



Purchasing Division

ADDENDUM NO. 1

DATE: December 5, 2022
FROM: City of Grand Junction Purchasing Division
TO: All Interested Parties
RE: Debit Collection Services RFP-5135-22-SH

Bidders responding to the above referenced solicitation are hereby instructed that the requirements have been clarified, modified, superseded and supplemented as to this date as hereinafter described.

Please make note of the following:

Clarification: Section 4.3.1.6 has been revised to include information regarding Municipal Court details. Therefore, Section 4.3.1.6 will now read:

4.6.1.6 The volume of invoices sent for collection are currently estimated as:

- **Ambulance Billing: 100-250 invoices per month totaling \$70,000-\$100,000.**
- **Accounts Receivable: 25-100 invoices per year totaling \$5,000-\$50,000.**
- **Municipal Court: 63 invoices per quarter totaling \$10,069.**

Question 1. Please reconfirm the due date for this procurement by providing it in response to answers to questions. Section 1.6 of the RFP document indicates that the bid opening date is November 15th. Can you please clarify this?

Answer: The due date is December 13, 2022 prior to 2:30 PM. Section 1.6 is incorrect and should read:

Please join the virtual opening for Debt Collection Services for RFP-5135-22-SH on December 13, 2022 at 2:30 P.M.

Please join my meeting from your computer, tablet or smartphone.

<https://meet.goto.com/854332661>

You can also dial in using your phone.

Access Code:

854-332-661

United States:

+1 (408) 650-3123

Join from a video-conferencing room or system.

Meeting ID:

854-332-661

Dial in or type:

67.217.95.2 or inroomlink.goto.com

Or dial directly:

854332661@67.217.95.2 or 67.217.95.2##854332661

Question 2. Why has this bid been released at this time?

Answer: It has been determined the City of Grand Junction needs to solicit competition for these services.

Question 3. Are bidders permitted to deviate in any way from any manner of quoting fees you may be expecting? For example, if there is a pricing page in the RFP, can bidders submit an alternate fee structure? If there is no pricing page in the RFP, do you have any preference for how bidders should quote fees or can bidders create their own pricing categories?

Answer: Please see Section 7 of the RFP document.

Question 4. Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable.

Answer: The incumbent provider has performed quite satisfactorily.

Question 5. Has the current contract gone full term?

Answer: Yes.

Question 6. Have all options to extend the current contract been exercised?

Answer: This question does not apply to this particular solicitation.

Question 7. Who is the incumbent, and how long has the incumbent been providing the requested services?

Answer: The incumbent provider is Aspen National Collections and has been providing service since 2007.

Question 8. To what extent will the location of the bidder's proposed location or headquarters have a bearing on any award?

Answer: None.

Question 9. How are fees currently being billed by any incumbent(s), by category, and at what rates?

Answer: This information is not relevant to the solicitation. The City is interested in knowing how your firm's fees will be billed and at what rates.

Question 10. What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?

Answer: Dollars paid varies based on the need for these services. This information is not relevant to the solicitation. The City is interested in knowing how your firm's fees will be billed and at what rates.

Question 11. To how many vendors are you seeking to award a contract?

Answer: One.

Question 12. To what extent are these accounts owed by private consumers versus commercial businesses

Answer: This information is not available.

Question 13. Will accounts be primary placements, not having been serviced by any other outside collection agency, and/or will you also be referring secondary placements? If so, should bidders provide proposed fees for secondary placements also?

Answer: This information is addressed in Section 4 of the RFP document for Ambulance and Accounts Receivable. Municipal Court may have some backlog, so yes, please provide proposed fees for secondary placements.

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

Answer: This information is addressed in Section 4 of the RFP document. More detail is also provided in Question 42.

Question 15. Will the selected vendor be allowed to litigate balances exceeding a certain dollar amount on your behalf, with your explicit approval?

Answer: This information is addressed in Section 4 of the RFP document.

Question 16. What is the total dollar value of accounts available for placement now by category, including any backlog?

Answer: This information is addressed in Section 4 of the RFP document and in the Clarification found at the beginning of this Addendum. Only backlog for Municipal Court is available at this time; that backlog is 1949 accounts totaling approximately \$126,854.

