (10) Business Days after receipt of written instructions from the Director or Designee.*
- 5.1.5.5 *The Contractor may, at its discretion, request approval from the Director or Designee to send notices in addition to those set out in Section B(2). In the event the Contractor makes such a request that is approved by the Director or Designee, the Contractor shall pay the cost of such mailings.*
- 5.1.5.6 *Noticing Records. The Contractor shall maintain and provide a monthly performance report as part of the invoice process; otherwise the invoice shall not be paid. The performance report must provide noticing detail regarding each category of Case. The Contractor shall monitor its own performance against this Agreement. The format for this noticing records performance report must be approved by the Director or Designee. The Contractor shall maintain complete documentation, in a manner approved by the Director or Designee, of all noticing activity undertaken and shall provide the Director or Designee with such documentation upon request.*
- 5.1.5.1 5.1.3.1 Pre-Penalty Cases that were assigned after the Effective Date of this Agreement are not charged the 30% compensation fee, however, the Contractor shall be required to mail notices for these Cases on the same schedule as set forth above for Traffic/Non-Traffic Cases. All other Pre-Penalty Cases shall be included in Annual Sweep.
- 5.2 5.1.5.2 Form and Content of Notices. The form, content, and mailing sequence of all notices shall be reviewed and approved by the Director or Designee 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 allow for off-site payment processing.
- 5.3 5.1.5.3 Returned Notices. The Contractor, upon receipt of any notices that are mailed and returned because of incorrect information, shall use the methods identified in Sub-Subsection 1(c)-(e) to obtain the appropriate address and phone number prior to resuming noticing efforts or ceasing collection efforts. The Contractor must provide to the City any and all address and telephone number updates electronically, on a daily basis directly to the ICMS.
- 5.4 5.1.5.4 Noticing Scheme Modifications. The Director or Designee, at his or her sole discretion, may modify form, content, sequence, number and timing of notices that are mailed to Defendants. Any modification(s) shall be implemented not later than ten (10) Business Days after receipt of written instructions from the Director or Designee.
- 5.5 5.1.5.5 The Contractor may, at its discretion, request approval from the Director or Designee to send notices in addition to those set out in Section B(2). In the event the Contractor makes such a request that is approved by the Director or Designee, the Contractor shall pay the cost of such mailings.

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5.6 ~~5.1.6.6~~ Noticing Records. The Contractor shall maintain and provide a monthly performance report as part of the invoice process; otherwise the invoice shall not be paid. The performance report must provide noticing detail regarding each category of Case. The Contractor shall monitor its own performance against this Agreement. The format for this noticing records performance report must be approved by the Director or Designee. The Contractor shall maintain complete documentation, in a manner approved by the Director or Designee, of all noticing activity undertaken and shall provide the Director or Designee with such documentation upon request.

7. Page 27, Subsection 7.0, Assistance in Serving Warrants under Section II – Scope of Works:

SECTION 7.2 HAVE BEEN DELETED IN ITS ENTIRETY

8. Page 29, Subsection 9.0, Litigation under Section II – Scope of Works:

SECTION 9.0 – sub-section 9.1, 9.1.1, 9.1.2, 9.1.3, 9.1.4 and 9.1.5 HAS BEEN DELETED IN ITS ENTIRETY

9. Page 36, Subsection 14.0, Information System Service Levels under Section II – Scope of Works:

14.8.2 The Contractor shall prior to making any enhancements or modifications to the systems and procedures, receive approval from the Director or Designee and forward relevant documentation within two (2) Business Days of the implementation of such enhancements or modifications.

should be revised to read as follows:

14.8.2 ~~14.8.10~~The Contractor shall prior to making any enhancements or modifications to the systems and procedures, receive approval from the Director or Designee and forward relevant documentation within two (2) Business Days of the implementation of such enhancements or modifications

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- The following questions and the City of Houston (COH) responses are hereby incorporated and made part of the Request for Proposal.

