

THE PORT AUTHORITY OF NY & NJ

**PROCUREMENT DEPARTMENT
2 MONTGOMERY STREET, 3RD FL.
JERSEY CITY, NJ 07302**

7/17/2014

ADDENDUM #3

To prospective Proposer(s) on RFP # 38391 for General Collection Services for the Electronic Toll Collection Program “(E-ZPass®)”

Due back on 8/4/2014, no later than 2:00 P.M.

Originally Due back on 7/29/2014, no later than 2:00 P.M.

I. CHANGES/MODIFICATIONS

The following changes/modifications are hereby made to the solicitation documents:

- The due date of this RFP has been extended until 8/4/2014, no later than 2:00 P.M.
- In Attachment BI, “Contract Terms and Conditions for Facility Services”, Section 12., “Wages, Health and Supplemental Benefits”, on Page 42, third line from top of page, delete “TBD” and replace it with \$23.28”. In the fourth line from top of page, delete “TBD” and replace it with “\$23.44”.

II. PROPOSERS’ QUESTIONS AND ANSWERS

The following information is available in response to questions submitted by prospective Proposers. The responses should not be deemed to answer all questions, which have been submitted by Proposers to the Port Authority. It addresses only those questions, which the Port Authority has deemed to require additional information and/or clarification. The fact that information has not been supplied with respect to any questions asked by a Proposers does not mean or imply, nor should it be deemed to mean or imply, any meaning, construction, or implication with respect to the terms.

The Port Authority makes no representations, warranties or guarantees that the information contained herein is accurate, complete or timely or that such information accurately represents the conditions that would be encountered during the performance of the Contract. The furnishing of such information by the Port Authority shall not create or be deemed to create any obligation or liability upon it for any reason whatsoever and each Proposer, by submitting its Proposal, expressly agrees that it has not relied upon the foregoing information, and that it shall not hold the Port Authority liable or responsible therefor in any manner whatsoever. Accordingly, nothing contained herein and no representation, statement or promise, of the Port Authority, its Commissioners, officers, agents, representatives, or employees, oral or in writing, shall impair or limit the effect of the warranties of the Proposer required by this Proposal or Contract and the Proposer agrees that it shall not hold the Port Authority liable or responsible therefor in any manner whatsoever.

PS11A11

The Questions and Answers numbering sequence will be continued sequentially in any forthcoming Addenda that may be issued.

<i>Question #14</i>	Can we get a copy of the current pricing for these services?
<i>Answer # 14</i>	See the attached Pricing Sheet. Please be advised that the pricing information attached herewith is for informational purposes only. Contract terms, conditions, specifications, and scope of work may have been changed and/or altered in the current bid request. The Port Authority makes no representation or guarantee as to and shall not be responsible for its accuracy, completeness or pertinence, and, in addition, shall not be responsible for the conclusions to be drawn therefrom.
<i>Question #15</i>	Is an attendee list from this morning’s pre-proposal meeting available for distribution?
<i>Answer # 15</i>	See the attached sign-in sheet and list of conference call attendees. The phone numbers and email addresses have been redacted from the sign-in sheet.
<i>Question #16</i>	Will the PANYNJ accept flash drives in place of CDs for the nine (9) soft copies requested?
<i>Answer # 16</i>	No.
<i>Question #17</i>	Does the awarded company need to be located in New York or New Jersey?
<i>Answer # 17</i>	No.
<i>Question #18</i>	Where is the office of the incumbent located?
<i>Answer # 18</i>	The incumbent is located in New York City, New York.
<i>Question #19</i>	In Section 3. Proposer Prerequisites (Page 13) it states, “All proposers must include documentation that they meet the above prerequisites”. Does the Port Authority have any particular preferences as to what types of documentation the agency should provide?
<i>Answer # 19</i>	The Port Authority does not have a preferred method.
<i>Question #20</i>	In addition to submitting the Background Qualification Questionnaire (BQQ) to Office of the Inspector General, should agencies provide a copy of this BQQ with the proposal submission?
<i>Answer # 20</i>	No.
<i>Question #21</i>	“Submission of Proposals” on Page 10 states that copies can be double-sided. Can the original submission be double-sided as well? Does this include attachments such as financial statements and references/client lists?
<i>Answer # 21</i>	Yes.
<i>Question #22</i>	Since you do not want binding or plastic covers for ease of recycling, what is the preferred method for presenting actual proposal?
<i>Answer # 22</i>	The Port Authority does not have a preferred method.
<i>Question #23</i>	How many agencies are currently handling collection services for the four categories you listed?
<i>Answer # 23</i>	The Port Authority currently contracts with one collection agency.
<i>Question #24</i>	Could the Port Authority please provide the sections of the RFP where the on-site employee is discussed, as well as provide the job description/job expectations for this employee?
<i>Answer # 24</i>	Please see “Attachment E Scope of Work”, Section 4.2, “Staffing”, Item b. starting on Page 95.
<i>Question #25</i>	Are each of our representatives required to be Senior Collections Representatives?

