



PURCHASING DEPARTMENT
1772 County Services Parkway
Marietta, Georgia 30008-4012
(770) 528-8400/FAX (770) 528-1154

Mark Kohntopp
INTERIM DIRECTOR

ADDENDUM No. 1

**Sealed Bid # 12-5609
Request for Proposal
Collections Services**

DATE: November 14, 2011

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The following addendum hereby amends and/or modifies the Proposal Documents and specifications as originally issued for this project. All proposers are subject to the provisions of this Addendum.

Proposers shall acknowledge receipt of this addendum.

Include this original form inside your proposal package.

This Addendum consists of:

- **Minutes of the November 4, 2011 Pre-Proposal Conference**
- **Questions submitted in writing**
- **Pre-Proposal Conference Attendee List**
- **Attachment A – Sample Contract**

All bids must be received before 12:00 (noon) by the Bid Opening date. Bids shall be delivered to Cobb County Purchasing Department, 1772 County Services Parkway, Marietta, GA 30008.

Electronic / faxed bid response will not be considered.

I acknowledge that I have received Addendum No. 1

**Sealed Bid # 12-5609
Request for Proposal
Collections Services**

Company Name

Signature

Date Sent to Purchasing

Please Print Name

Please sign, date, and return this form ONLY to:
Cobb County Purchasing Department
Fax #: 770-528-1154
E-Mail: purchasing@cobbcounty.org

Please note: The deadline for questions is: **November 8, 2011** by 5:00 pm

Addendum 1
Sealed Bid # 12-5609
Request for Proposal
Collection Services

Vendor Questions and Minutes for Pre-Proposal Meeting

Minutes from Pre-Proposal Meeting held on November 4, 2011

Proposals are due November 17, 2011 by 12:00 pm (noon). Late bids are not accepted. Proposals will be open at the Purchasing Department on November 17th. The address is 1772 County Services Parkway, Marietta, GA 30008.

Need to submit original plus five (5) copies.

Questions must be submitted to Purchasing by November 8, 2011.

Questions from the Pre-Proposal Meeting and Questions Submitted in Writing

Question: Was any award made as a result of bid #11-5567 or was it cancelled?

Answer: All bids were rejected.

Question: Is this contract intended to replace the procurement from earlier in the year - bid #11-5567?

Answer: Yes.

Question: Who is currently providing collection services on the accounts for Cobb County.

Answer: No one is currently providing collection services on these accounts. The contract ended December, 2010.

Question: When did the contract begin, and have all options/extensions been exercised?

Answer: N/A

Question: What is the current rate or fee that the County is paying to the present agency for pre-suit and/or post suit accounts, separately, if applicable?

Answer: N/A

Question: Our company participated in this process earlier in the year. At that time, the following data was provided regarding placement information: Monthly placements of approximately 5,544 accounts @ \$415,800. Accounts would be placed at day 60-90. Can you please provide updated placement information for the project or confirm that these estimated volumes are still accurate?

Answer: The estimated volume is still the same. We have not had a contract with a Collection Service since December, 2010 so it is possible there will be a larger volume at the beginning.

Question: Why is the contract out to bid at this time?

Answer: Our contract with the last vendor ended December, 2010 and we have not awarded another contract yet.

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

Answer: Approximately \$563,000

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

Answer: 2,593

Question: What departments use the service?

Answer: Currently the Water System and the Parks, Recreation & Cultural Affairs department use the service. The service is available to all of our departments if they choose to utilize it.

Question: What types of fees are collected by Parks?

Answer: Checks are written for classes and rental of facilities.

Question: Do the Court Systems handle fines and do they have collection services?

Answer: Yes, they handle fines and have their own collection service.

Question: For the past three years, what is the average dollar volume and number of accounts placed with a collection firm? Please specify by years 2008, 2009, 2010. This is for the Water System only.