Question 17. What is the total number of accounts available for placement now by category, including any backlog?

Answer: This information is addressed in Section 4 of the RFP document and at the beginning of this Addendum document.

Question 18. 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?

Answer: This information is not available.

Question 19. What billing servicer do you utilize?

Answer: The City of Grand Junction Finance Department provides billing services for everything that is not ambulance related. Wittman Enterprise, LLC provides billing services for all ambulance transport services.

Question 20. Have all cases been fully adjudicated by the time of placement?

Answer: This information is addressed in Section 4 of the RFP document.

Question 21. 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: There is some backlog that could perhaps be moved to the awarded contractor for collection.

Question 22. What is your case management/accounting software system of record?

Answer: The City currently utilizes New World ERP.

Question 23. Who is your electronic payment/credit card processing vendor?

Answer: There are multiple providers of this service to the City, but this question is not relevant as we are asking for your agency to provide a recommendation for consideration.

Question 24. What process should a vendor follow, or which individual(s) should a vendor contact, to discuss budget-neutral services outside of the scope of this procurement, but related to it, designed to recover more debt prior to outside placement and lower collection costs?

Answer: The purpose of this RFP is for your agency to present what you recommend for the City of Grand Junction's consideration.

Question 25. How do your current processes and/or vendor relationship(s) systematically determine if the death of a responsible party has occurred?

Answer: The purpose of this RFP is for your agency to present what you recommend for the City of Grand Junction's consideration.

Question 26. How do your current processes and/or vendor relationship(s) handle the death of a responsible party?

Answer: The purpose of this RFP is for your agency to present what you recommend for the City of Grand Junction's consideration.

Question 27. Do you have a designated process or policies around deceased accounts today, and what is envisioned in the future?

Answer: The purpose of this RFP is for your agency to present what you recommend for the City of Grand Junction's consideration.

Question 28. Do you currently search and file probated estate claims? Have you considered an automated tool to identify and file probated estate claims?

Answer: No.

Question 29. Can you please indicate what inbound and outbound contact methods, beyond phone calls or letters (such as email and text), would be permitted by the scope of work?

Answer: The purpose of this RFP is for your agency to present what you recommend for the City of Grand Junction's consideration.

Question 30. We are interested in bidding the Debt Collections RFP, can you please forward the pre-bid virtual opening of the RFP?

Answer: There is no pre-bid meeting for this solicitation.

Question 31. How many accounts does the city have to turn over?

Answer: This information is found in Section 4 of the RFP document and in the Clarification found at the beginning of this Addendum.

Question 32. How many accounts, in a normal year typically go delinquent?

Answer: This information is found in Section 4 of the RFP document and in the Clarification found at the beginning of this Addendum.

Question 33. What is the total dollar amount that is currently delinquent?

Answer: This information is found in Section 4 of the RFP document and in the Clarification found at the beginning of this Addendum.

Question 34. What is the average balance of the accounts?

Answer: This information is found in Section 4 of the RFP document and in the Clarification found at the beginning of this Addendum.

Question 35. What is the average age of the delinquent accounts?

Answer: Delinquent accounts are generally sent to collection after 150 days for non-ambulance payments. This information is not readily available for ambulance payments.

Question 36. What has been the historical liquidation of these delinquent accounts?

Answer: This information is not available currently.

Question 37. Who is the current vendor?

Answer: Please see Question 7.

Question 38. What is the current fees charged by the current vendor?

Answer: This information is not relevant to the solicitation. The City is interested in knowing how your firm's fees will be billed and at what rates.

Question 39. What type of delinquent Accounts Receivable invoices are to be referred?

Answer: This information is found in Section 4 of the RFP document.

Question 40. What is the average age of account per type?

Answer: This information is not available at this time.

Question 41. Is there currently a backlog of accounts ready for referral now? If yes, please provide the volume (number of accounts and total dollars) as well as the age of this backlog volume.

Answer: Please see Question 16.

Question 42. What collection attempts are performed or will be performed internally prior to placement?