<i>Answer # 25</i>	No, only the employee located in the Port Authority offices is required to be a Sr. Collections Representative.
<i>Question #26</i>	Does the Price Adjustment to the Average Direct Hourly Wages on Page 33 of Attachment BI, “Contract Terms and Conditions for Facility Services” apply to the employee working in the Port Authority office or does this apply to our contingency fee for dollars collected?
<i>Answer # 26</i>	The Price Adjustment to the Average Direct Hourly Wages applies only to the wages for the Sr. Collections Representative working in the Port Authority offices.
<i>Question #27</i>	Are we required to pay \$23.12/hour to our agents that are not based in New Jersey or New York but are based in areas where the minimum hourly wages differ?
<i>Answer # 27</i>	No.
<i>Question #28</i>	Does the \$23.12/hour wage include benefits?
<i>Answer # 28</i>	No.
<i>Question #29</i>	Will all staff assigned to the contract be subject to the minimum wage and benefits or only the on-site client liaison?
<i>Answer # 29</i>	Only the on-site liaison is subject to subject to the minimum wage and benefits.
<i>Question #30</i>	In Attachment G – the Port Authority Audit Checklists states the bidder must have ISO27001 Certification, which is an information security management certification. Would similar information security certifications be sufficient to replace this requirement, (such as FISMA)?
<i>Answer # 30</i>	Yes, comparable certification to ISO27001 is acceptable. Proposers should include documentation with their Proposals indicating the type of certification they have.
<i>Question #31</i>	Which state’s law is controlling the interpretation of the contract and other matters such as insurance claims and confidentiality of trade secrets and other confidential and proprietary information submitted as part of the proposal package?
<i>Answer # 31</i>	Please refer to the “Standard Contract Terms and Conditions”, 8. “Submission To Jurisdiction” on Page 50.
<i>Question #32</i>	Please confirm that the MWBE Participation Plan (Attachment C) submitted as part of the “Work Plan” described in Section F (2), page 22, will also comply as the M/WBE Plan referenced in Section I, Page 25.
<i>Answer # 32</i>	Yes.
<i>Question #33</i>	Regarding Paragraph O, “Contractor Staff Background Screening”, on Page 13, is a background screening required for all staff in the firm, for all staff assigned to the contract or for only the on-site client liaison? If our firm already has a third party who performs background checks on all our employees, is there a process to get our provider approved by the Port Authority?
<i>Answer # 33</i>	The Contractor will be required to have its staff and any subcontractor’s staff <u>working under this Contract</u> authorize the Authority or its designee to perform background checks.
<i>Question #34</i>	Are litigation services required/desired? If so, can a separate fee be proposed for such services?
<i>Answer # 34</i>	No, litigation services are not required.
<i>Question #35</i>	Please provide a definition for subcontractor. What types of services and vendors does the Port Authority consider to be subcontractors?
<i>Answer # 35</i>	Please refer to the Attachment BII, “Standard Contract Terms and Conditions”, Part