Definitions:

COH – City of Houston

COH – HFD – City of Houston Fire Department

COH – MCAD – City of Houston – Municipal Courts Administration Department

1	Question	<i>There is no Pricing Form provided in the RFP (the Exhibit III page states "PRICING FORM" at the top, but no form is present). Please supply the Pricing Form, or confirm no pricing form is required for this RFP.</i>
	COH	Pricing for collection contracts are mandated by the State at a 30% collection fee.
2	Question	<i>RFP requests seven copies of the proposal, "including one printed original". Please clarify if the original is considered on of the seven copies (ie, does the City expect 7 copies + 1 original, or 6 copies + 1 original?).</i>
	COH	Yes, the original response is included in the total number of required responses.
3	Question	<i>The items listed under Section 5.1.2. are numbered 5.1.4.1 and 5.1.4.2. Please verify if these items are misnumbered (should be 5.1.2.1 and 5.1.2.2), or verify if information is missing in this section (if so, please clarify missing information).</i>
	COH	This section has been updated; please refer to the Letter of Clarification 2.
4	Question	<i>The items listed under Section 5.1.3. are numbered 5.1.5.1 through 5.1.5.6. Please verify if these items are misnumbered (should be 5.1.3.1 through 5.1.3.6), or verify if information is missing in this section (if so, please clarify missing information).</i>
	COH	This section has been updated; please refer to the Letter of Clarification 2.
5	Question	<i>Section 5.1.3 is titled "Pre-Penalty Cases Prior to New Contract"; however, the majority of sub-items under 5.1.3 appear to relate to post-penalty cases. Please verify if this is correct.</i>
	COH	This section has been updated; please refer to the Letter of Clarification 2.
6	Question	<i>The last item listed under Section 14.8 is 14.8.2. Please verify this should be numbered 14.8.10.</i>
	COH	This section has been updated; please refer to the Letter of Clarification 2.
7	Question	<i>Will the city make minutes, notes or a recording of the pre-bid available to those not in attendance?</i>
	COH	Notes from the pre-bid are not available.
8	Question	<i>Why is the contract out to bid at this time?</i>
	COH	The original RFP for the delinquent collection services contract was for a total of 5 years and will expire June 30, 2009
9	Question	<i>If applicable: Who's the incumbents?</i>
	COH	The current contract holder is Linebarger Goggan Blair & Sampson, LLP
10	Question	<i>How long have the incumbents been providing the requested services?</i>
	COH	The original RFP for the delinquent collection services contract was for a total of 5 years and will expire June 30, 2009

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11	Question	To how many vendors are you seeking to award a contract?
	COH	One
12	Question	Has the current contract gone full term?
	COH	Yes
13	Question	Have all options to extend the current contract been exercised?
	COH	Yes
14	Question	Have liquidated damages been assessed on the current vendor?
	COH	No
15	Question	What collection attempts are performed or will be performed internally prior to placement?
	COH	The City will send leeter prior to placement with collection contractors.
16	Question	To the greatest extent possible, please provide the following data:a. Total historical dollar value of accounts, including any backlog.
	COH - MCAD	Fiscal Year 2008 - \$93,316,223.87
17	Question	Total historical number of accounts by category, including any backlog.
	COH - MCAD	Fiscal Year 2008 - Traffic/Non Traffic 375,397
18	Question	Total historical average balance of all accounts, by category if relevant or possible.
	COH - MCAD	Not available
19	Question	Current contingency fees or other fees currently being billed by any incumbent(s), by category.
	COH	Fees for collection contracts are mandated by the State at a 30% collection fee.
20	Question	Total historical average age of accounts at placement (at time of award and/or on a going-forward basis), by category if relevant or possible.
	COH - MCAD	61 days
21	Question	Contracted contingency fees and/or actual dollar amounts of monies paid last year to any incumbent(s), if applicable by category.
	COH - MCAD	Not applicable
22	Question	The monthly or quarterly number of accounts expected to be placed with the vendor(s) by category.
	COH - MCAD	Unknown
23	Question	The monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category.
	COH - MCAD	Unknown
24	Question	Historical rate of return or liquidation rate either provided by any incumbent(s) or anticipated as a result of this procurement.
	COH - MCAD	Not Available
25	Question	Any other relevant statistical data about the portfolio.
	COH - MCAD	None