Answer:

FY2008- \$426,243.85 (placed)/2432 (accounts placed)

FY2009- \$520,569.58 (placed)/2140 (accounts placed)

FY2010- \$778,257.54 (placed)/3784 (accounts placed)

Question: What percentage was collected in FY2010?

Answer: 10%

Question: Who is the prior collection service vendor?

Answer: IC Systems

Question: How many accounts for Parks?

Answer: Parks has sporadic accounts placed for collections.

Question: What is the County's collection effort?

Answer: Water System – Turned over to collections after 60 days plus water is turned off. Parks - Sends registered letters before turning over to collections.

Question: Is credit reporting allowed?

Answer: Yes

Question: What software does the County prefer to send to the collection vendor?

Answer: Water System prefers to send as a CSV format but can send as Excel. The Parks department has always submitted manually into the vendor's system.

Question: Why was prior bid rejected?

Answer: The proposals were reviewed based on various criteria including price and experience. Management did not believe we could choose a higher price at the time.

Question: What are you looking for besides price and experience?

Answer: Reporting is very important to the County especially on a monthly and yearly basis.

Question: Does the County provide online bill pay?

Answer: Yes, and we also allow payments by credit card.

Question: Is the County using scoring on collectability?

Answer: No

Question: Do you have a local preference when choosing a bidder?

Answer: No

Question: When will contract be awarded?

Answer: Currently we hope to award the contract in late December or Early January.

Question: Who will accept and process the delinquent payments: Cobb County or the selected vendor? Do you have a preference?

Answer: In the past, both the County and the vendor has been able to accept delinquent payments. If we receive the payment, we will let the vendor know and then the vendor can deduct their collection percentage from the amount forwarded to us from their collections.

Question: Are you willing to recall the accounts placed with the previous vendor and add them as second placements?

Answer: Yes

Question: Do you have a sample contract?

Answer: Yes, located at the end of the questions. Please see Attachment A

Question: Are liens attached? (water)

Answer: There is an implied lien on a house that would show at closing.

Question: What is the number of accounts placed monthly and the average monthly volume placed?

Answer: For the Water System:

FY10 (monthly) – Volume - \$58,000; Accounts 261

FY11(monthly) – Volume - \$64,000; Accounts 318

Question: Would the vendor be charged a filing fee?

Answer: Yes

Question: What rate is the current vendor charging?

Answer: Collection Services – 14% Contingency Collection Fee; Additional Services – Non Litigation Attorney Referral – 40% Cont Fee; Bankruptcy Proof of Claims Filing – 40% Cont Fee

Question: Who are the incumbents, and how long have the incumbents been providing the requested services?

Answer: IC Systems, 3 years

Question: To what extent are these accounts owed by private consumers versus commercial businesses?

Answer: Residential had 270 accounts on average monthly and Non-Residential had 47 accounts on average monthly.

PRE- BID CONFERENCE

SEALED BID # 12-5609
REQUEST FOR PROPOSAL
COLLECTION SERVICES
NOVEMBER 4, 2011

REPRESENTATIVE NAME	COMPANY NAME & COMPLETE ADDRESS	PHONE (INCLUDE AREA CODE)	FAX # (INCLUDE AREA CODE)	E-MAIL ADDRESS
Phil Solomon	UNITED COLLECTION BUREAU - UCB	404 849-8065		psolomon@ucbinc.com
Demetris Sampson	Linebarger Gossan Blair + Sampson LLP	(404) 222-5050	(214) 754-7167	demetris@lgsb.com
Derek Albert	Albert and Associates	(248) 349-4834	(248) 349-4836	derek@derekalbert.com
JOHN FLOOD	C.C. PURCHASING	770-528-8418	770-528-1154	JOHN.FLOOD@COBCCOUNTY.ORG
Mary David	Pitnks	(7) 528-8834	(7) 528-8813	Maryann.david@cobbcounty.org
Jeff Petersen	Water System	770-419-6240	7) 6478	jeff.petersen@cobbcounty.org
Roxane Rush	Finance	1523		rrush@cobbcounty.org
Bill Volkman	Finance	1524		william.volkman@cobbcounty.org

DRAFT

STATE OF GEORGIA

COUNTY OF COBB

COLLECTION SERVICES CONTRACT

THIS AGREEMENT made and entered into this the ____ day of _____, 2011 between COBB COUNTY, a political subdivision of the State of Georgia, Party of the First Part, hereinafter referred to as the “County”, and Stallings Financial Group, Inc. Party of the Second Part, hereinafter referred to as “Collection Firm”.