	I “General Definitions”, Page 47, “Subcontractor”.
<i>Question #36</i>	Is the Wage, Health, and Supplemental Benefits Plan mentioned in Section 4, Item b. on Page 24 different from the Calculation of Hourly Rate form, Attachment BIII (B) on page 78?
<i>Answer # 36</i>	Yes.
<i>Question# 37</i>	Please describe how the City Payroll Tax would apply to a Contractor not located in the states of New York and New Jersey?
<i>Answer #37</i>	Proposers should consult their tax advisors.
<i>Question# 38</i>	When should the PA3749B form (Attachment C) be submitted?
<i>Answer # 38</i>	Proposers shall include the PA3749B /WBE Participation Plan, (Attachment C) with their Proposals. Please refer to Section 7. “M/WBE Subcontracting Provisions” On Page 17.
<i>Question# 39</i>	Regarding “Rights and Remedies of the Port Authority” on Page 49, in the event of a breach of contract by the Contractor, what length of time is the Contractor is given to cure the breach? What length of time is the Contractor financially liable to the Port Authority or outside vendor? Is the Contractor required to pay for the cure for the remainder of the contract?
<i>Answer #39</i>	Please refer to the Standard Contract Terms and Conditions, Section 14., “Default, Revocation or Suspension of Contract”, starting on Page 51.
<i>Question# 40</i>	Regarding Standard Contract Terms and Conditions, Section 14., “Default, Revocation or Suspension of Contract”, starting on Page 51, under what conditions does the Contractor have the right to terminate the contract?
<i>Answer #40</i>	Please refer to the “Standard Contract Terms and Conditions”, Section 7., “Rights and Remedies of the Contractor” on Page 50.
<i>Question# 41</i>	In Attachment BIII (B) Calculation Of Average Hourly Rate Form, you state, “A separate form is required for each employee category”. Please define an employee category.
<i>Answer #41</i>	An employee category refers to categories of employees by title, and in this Contract only applies to the Sr. Collections Representative.
<i>Question# 42</i>	For Attachment BIII (B), Calculation of Average Hourly Rate Form, are we correct in assuming that you are trying to calculate our profit per agent as stated in the second-to-last line item: average general administrative costs, overhead and profit?
<i>Answer #42</i>	Average General Administrative Costs, Overhead and Profit are components contributing to the Average Hourly Rate for the Sr. Collections Representative.
<i>Question# 43</i>	For Part 5, “Financial Information”, Section B., should Proposers include in this listing a listing of all contracts and outstanding bids for recovery collection activities in any market or only those similar in size and scope to this RFP. Would this then be the same list required in Section 9, “Proposal Submission Requirements, and F number 3?
<i>Answer #43</i>	Proposers should provide a listing all contracts the Proposer has on hand. Yes, it is the same list that is required in Part 9., “Proposal Submission Requirements”, Section F3 on Page 22.
<i>Question# 44</i>	Will bidders be evaluated with a lower score if collection services cannot be offered for Canadian debtors?
<i>Answer #44</i>	Bidders that fail to meet the requirements of Attachment E, “Scope of Work”, 3. “Proposal Requirements” will be evaluated accordingly.
<i>Question# 45</i>	Will Contractors be required to handle the conversion of Canadian collections to

	US dollars prior to remittance?
<i>Answer #45</i>	Yes.
<i>Question# 46</i>	Ninety-nine percent of our client contracts contain a Confidentiality clause that prohibits us from sharing specific information about our relationship – some of which you are asking for in the RFP on Page 22, “Technical Experience, Experience of Proposer, and the Proposer’s Capability to Meet the Requirements of this RFP”. Please advise how you want us to answer this question.
<i>Answer #46</i>	All information that you are able to provide under the conditions of your current contract should be provided. All other information should have a note as to why it cannot be disclosed.
<i>Question# 47</i>	How often are accounts submitted to current collection agency (ies)? How often will new accounts be submitted to the winning Contractor?
<i>Answer #47</i>	Refer to Attachment E, “Scope of Work”, Section 4.3 “NYCSC Interface” on Page 96 for timing of file transfers.
<i>Question# 48</i>	In Section F. “Proposal”, 3. “Technical Experience, Experience of Proposer, and the Proposer’s Capability to Meet the Requirements of this RFP”, Item b., would the Port Authority accept detailed biographies in lieu of full resumes?
<i>Answer #48</i>	Yes.
<i>Question# 49</i>	Please provide a breakdown or progression of fees that are added to each unpaid toll through placement with the collection provider.
<i>Answer # 49</i>	At the first or second notice, level there is a \$50 administrative fee applied to the violation transaction.
<i>Question# 50</i>	For Part 3., “Proposer’s Prerequisites”, are you requiring five years of collections experience providing these services to other industries or are you requiring five years of Tollway collection experience specifically?
<i>Answer #50</i>	The five years of experience is in the management and operation of a collections service business actually engaged in providing these services to commercial and industrial accounts under contract and is not restricted to Tollway Collection experience.
<i>Question# 51</i>	Are your current collection agency (ies) allowed to credit bureau report accounts? Will new winning Contractor be allowed to report accounts to the credit reporting agencies?
<i>Answer #51</i>	No, our current collection agency does not credit bureau report accounts. The Port Authority does not anticipate allowing a Contractor to report accounts to the credit reporting agencies.
<i>Question# 52</i>	Are you stating that Colum A of the Price Proposal Form is an estimate for the next three years (2015, 2016, and 2017)? This is substantially different from the total dollar value of accounts available for placement now including backlog – as stated in your Addendum #1, 7/7/14, page 2 of 3.
<i>Answer #52</i>	Yes, it is a three-year estimate.
<i>Question# 53</i>	It is our understanding that Xerox will be acting as a servicer for these placement files. Is this an accurate assumption?
<i>Answer #53</i>	Yes.
<i>Question# 54</i>	For Attachment J1, Interface Control Document, it is our understanding that if our system doesn’t balance to what the Port Authority believes our agency should