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26	Question	<i>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?</i>
	COH	No..
27	Question	<i>Please explain what is meant or required in section 2.0, page 21 of 90, item 2.5.</i>
	COH - MCAD	This section has been removed and is not applicable.
28	Question	<i>Name of vendor</i>
	COH	Linebarger Goggan Blair & Sampson, LLP
29	Question	<i>How long have they held the contract?</i>
	COH	5 years
30	Question	<i>What is their collection success rate (amount collected/amount submitted) for each category of cases?</i>
	COH - MCAD	This data is unavailable.
31	Question	<i>Annual dollar amount of commission paid to current vendor</i>
	COH - MCAD	No
32	Question	<i>Will accounts being worked by current vendor be submitted to awarded vendor?</i>
	COH	All backlog account will be transitioned to the awarded vendor.
33	Question	<i>Please answer the following questions regarding the backlog of accounts and the future flow of accounts for Municipal Court Cases: Number of cases</i>
	COH - MCAD	Refer to question 18
34	Question	<i>Dollar value of cases</i>
	COH - MCAD	Refer to question 19
35	Question	<i>Average age</i>
	COH - MCAD	Refer to question 22
36	Question	<i>Average dollar amount</i>
	COH - MCAD	Not available
37	Question	<i>Breakdown of adjudicated and unadjudicated cases</i>
	COH - MCAD	Not available
38	Question	<i>Can we propose that we will open a Houston office upon award of the contract?</i>
	COH	Yes
39	Question	<i>How many days between the release of all Q/A and the due date will the City provide? Do you anticipate the deadline for submission to be postponed if Q/A is released less than five days before due date?</i>
	COH	Please see Letter of Clarification 2.
40	Question	<i>Will the letter series schedule listed in the RFP be applicable to cases previously worked by another vendor?</i>
	COH	Need further clarification

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41	Question	<i>states that if the City does not provide both a name and address..... will there be accounts that won't contain a defendant name?</i>
	COH - HFD	Yes.. No
42	Question	<i>"All other pre-penalty cases shall be included in Annual Sweep". Please confirm the requirement for pre-penalty cases that have been worked by another agency is an annual letter.</i>
	COH	yes
43	Question	<i>Please define "non-traffic cases".</i>
	COH - MCAD	After a traffic citation has been issued and the judge finds the defendant guilty of an additional violation such as possession of alcohol, building code, curfew violations etc.
44	Question	<i>"Contractor has purchased and donated two standard patrol cars to the Houston Police Department". Please clarify this statement- is it a requirement that the awarded vendor purchase these cars or are you saying there are two cars that have already been purchased that we can use</i>
	COH	This requirement will be removed from this RFP
45	Question	<i>Does the awarded vendor coordinate directly with the Houston Police Department for assistance in serving warrants? What is the cost of the off duty officer's time? Is this process performed by the current vendor?</i>
	COH	"Contractor may not attempt to serve any outstanding warrants without the pre-approval of the Chief of Police and the Director or Designee. With such pre-approval, the Contractor may, from time to time and at the discretion of Contractor contract (at no cost to the City) with off-duty officers of the Houston Police Department for the purpose of serving outstanding warrants related to unpaid citations which are the subject of this Agreement". Do not know cost of off duty officer's time. Not applicable what current vendor is doing.
46	Question	<i>Cyclical Marketing Strategy: Please list the strategies being used by the current vendor and the costs associated with them.</i>
	COH	This is confidential information
47	Question	<i>Staffing levels- are these employees required to work only accounts associated with this contract? only Municipal court accounts?</i>
	COH	This is a business decision
48	Question	<i>Please list any liquidated damages (the damage and the dollar amount) paid by the current vendor.</i>
	COH	This is confidential information
49	Question	<i>Are these costs paid in advance of what the City expects us to collect for them? Or are these costs independent of what we collect for the City and paid over and above anything we collect?</i>
	COH	Not applicable
50	Question	<i>Staffing levels- are these employees required to work only accounts associated with this contract? only false alarm accounts?</i>
	COH	No, we consider this to be a vendor business decision

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51	Question	<i>details on the expected volumes of placements or historical placements from years past</i>
	COH	Refer to question 19
52	Question	<i>How many individual accounts is the city estimating to be referred to the vendor initially in both court delinquencies and false alarm? Can the city give the breakdown of the initially referred accounts by year in both in both court delinquencies and false alarm?</i>
	COH - HFD	6,395/yes
	COH -MCAD	Refer to question 19 for Court Delinquencies
53	Question	<i>What is the total dollar amount and average dollar amount of the accounts referred initially in both court delinquencies and false alarm?</i>
	COH - HFD	\$2,275,440.00 - Average \$300
	COH -MCAD	Refer to question 18 for Court Delinquencies
54	Question	<i>What is average age of the account that will be referred to the vendor initially in both court delinquencies and false alarm?</i>
	COH - HFD	90 day/over
	COH -MCAD	Refer to question 22 for Court Delinquencies
55	Question	<i>What is monthly amount of accounts referred to vendors in both dollars and number of accounts in both court delinquencies and false alarm?</i>
	COH - HFD	Average #151 Average \$68,415
	COH -MCAD	Varies for Court Delinquencies
56	Question	<i>What identifiers will vendor receive on new placements in both court delinquencies and false alarm?</i>
	COH -MCAD	Need further clarification
57	Question	<i>Does the city allow for the vendors to file lawsuits in both court delinquencies and false alarm? What are the specific criteria for filing lawsuits?</i>
	COH -MCAD	If this question is due to Section 9.0 Litigation under court delinquencies - this section is removed from the RFP
58	Question	<i>What is the minimum amount that the vendor can file a lawsuit in both court delinquencies and false alarm cases?</i>
	COH -MCAD	Not applicable for court delinquencies
59	Question	<i>What software systems are in both court delinquencies and false alarm on?</i>
	COH - HFD	Smart CM
	COH -MCAD	Oracle for court delinquencies