WITNESSETH:

WHEREAS, the County wishes to retain a collection agent which is duly licensed to perform collection services; and

WHEREAS, proposals were sought from qualified parties to perform the above services; and

WHEREAS, based on the proposals, the County wishes to contract with the Collection Firm to perform services and the Collection Firm desires to accept such employment; and

WHEREAS, by action of the County Commission at its regular meeting on December __, 2011, this Agreement with the Collection Firm was authorized.

NOW, THEREFORE, for and in consideration of the potential payments to be made by the County to the Collection Firm and in consideration of the agreements between the parties, and for other good and valuable considerations, it is hereby agreed between the parties as follows:

**ARTICLE I
SCOPE OF SERVICES**

The Collection Firm shall perform the tasks specified in the Request for Proposals (RFP), incorporated in this Agreement as Appendix “A”. The County hereby appoints the Collection Firm to collect and receive all sums of money due or payable to the County for claims which the County lists with the Collection Firm. The Collection Firm shall have the authority to receive payment in cash, check or money order and shall have authority to endorse checks, drafts, money orders, and other negotiable instruments which may be received as payment. The Collection Firm will take no legal action against any account unless expressly approved by the County in writing.

Attachment A

**ARTICLE II
PERIOD OF SERVICES**

The Collection Firm shall complete the Agreement requirements of this Agreement as set forth in the RFP. (Appendix "A") The services will begin January 1, 2012, upon receipt of a fully executed copy of this Agreement and a Notice to Proceed from the County's Representative. Services will be performed for the three-year period January 1, 2011 through December 31, 2013, at the collection fees proposed in the Collection Firm's RFP response. (Appendix "B") At the County's option, the contract can be extended for two years at the collection fees proposed in the Collection Firm's RFP response. Should there be any discrepancy or ambiguity in the RFP response, the County's RFP will prevail.

**ARTICLE III
COMPENSATION**

The Collection Firm shall be entitled to a contingency fee of _____ of all sums collected from whatever source on accounts referred to it by the County as regular collections.

**ARTICLE IV
AUTHORIZED REPRESENTATIVES**

For purposes of administering this Agreement, the County designates the Assistant Comptroller as its authorized representative.

Specifically, the County's representative for this Agreement is James Pehrson. All correspondence and communications concerning this Agreement shall be addressed to Mr. Pehrson at the following address:

Cobb County Finance Department
100 Cherokee Street, Suite 400
Marietta, GA 30090-9610

The Collection Firm's representative for this Agreement is _____. All correspondence and communications concerning this Agreement shall be addressed to _____ at the following address:

Attachment A

ARTICLE V SUCCESSORS AND ASSIGNS

The Collection Firm shall not assign, sublet, or transfer its interest in this Agreement without the written consent of the County.

ARTICLE VI MODIFICATIONS TO AGREEMENT

This Agreement may be modified only by a formal, written modification signed by authorized representatives of both the County and Collection Firm before any such work begins.

ARTICLE VII TERMINATION OF AGREEMENT

The County shall have the right to terminate this Agreement should the Collection Firm violate any of the terms herein. Upon presentation of written notice to the Collection Firm of the County's intention to terminate, the Collection Firm shall have fifteen (15) days to correct the violation.

In the event of termination, the Collection Firm shall receive just equitable contingency fees on accounts which have been collected prior to the termination date.