	reflect, then the Port Authority will reject the transaction. If this is true, please provide more information as to how the Port Authority would like this situation to be rectified. If this is a misunderstanding, please correct us as to what the Port Authority means.
<i>Answer #54</i>	The file transfer takes place with our NYCSC Vendor – Xerox State and Local Solutions (Xerox). Any rejections should be reconciled with Xerox and corrected.
<i>Question# 55</i>	In the Interface Control Document (Attachment J1), what fields on the File Detail Record could change from the original placement? For example, the Port Authority has the TXDATE (Violation Occurrence Date) on the update. Is it possible that could change from the placement value?
<i>Answer #55</i>	Account details do not change. Only dollar amounts may be adjusted.
<i>Question# 56</i>	In the Interface Control Document (Attachment J1), the first set of record layouts looks like the Port Authority relies on the agency to carry a negative balance and as the debtor pays off the account, the balance moves toward the positive, stopping collections once the balance hits zero. Though our collection system is advanced, our system doesn't allow us to use negative balances. Would the Port Authority consider modifying this requirement if the agency proves to be an otherwise qualified and preferred agency? Or would this be considered a deal breaker?
<i>Answer #56</i>	If the Proposer cannot meet this requirement it should be noted in their Proposal and will be evaluated accordingly.
<i>Question# 57</i>	If the Port Authority wouldn't modify the placement balances from negative, would it allow the agencies to accept as a negative amount, but place the business on our system as a positive amount?
<i>Answer # 57</i>	Yes.
<i>Question# 58</i>	Liquidated Damages clause (C) requires that files be acknowledged to the NYCSC within 2 hours of receipt from the NYCSC. Please provide the schedule of when such files are submitted. Are they submitted during business hours only?
<i>Answer # 58</i>	Files are sent seven days a week. The Contractor must be prepared to accept files at all hours.
<i>Question# 59</i>	Please define what 'Neg Bal to Collections' column stands for and its significance to the Total column?
<i>Answer # 59</i>	"Neg Balance to Collections" is the amount of dollars that have been referred to the Collections Agency from Accounts that are in a Revoked status.
<i>Question# 60</i>	What are the settlement offer parameters for balances under \$5000?
<i>Answer #60</i>	The Contractor is to supply these parameters for the Port Authority's approval.
<i>Question# 61</i>	How often are Direct Pay files sent to the Contractor – daily, weekly or monthly?
<i>Answer # 61</i>	These are referred to as Update Files and are sent on a daily basis. Please refer to "Attachment E Scope of Work", Page 96, part b. of Section 4.3, "NYCSC Interface"
<i>Question# 62</i>	For Attachment F – Collection Volumes): Do these calculations include all four categories – as well as commercial and private?
<i>Answer # 62</i>	This includes Categories I – Unpaid Toll Violations and related Administrative Fees and II – Revoked Accounts
<i>Question# 63</i>	Will you consider a separate fee for the backlog of already worked referrals (second placement accounts)?
<i>Answer # 63</i>	No.