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60	Question	<i>How many city employees will have access to vendor's computer system?</i>
	COH - HFD	There will be 10 COH employees from HFD.
	COH -MCAD	Based on 14.2.1 on page 33 the Contractor will provide real time online access for 18 persons designated by the Director or Designee to Contractors's Master File of Accounts.
61	Question	<i>Can you supply copy of the city's current contract with Linebarger?</i>
	COH	This contract is currently not available on line.
62	Question	<i>Does the city allow for a third party site payment option for both court delinquencies and false alarm?</i>
	COH	Currently, we do not allow for third-party payment sites.
63	Question	<i>Will the city refer failure to appear warrant arrest and capias pro fine warrants?</i>
	COH -MCAD	Yes for Failure to Appear and No for Capias Pro Fine
64	Question	<i>What are the oldest warrants that will be referred to vendor?</i>
	COH -MCAD	Not applicable for court delinquencies.
65	Question	<i>Can you provide the parameters of the city's most recent amnesty program for both court delinquencies and false alarm? When was the last amnesty program for both court delinquencies and false alarm?</i>
	COH -MCAD	What parameters? Fiscal Year 2007 was last amnesty
66	Question	<i>What is your current vendor charging the city for nonadjudicated/ failure to appear/ arrest warrant cases that occurred prior to 06/18/2003? What is the dollars amount of nonadjudicated/ failure to appear/ arrest warrant cases that occurred prior to 06/18/2003?</i>
	COH -MCAD	Not applicable
67	Question	<i>What is dollar amount and number of accounts of cases turned over for collection to the vendor for all years as of April 1st for both court delinquencies and false alarm?</i>
	COH - HFD	Number 10361 Amount \$2,275,440
	COH -MCAD	What is dollar amount and number of accounts of cases turned over for collection to the vendor for all years as of April 1st for both court delinquencies and false alarm?
68	Question	<i>Can you provide the current letter series used by the city as well as the current vendor for both court delinquencies and false alarm?</i>
	COH - HFD	Not available
	COH -MCAD	What do you mean by "letter series"?
69	Question	<i>Is NCOA the only automated skip tracing program the vendor can use for both court delinquencies and false alarm?</i>
	COH - HFD	No
	COH -MCAD	Please refer to section 4.2

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70	Question	<i>Is Accolaid the only automated telephone update program the vendor can use for both court delinquencies and false alarm?</i>
	COH - HFD	No
	COH -MCAD	Please refer to section 4.2
71	Question	<i>On Page 22 of the RFP, the city states it may retain up to 50% of the delinquent court cases. By percentage and amount in dollars, how many cases has the city retained from its current vendor by year for the years 2004-2009?</i>
	COH -MCAD	Not available
72	Question	<i>How often does your current vendor utilized off duty police department officers to assist in serving warrants? What equipment (including vehicles) does the city require to be purchase or request to be purchased by the vendor to help equip the off duty police officers?</i>
	COH -MCAD	Unknown on utilization of off duty officers - Section 7.2 on page 27 in regards to equipment and vehicles is deleted from RFP
73	Question	<i>For the years 2004- 2009 by year, how much did the current vendor pay off duty police officers to assist in serving warrants? For the years 2004- 2009 by year, how much did the current vendor pay the city for equipment to be used by off duty police department?</i>
	COH -MCAD	Not available
74	Question	<i>Anticipated or historical volumes in dollars as well as number of files placed by market segment (i.e. type of account)</i>
	COH	Need additional clarification
75	Question	<i>Historic collection percentage by market segment (i.e. type of account)</i>
	COH	Need additional clarification
76	Question	<i>Number of anticipated vendors</i>
	COH	One
77	Question	<i>Historic costs of clerical support?</i>
	COH	Need additional clarification: who's clerical support
78	Question	<i>Can you provide more detail and anticipated contribution to the Pay or Play Program</i>
	COH	Please see the attached link: http://www.houstontx.gov/execorders/1-7.pdf
79	Question	<i>Please elaborate:2.5-The services must be based on a municipal collection service business model, is this required , please confirm.</i>
	COH	The City is looking for you to describe the methodology you are going to use in provided the required service on this contract that is consistent with municipal collection services you a location of similar size and scope of the City of Houston.
80	Question	<i>Was this required in previous awards? Conducted at whose expense? Anticipated costs?</i>
	COH	No.
81	Question	<i>8.1 The Contractor shall provide, within sixty (60) days of the Effective Date of this Agreement a seasonal, cyclical marketing strategy regarding radio, television, and newspaper -- a strategy that will encourage Defendants to resolve their Cases timely.....</i>
	COH -MCAD	Yes.. This requirement is correct.