ARTICLE VIII DISPUTES

Any dispute concerning a question of fact in connection with the work, not disposed of by agreement between parties, shall be referred to the Cobb County Manager or his duly authorized representative for determination. The County Manager's decision in the matter shall be final and conclusive on all parties to the Agreement.

ARTICLE IX CONFIDENTIALITY OF FINDINGS

Any reports, data, or other information given to, prepared or assembled by the Collection Firm under this Agreement, shall be kept confidential and shall not be published nor made available to any individual or organization by the Collection Firm without the County Representative's prior written approval.

Attachment A

ARTICLE X STATEMENT OF LIABILITY

The County shall in no way be held liable for any accident, personal injury, or property damage either caused by or incurred by the staff, employees, or representatives of the Collection Firm. Similarly, the Collection Firm shall in no way be liable for any accident, personal injury, or property damage either caused by or incurred by the staff, employees, or representatives of the County.

The Collection Firm hereby indemnifies and holds harmless the County from any claims or actions arising in any way from the actions or negligence of the Collection Firm's staff, employees, or representatives.

ARTICLE XI MULTIYEAR CONTRACT LAW (ANNUAL APPROPRIATION CLAUSE)

This Agreement shall begin on January 1, 2012 and terminate absolutely and without further obligation on the part of Cobb County at the close of the calendar year December 31, 2012, and at the close of each succeeding calendar year for which it may be renewed as provided in O.C.G.A. Section 36-60-13.

This Agreement will automatically renew on January 1, 2013, and on the first day of the year following unless written notice is provided by Cobb County to terminate such Agreement thirty (30) days prior to the calendar end December 31.

This Agreement will terminate immediately and absolutely at such time as appropriated and otherwise unobligated funds are no longer available to satisfy the obligations of Cobb County under the Agreement.

ARTICLE XII CONFLICT OF INTEREST

The Collection Firm certifies that to the best of its knowledge no circumstances exist which will cause a conflict of interest in performing the services required by this Agreement, that no employee of the County, nor any member thereof, nor any public agency or official affected by this Agreement, has any pecuniary interest in the business of the Collection Firm or his Subcontractor(s), and that no person associated with the Collection Firm or his subcontractor(s) has any interest that would conflict in any manner or degree with the performance of the Agreement.

Should the Collection Firm become aware of any circumstances which may cause a conflict of interest during the term of this Agreement, the Collection Firm shall immediately notify the County. If the County determines that a conflict of interest

Attachment A

exists, the County may require that the Collection Firm take action to remedy the conflict of interest or terminate the Agreement without liability. The County shall have the right to recover any fees paid for services rendered by the Collection Firm which were performed while a conflict of interest existed if the Collection Firm had knowledge of the conflict of interest and did not notify the County within one week of becoming aware of the existences of the conflict of interest.

ARTICLE XIV COMPLIANCE WITH THE LAWS

The Collection Firm shall at all times observe and comply with all laws, ordinances, and regulations of the federal, state and local governments which may in any manner affect the performances of this Agreement.

ARTICLE XV NOTICES

Any written notices required to be given by the terms of this Agreement shall be directed to the respective Contract Representatives for the County and/or Collection Firm.

ARTICLE XVI EXTENT OF AGREEMENT

This Agreement represents the entire and integrated agreement between the County and the Collection Firm and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument which is subject to approval by the County Commission and signed by both parties.

Attachment A

**ARTICLE XVII
GOVERNING LAW**

This Agreement shall be governed by the laws of the State of Georgia.

IN WITNESS WHEREOF, COBB COUNTY AND _____
have caused this Agreement to be duly executed as of the date and year first above
written.

ATTEST:

COBB COUNTY:

Clerk of County Commission

BY: _____
Chairman, County Commissioners

(SEAL)

ATTEST:

Secretary of Notary Public

BY: _____
Authorized Officer

Title

APPROVED AS TO FORM:

County Attorney