Answer: At 30 days past due, the statement is stamped "Past Due Please Pay". At 60 days past due, the statement is stamped "Past Due Please Pay to Avoid Collection Action". At 90 days past due, statement is stamped "Past Due Please Pay to Avoid Collection Action" as well as notice to the originating department so they can call or follow up with customer. (Ex: Bulk water account is turned off to stop further use.) At 120 days a Final Notice Letter is sent with 30 days to pay or will be sent to collection.

Question 43. Does the City currently utilize a revenue offset or recapture program? If so, would the firm/agency retain commission on these accounts? Please provide the number of accounts and the dollar value of accounts that are collected through an offset program annually for 2020 and 2021. If you utilize one.

Answer: The City does utilize a revenue offset/recapture program but this is not involved with commissions to the debt collection agency and is therefore not relevant to this particular solicitation.

Question 44. If insurance to be billed is located by the firm/agency, does the firm/agency receive commission on the insurance payment?

Answer: The purpose of this RFP is for your agency to present what you recommend for the City of Grand Junction's consideration.

Question 45. Does the City wish to receive separate reports for Ambulance and Accounts Receivable invoices?

Answer: Yes. The City would like to see separate reports for the Accounting Division, Ambulance and Municipal Court.

Question 46. To how many firms/agencies does the County intend on selecting/awarding?

Answer: This solicitation is for the City of Grand Junction, not the County. The award will go to one firm or agency.

Question 47. To what extent will the location of the firm have in bearing on any award?

Answer: None. The City does not have a location preference.

Question 48. Who is the current firm/agency?

Answer: Please see Question 7.

Question 49. What is the incumbent(s) fee/pricing structure for full completion of the requirements stated in this RFP?

Answer: The purpose of this RFP is for your agency to present what you recommend for the City of Grand Junction's consideration.

Question 50. What is the current liquidation rate of accounts for EMS billing and Mail Return accounts?

Answer: This information is found in Section 4 of the RFP document.

Question 51. What is the annual fee paid to the incumbent in 2020? In 2021?

Answer: This information is not relevant to the solicitation. The City is interested in knowing how your firm's fees will be billed and at what rates.

Question 52. What is the level of satisfaction with the current firm/agency?

Answer: Please see Question 4. The City is quite satisfied with the incumbent provider .

Question 53. Has the current contract gone full term and have all options to extend the current contract been exercised?

Answer: Yes.

Question 54. How long has the incumbent(s) been providing the requested services?

Answer: Please see Question 7.

Question 55. Will accounts held by any incumbent(s) be moved to the new firm/agency as a one-time placement at contract start up? If so, please specify the age, number of accounts, and total dollar amount of the accounts.

Answer: Please see Question 21.

Question 56. Will credit reporting be allowed on accounts placed for collection?

Answer: This is an interesting concept and worth exploring. Please provide full disclosure in your Proposal how your firm will use this tactic and any associated fees and/or negotiable terms.

Question 57. What is the success rate for each of the referring departments over the past 3 years?

Answer: The success rate is acceptable.

Question 58. Are the current fees paid being added to the balance assigned or is it take from the original amount due?

Answer: The City is interested in knowing how your firm will address this issue.

Question 59. Please provide which departments add the fee and which departments are subtracted from the original balance.

Answer: All departments are handled the same.

Question 60. In 4.3.8, the City speaks of obtaining judgement(s). Does the account get removed from your collection agency prior to obtaining the judgement?

Answer: This is a protective clause to help the City maintain the right to seek judgement, but there is no knowledge of it happening in the past. It is likely the City would remove the account from the collection agency if it were to happen.

Question 61. If it is the collection agency's responsibility to obtain judgement(s), how many instances of this occurred from your current vendor in 2019, 2020, and 2021?

Answer: There has been no instance of this happening with the current vendor.

Question 62. Does the City wish for a separate page with our fee proposal because there is no line for a percentage on the Solicitation Response form (Section 7.0)?

Answer: Yes. Please provide a clear and concise list of fees and pricing structure. Include detailed information regarding your firm's billing procedures.

The original solicitation for the project referenced above is amended as noted.

All other conditions of subject remain the same.

Respectfully,

Susan Hyatt, Senior Buyer
City of Grand Junction, Colorado