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82	Question	<i>Is it accepted to provide lead personnel bios at this time and full collection representatives/skip trace personnel detail at time of award? Are you looking for home addresses?</i>
	COH -MCAD	Yes - No for Home Address
83	Question	<i>11.1 The Contractor shall provide the names, email address and phone numbers of the following personnel and the Contractor shall not replace these important personnel without first giving the Director or Designee advance written notice.....</i>
	COH -MCAD	Yes.
84	Question	<i>Will a detailed overview be sufficient for the sake of the RFP size as long as a full copy of the manual is available upon contract award?</i>
	COH	Need additional clarification
85	Question	<i>14.8.4 Copy of Contractor's training manuals.....</i>
	COH	Yes
86	Question	<i>Is this in addition to collections? Is this a bond or strictly an additional requirement? Has this ever been paid on a delinquent collection contract before, if so, please provide the agency name(s)</i>
	COH	Need additional clarification
87	Question	<i>15.2.4 For the first Agreement year that begins on the Effective Date, Contractor shall pay to the City \$200,000 within sixty (60) days after the Effective Date.</i>
	COH	Yes
88	Question	<i>15.2.5 Each year thereafter, Contractor shall pay to the City the following applicable sum within ninety (90) days after the anniversary of the Effective Date: Year Amount Year 2 \$150,000 Renewal Year 1 \$75,000 Renewal Year 2 \$50,000 Renewal Year 3 \$25,000</i>
	COH	Yes
89	Question	<i>Must the collection/call center work be preformed in Houston</i>
	COH	No, the call center must be US based.

When issued, Letter(s) of Clarification shall automatically become a part of the bid documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. It is the responsibility of the bidders to ensure that it has obtained all such letter(s). By submitting a bid on this project, bidders shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this bid.

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If you have any questions or if further clarification is needed regarding this Request for Proposal, please contact me.

Sincerely,

Eric S. Alexander

Eric S. Alexander
Sr. Procurement Specialist
City of Houston, Strategic Purchasing Division

cc. Greg Damianoff, Shanessa Broussard, Carmen Gordon, Gilbert Crawford, Zandra Sills and File

Attached Revised Page: 2, 5, 17, 18, 23, 24, 25, 27 and 36

DM

**NOTICE OF
REQUEST FOR PROPOSAL FOR
SAP BASIC SUPPORT AND SYSTEM MONITORING SERVICES**

S46-T22111

THE CITY OF HOUSTON

The City of Houston Administration & Regulatory Affairs Department invites prospective contractors to submit a written proposal for **Delinquent Collection Services** for the City of Houston. Proposals are solicited for this service for the City of Houston in accordance with the terms, conditions and instructions as set forth in this Request for Proposal (RFP).

This Proposal is available on the Internet from: <http://purchasing.houstontx.gov/>

In the event you do not have download capability, the RFP document may be obtained from the Administration & Regulatory Affairs Department, Strategic Purchasing Division, Basement Level, Room B121A, City Hall, 901 Bagby, Houston, Texas 77002.

The City of Houston, Texas will receive proposals at the City Secretary's Office, City Hall Annex, Public Level, 900 Bagby, Houston, Texas 77002 until ~~Friday, December 19, 2008 at 2:00 P.M;~~ ~~Friday, May 1, 2009 at 2:00 P.M;~~ Friday, May 8, 2009 at 2:00 P.M. No proposals will be accepted after the stated deadline.

