



ADDENDUM #1

To: All Companies Interested in Submitting a Proposal
From: Diane Muench, CPPB, Purchasing Agent
Proposal: Debt Collection Services, RFP #PUR0517-230 Dated: May 17, 2017
Subject: Addendum #1 (3 pages)
Date: May 26, 2017

Please note the following specification changes/additions/clarifications relative to the above Request for Bid.

- 1) **Question:** Please confirm the due date for this procurement is **6/8/2017**.
Answer: Proposal submittals are due in the City Clerk's Office prior to 3:00 pm CDT on Thursday, June 8, 2017. Detailed submittal instructions are on Page 3 of the RFP.
- 2) **Question:** Please describe your level of satisfaction with your current vendor(s), if applicable.
Answer: Our current vendor has only one account type and the City is satisfied with their efforts. The Income Offset Program is another collection method the City wants to use, so these services are being re-solicited to have one vendor who can manage all aspects of the City's collection efforts.
- 3) **Question:** What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?
Answer:
 - Monthly:
 - Automated Traffic Enforcement Citations:
 - Estimating 330 (many cameras off while IDOT ruling challenged)
 - Approximately 5000 when all cameras in use
 - Quarterly:
 - Burglar Alarm Permits & False Alarms: 100
 - Annual Fire Inspection & Op Permits: 40
 - Fire Construction / Limited Time Permits: 2
 - Fire False Alarms: 20
 - Rental Property Registration Fees: 40
 - Animal Control Fees: 5
 - Police Calls for Nuisance Activity: 2
 - Utilities: 125
- 4) **Question:** What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?
Answer:
 - Monthly:
 - Automated Traffic Enforcement Citations:
 - Estimating \$27,960 (many cameras off while IDOT ruling challenged)
 - Approximately \$400,000 when all cameras in use
 - Quarterly:
 - Burglar Alarm Permits & False Alarms: \$3200
 - Annual Fire Inspection & Op Permits: \$2800

- Fire Construction / Limited Time Permits: \$150
 - Fire False Alarms: \$1200
 - Rental Property Registration Fees: \$2000
 - Animal Control Fees: \$625
 - Police Calls for Nuisance Activity: \$188
 - Utilities: \$18,750
- 5) **Question:** What has been the historical rate of return or liquidation rate provided by any incumbent(s), and/or what is anticipated or expected as a result of this procurement?
Question: What is the present liquidation rate for the present vendor on this contract?
Answer: For Automated Traffic Enforcement Citations, the current agency's percentage of total debt recovered has varied between 10-15%. The City expects the Consultant to indicate what they can accomplish in their proposal response.
- 6) **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: Backlog of accounts will be moved to the new Consultant upon execution of the contract.
- 7) **Question:** What computer software system do you use to manage your accounts/inventory?
Answer: Oracle Utilities Customer Care and Billing for Utility accounts and PeopleSoft Financials for all other accounts.
- 8) **Question:** Do you have any plans of changing the computer software system in the future, and why/why not?
Answer: No plans to change the software system; however, the City is in the beginning stages of upgrading PeopleSoft to version 9.2. Utilities CC&B will be upgraded to Version 2.5 in early Fall 2017.
- 9) **Question:** Do you subscribe to any offset programs?
Answer: The City has a Memorandum of Understanding to participate in the Iowa State Income Offset Program. Cedar Rapids Municipal Utilities has the ability to lien properties for unpaid delinquent utility accounts, but this option does not apply to all accounts.
- 10) **Question:** Why is this RFP being released at this time?
Answer: To fully evaluate opportunities and collection techniques that exist to maximize our recovery rate, including use of the Iowa State Income Offset Program.
- 11) **Question:** Will multiple vendors be awarded from this contract? If so, will it be by Municipal Department?
Answer: The City is looking for one vendor to manage the full scope. Vendor(s) awarded, if any, will be dependent upon evaluation of proposal submittals. The City has no plans to award multiple contracts based on Municipal department.
- 12) **Question:** What internal efforts for collection, does the city incorporate, prior to placement with 3rd party vendor?
Answer: Past-due notices/dunning letters for some account types.
- 13) **Question:** How much, in fees, have been paid to the present vendor?
Answer: \$306,591.56 (August 2012 through April 2017). These fees are for Automated Traffic Enforcement citations only.
- 14) **Question:** Will fees be paid to successful vendor on accounts placed with the Iowa State Income Offset Program?
Answer: Yes.

All addenda that you receive shall become a part of the contract documents and shall be acknowledged and dated on the bottom of the Signature Page (Attachment B). The deadline for sealed proposals is Thursday, June 8, 2017, before 3:00 pm CDT at the Office of the City Clerk, 101 First Street SE, Cedar Rapids, IA 52401.