<i>Question # 64</i>	What is the estimated volume of accounts that would be sent to the winning Contractor under this provision?
<i>Answer #64</i>	Refer to Addendum # 1 Question # 5.
<i>Question # 65</i>	What is the estimated average age of the accounts that would be sent to the winning Contractor under this provision?
<i>Answer #65</i>	An unpaid toll violation age is approximately 60 - 90 days before being escalated to the Contractor.
<i>Question # 66</i>	May trade secrets and other confidential and proprietary information requested be provided via secure web access?
<i>Answer #66</i>	No.
<i>Question # 67</i>	For Section F, Proposal, Part 3, due to confidentiality agreements with many of our clients, would the Port Authority allow the submission of a representative list rather than a complete list?
<i>Answer # 67</i>	If you decide to submit a list of other than all your clients, you must state what criteria were used when whittling down the list.
<i>Question # 68</i>	If a bidder will use a sister company under the same corporate parent to provide collection services for Canadian debtors would this be submitted as a joint venture?
<i>Answer #68</i>	The corporate structure within which a bidder bids is at its own discretion.
<i>Question # 69</i>	In reference to Holidays Observed, does this requirement just apply to the on-site employee or does it pertain to any persons employed by the agency servicing the contract?
<i>Answer #69</i>	The Holidays Observed clause in the Port Authority Standard Terms and Conditions addresses holidays that will be observed at the Site

This communication should be initialed by you and annexed to your Proposal upon submission.

In case any Proposer fails to conform to these instructions, its Proposal will nevertheless be construed as though this communication had been so physically annexed and initialed.

THE PORT AUTHORITY OF NY & NJ

KATHY LESLIE WHELAN, ASSISTANT DIRECTOR
COMMODITIES AND SERVICES DIVISION

PROPOSER'S FIRM NAME: _____

INITIALED: _____

DATE: _____

QUESTIONS CONCERNING THIS ADDENDUM MAY BE ADDRESSED TO MARGARET D'EMIC, WHO CAN BE REACHED AT (201) 395-3410 or at mdemic@panynj.gov.

PRICING SHEET

Description	Estimated 1 - Year Collections	Cost Per Unit	Total Estimated Contract Price- One (1) Year
Violations, Revoked Accounts, Low Volume Transactions, Airport Parking	\$8.8M	13.90%	\$1,223,200.00
	1 Year Salary	Cost Per Unit	Total Price Salary One (1) Year
On-Site Employee	2,080 hrs x Hourly Rate	\$22.96	47,756.80

The Estimated collection numbers are not guaranteed by the Port Authority.

The percentage cost per unit provided above shall remain firm for the duration of the one (1) year Contract.

THE PORT AUTHORITY OF NY&NJ
Pre-Proposal Meeting

Title: General Collection Services for the Electronic Toll
 Collection Program (E-ZPASS)

RFP NO. 38391

DATE: 7/11/14

TIME: 10 A.M.

LOCATION: 2 Montgomery Street, 3rd Floor, Jersey City, NJ 07302

ATTENDEES

NAME	COMPANY NAME
Eric Hunn	Law Enforcement Systems
Richard K. Carige	PENN CREDIT
Josh Pryor	LJ Ross Associates
Randall Rowe	LJ Ross Associates
Hashim Crawley	XEROX
Jennifer Gordon	GC Services
Mike Pellegrino	CPA/ETAN
William Jackson	First Credit Svcs
Deidra Viney	Express Employment
James Harris	Linebarger Grogan
Cristina Gonzalez	Linebarger Grogan
Julie Huntley	iQor-Allied Industrials

NAME	COMPANY NAME
Marcia Deyo	I&OR / ALLIED INTROSITE
STEPHEN KNAPP	PA
Charles Anderson	PA
SELENE ORTEGA	PA
Margaret D'Emie	Margaret D'Emie Payer

Pre-Proposal Meeting, RFP # 38391 - 7/11/14 at 10 A.M. Conference Call Attendees
Gary Greenhalgh, Navient
Mark Lombardo, Alliance One
David Schieszer, CMI Group
Kim Brinkley, CMI Group
Rob Matter, Conserve
James Stockton
Kathy Lafond, Windham Professionals, Inc.
Stephanie Libby, Windham Professionals, Inc.
Mike Staed, NCO Financial Systems
Emily Alvarez, Credit Protection Association
Karen Van Gundy, NCO Financial Systems
Ret Donagher, Penn Credit
Billy Rogers, Municipal Services
Mike Buffalini, IC Systems