There will be a **Pre-Proposal Conference on Tuesday, April 14, 2009 at 10:30 A.M.** in the Strategic Purchasing Division, Conference Room No. 1, located at 900 Bagby, City Hall Annex, Tunnel Level, Houston, Texas.

Questions concerning the Proposal should be submitted to, Strategic Purchasing, High Technology, Room 1, City Hall, 901 Bagby, Houston, Texas 77002, Attn: Eric Alexander, phone: (832) 393-8704, fax: (713) 247-3039, eric.alexander@cityofhouston.net no later than **5:00 P.M., Friday, April 17, 2009.**

All proposals will be required to comply with City Council Ordinance No. 78-1538, passed August 9, 1978, relating to Equal Employment Opportunity Contract Compliance. The City reserves the right to reject any or all proposals or to accept any proposal or portion of a proposal deemed to be in the City's best interest.

SECTION I. GENERAL INSTRUCTIONS

1.0 Submittal Procedure:

- 1.1 Seven (7) copies of the proposal, including one (1) printed original, signed in BLUE ink, are to be submitted in a sealed enveloped bearing the assigned Control Number located on the first page of the RFP document to:
 - 1.1.1 City Secretary's Office
City Hall Annex
900 Bagby
Houston, Texas 77002
- 1.2 The deadline for the submittal of the proposal to the City Secretary's Office is no later than ~~Friday, December 19, 2008 at 2:00 P.M.; Friday, May 1, 2009 at 2:00 P.M.; Friday, May 8, 2009 at 2:00 P.M.~~ Failure to submit the require number of copies as stated above may be subject for disqualification form the proposal process.
- 1.3 Respondents may elect to either mail, or personally deliver, their proposals to the City Secretary's Office.
- 1.4 The City of Houston shall bear no responsibility for submitting responses on behalf of any Proposer. Respondents may submit their proposal to the City Secretary's Office any time prior to the above stated deadline.

2.0 Proposal Format:

- 2.1 The Proposal should be electronically generated and the printed original signed in ink. They should not be submitted in elaborate or expensive binders. Legibility, clarity and completeness are important and essential.
- 2.2 The proposal must be signed by individual(s) legally authorized to bind the Proposer(s) and must contain a statement that the proposal and the prices contained therein shall remain firm for a period of one hundred-eighty (180) days.

3.0 Pre-Proposal Conference:

- 3.1 A Pre-Proposal Conference will be held Tuesday, April 14, 2009 at 10:30 A.M. in the Strategic Purchasing Division Conference Room No. 1, City Hall Annex, located at 900 Bagby, Tunnel Level, Houston, Texas. Interested Proposers should plan to attend. It will be assumed that potential Proposers attending this meeting have reviewed the RFP in detail and are prepared to bring up any substantive questions, which have not already been addressed by the City.

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22.0 Project Administration:

22.1 Questions regarding the scope of the project, technical specifications, proposed applications, etc. may be addressed to the Project Manager at the pre-proposal conference.

23.0 Schedule:

23.1 Listed below are important dates and times by which actions related to this Request for Proposal (RFP) should be completed.

23.2	<u>EVENT</u>	<u>DATE</u>
	Date of issue of the RFP	April 8, 2009
	Pre-Proposal Conference	April 15, 2009
	Questions from Proposers due to City	April 17, 2009
	Proposals due from Proposers	April 24, 2009
	Proposals due from Proposers	May 1, 2009
	<u>Proposals due from Proposers</u>	<u>May 8, 2009</u>
	Notification of intent to award (<i>Estimated</i>)	May 18, 2009
	Council Agenda Date (Tentative)	June 10, 2009
	Contract start date (<i>Estimated</i>)	July 1, 2009

SECTION II. SCOPE OF WORK

DEFINITION OF TERMS:

PART 1 - MUNICIPAL ADMINISTRATION COURTS DEPARTMENT

PART 1 - MUNICIPAL COURTS ADMINISTRATION DEPARTMENT

The following terms used in this RFP have the meanings set out below:

“**Accounts**” means Non-Parking Citations referred to the Contractor for collection.

“**Alleged Violator or Defendant**” means the individual who is alleged to be responsible for unpaid and/or delinquent outstanding Non-Parking Citations or Capias Pro Fine cases.

“**Agreement**” means this ORIGINAL AGREEMENT between the Parties, including all exhibits and any written amendments thereto, which have been authorized by City Council by ordinance or motion and approved by Contractor.

“**Business Day**” means everyday except Saturday, Sunday or a designated City Holiday.

“**Capias Pro Fine**” means an Account on which a judgment of guilty has been entered and a fine assessed but the fine and fees have not been paid in full and a judge has subsequently issued an order to arrest the Alleged Violator.

“**Case**” means an offense that has been filed with the Municipal court.

“**Citation**” means any unpaid Non-Parking ticket issued to a Defendant and filed in the City’s Municipal Courts.

“**City**” is defined in the preamble of this Agreement and includes its successors and assigns.

“**Collection System**” means a computerized system—including but not limited to functional specifications, notice and warrant forms, telephone scripts, database design, transaction coding structures, underlying methodology, software implementation and all other documents and things created, developed and/or used in connection with the performance of this Agreement—for turnkey collection of Accounts.

“**Contractor**” is defined in the preamble of this Agreement and includes its successors and assigns.

“**Countersignature Date**” means the date shown as the date countersigned by the City’s Controller on the signature page of this Agreement.

“**Delinquent**” means more than sixty (60) days past due. As used in this section, “more than 60 days past due” has that meaning assigned by Subsection

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still consider Pre-Penalty Cases a high priority for resolution. The 30% compensation does not apply to Pre-Penalty Cases. All expenses for notices, telephone calls, postage and other services performed by the Contractor shall be paid by the Contractor at its sole expense.

4.2 Defendant Identification and Address Research

- 4.2.1 State of Texas Issued Defendant Identifier. If the City does not provide both name and address of the Defendant at the time of assignment, Contractor will use a State of Texas issued Defendant identifier to obtain a name and address of record.
- 4.2.2 Internal Search. Contractor shall search its existing database to determine if an address and telephone number for the Defendant exists and if the Contractor has previously made contact. If such address does exist the Citations that have been issued to the same Defendant will be Packeted.
- 4.2.3 National Change of Address (NCOA) Submission. Prior to mailing any of the notices pursuant to this Agreement, the Contractor shall submit the proposed mail file for NCOA. If a new address is indicated by the NCOA submission, the Contractor shall mail future notices to the new address obtained from NCOA. The Contractor shall provide NCOA information to the City on a daily basis directly to the ICMS.
- 4.2.4 Electronic Skip-tracing. For any Cases (Pre-Penalty and otherwise) for which (i) the address to which the City has sent a previous mailing has been returned or (ii) the Contractor has received a return mail, the Contractor shall submit the Defendant for skip-tracing to a minimum of two services that perform this service electronically. The Contractor will determine the service(s) to be used for this purpose, but will provide the Director or Designee with the company name, the address, the phone number and the contact person for both skip tracing services. Once the Contractor has located the current address or current phone number of a Defendant, that information is to be provided to the City on a daily basis directly to the ICMS.
- 4.2.5 Manual Skip-tracing. The Contractor shall differentiate between electronic skip-tracing methods as described in Subsection (d) 4.2.4 above which must be performed on all Cases (Pre-Penalty and otherwise) and manual skip-tracing.

For the following Case types listed below in 4.2.5.1 and 4.2.5.2 where the electronic skip-tracing described in subsection 4.2.4 above does not result in a good mailing address and/or telephone number the Contractor shall also attempt to obtain an address and or telephone number through manual skip-tracing pursuant to the following protocol. The Contractor shall provide to the City the name, address, phone number and contact person of the in house/agencies/services that the Contractor uses to provide manual skip-tracing.

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4.2.5.1 Traffic/Non Traffic – When the Defendant’s Citation is a new assignment and has an amount owed in excess of \$500.00. When the Defendant’s Citation is 1 to 3 years old from date of assignment and has an amount owed in excess of \$750.00. When the Defendant’s Citation is 4 to 7 years old from date of assignment and has an amount owed in excess of \$1,000.00.

4.2.5.2 When the Defendant’s Case is 1 to 3 years old from date of assignment and has accrued unpaid Cases for a total amount owed in excess of \$500.00. When the Defendant’s Case is 4 to 7 years old from date of assignment and has accrued unpaid Cases for a total amount owed in excess of \$1,000.00.

4.2.6 Acquisition of Telephone Numbers. In addition to the foregoing electronic and manual skip-tracing the Contractor shall also, for any Defendant for which it does not have a valid telephone number, submit the Defendant to Telephone Pends ACCOLAID. 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 ICMS.

5.0 MAIL NOTICES

5.1 Frequency of Notices. The Contractor shall send notices according to the following schedule with respect to each Defendant for which there is an address (which address has not been previously returned):

5.1.4 Traffic/Non—Traffic - Cases

5.1.2.1 Within fifteen (15) Business Days of initial assignment of a Case; and

5.1.2.2 Within thirty (30) Business Days, of initial assignment of a Case; and

5.1.2.3 Within forty-five (45) Business Days of initial assignment of a Case.

5.1.2.4 Within seventy-five (75) Business Days of initial assignment of a Case.

5.1.5 Vehicle Registration Refusal

~~5.1.4.1~~ 5.1.2.1 First notice 15 business days of initial assignment of case; and

~~5.1.4.2~~ 5.1.2.2 Second notice 45 business days of initial assignment of case.

5.1.6 Pre-Penalty Cases Prior to New Contract

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- 5.1.5.1 5.1.3.1** Pre-Penalty Cases that were assigned after the Effective Date of this Agreement are not charged the 30% compensation fee, however, the Contractor shall be required to mail notices for these Cases on the same schedule as set forth above for Traffic/Non-Traffic Cases. All other Pre-Penalty Cases shall be included in Annual Sweep.
- 5.2 5.1.5.2** Form and Content of Notices. The form, content, and mailing sequence of all notices shall be reviewed and approved by the Director or Designee 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 allow for off-site payment processing.
- 5.3 5.1.5.3** Returned Notices. The Contractor, upon receipt of any notices that are mailed and returned because of incorrect information, shall use the methods identified in Sub-Subsection 1(c)-(e) to obtain the appropriate address and phone number prior to resuming noticing efforts or ceasing collection efforts. The Contractor must provide to the City any and all address and telephone number updates electronically, on a daily basis directly to the ICMS.
- 5.4 5.1.5.4** Noticing Scheme Modifications. The Director or Designee, at his or her sole discretion, may modify form, content, sequence, number and timing of notices that are mailed to Defendants. Any modification(s) shall be implemented not later than ten (10) Business Days after receipt of written instructions from the Director or Designee.
- 5.5 5.1.5.5** The Contractor may, at its discretion, request approval from the Director or Designee to send notices in addition to those set out in Section B(2). In the event the Contractor makes such a request that is approved by the Director or Designee, the Contractor shall pay the cost of such mailings.
- 5.6 5.1.5.6** Noticing Records. The Contractor shall maintain and provide a monthly performance report as part of the invoice process; otherwise the invoice shall not be paid. The performance report must provide noticing detail regarding each category of Case. The Contractor shall monitor its own performance against this Agreement. The format for this noticing records performance report must be approved by the Director or Designee. The Contractor shall maintain complete documentation, in a manner approved by the Director or Designee, of all noticing activity undertaken and shall provide the Director or Designee with such documentation upon request.

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processing activities for which the Contractor is responsible. This documentation shall, at a minimum, include:

- 14.8.2 Copy of all telephone scripts,
- 14.8.3 Policy and Procedures for handling citizen complaints,
- 14.8.4 Copy of Contractor's training manuals,
- 14.8.5 The manner in which all processing functions are carried out,
- 14.8.6 The interrelationships or interfaces between the various sub-systems,
- 14.8.7 A functional organization chart,
- 14.8.8 The locations at which such functions are carried out, and
- 14.8.9 The timing for the carrying out of each function.

~~14.8.2~~ ~~14.8.10~~ The Contractor shall prior to making any enhancements or modifications to the systems and procedures, receive approval from the Director or Designee and forward relevant documentation within two (2) Business Days of the implementation of such enhancements or modifications.

14.9 System Test

- 14.9.1 All system modifications, enhancements, or other changes shall be made and properly tested by the Contractor and approved by the Director or Designee before their implementation. The Contractor shall bear the cost and expense of any needed enhancements or modifications. Comprehensive test files to test systems shall be done and actual test results shall be provided to the Director or Designee before implementation of the system(s).

14.10 Back-up systems

- 14.10.1 The Contractor shall have or create complete back-up systems and capacity for all systems including hardware, software, communication lines, and other equipment. The Contractor shall retain sufficient back-up files so that reconstruction of all payment processing activities can be accomplished for audit purposes and emergency situations.

14.11 Production Schedules

- 14.11.1 The Contractor shall prepare a detailed monthly production schedule for report and other document generation, transaction cut-off periods, and notice mailing. Such schedules shall be

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END OF LETTER OF CLARIFICATION NO. 2