

**The Philadelphia Parking Authority**  
**701 Market Street, Suite 5400**  
**Philadelphia, PA 19106**

**RFP No. 20-02**  
**Supplemental Debt Collection Services 2020**  
**Addendum Two**

To: See Email Distribution List

From: Mary Wheeler  
Manager of Contract Administration

Date: March 4, 2020

No Pages: 33

This addendum is issued on March 4, 2020 prior to the bid due date to add, delete, modify, clarify and/or to respond to questions submitted by prospective offerors regarding the work included in the above referenced solicitation.

**CLARIFICATIONS, CORRECTIONS OR ADDITIONS TO THE RFP DOCUMENT**

1. Part II of the RFP has been revised and is attached (Attachment A).
2. Attendance at the pre-proposal meeting is no longer a mandatory requirement. See attached revised Part III (Attachment B), Criteria for Selection.
3. Attached to this addendum (Attachment C) is the Contractor Integrity Provisions which will be Exhibit E to the Sample Contract.
4. The Sample Contract has been revised and is attached as Attachment D.
5. The language provided in **II-11. Data Security Information (TAB J)** is revised to the following:  
Provide all data security information to evidence that you meet the requirements set forth in the attached Business Partner & End User Agreement, Section 7. At a minimum the Offeror must have a SOC 2 Type 2 or SOC 3 Type 3 (if cloud-based) audit report.  
Provide a current and valid PCI-DSS Level 1 Services Provider Attestation of Compliance.
6. The language provided in **Part IV, Work Statement, 2.2.3** is revised to the following:  
Offeror must meet the data security requirements detailed in detailed in Duncan Solution's Business Partner & End User Agreement, Section 7. Proposals will not be accepted from any Offeror who does not have at a minimum a SOC 2 Type 2 or SOC 2 Type 3 (if cloud-based) audit.
7. Contractor will be required to sign Business Partner Agreement with Duncan Solutions within 30 days of award of a contract with the Authority. This agreement will then be sent to PennDot by Duncan Solutions for approval.

**PENDING QUESTIONS**

1. **Question:** Will the Authority consider increasing the interim between the due date and the final addendum to more than seven days, so that Offerors will have ample time to incorporate final responses into their content and still be able to produce and ship their proposals to the Authority for receipt by the due date?

2. **Question:** Since the original RFP only required a SOC 1 Type 2, will the Philadelphia Parking Authority accept a proposal from a company that has a SOC 2 Type 1 and signed an engagement letter in October 2019 to have a SOC 2 Type 2 report completed by May 31, 2020?

## **QUESTIONS AND RESPONSES**

1. **Question:** Regarding Appendix E Data Sharing Agreement Section 17(f), will you allow Cyber Liability to be made on a claims-made basis and allow Vendor to notify PennDot of insurance policy cancellation as insurance carrier will not notify additional insured directly?

**Response: The selected Offeror's will not be entering into the Data Sharing Agreement with PennDot.**

2. **Question:** Regarding Appendix F Vehicle Record Business Partner & End User Agreement Section 24, will you change Professional Liability/Errors & Omission insurance coverage limit to \$5,000,000, and Cyber Liability to \$10,000,000 instead of both at \$10MM? Also update employee dishonesty to \$5,000,000 to coincide with Radius existing coverage and industry standard limit.

**Response: The Business Partner & End User Agreement will be executed between Duncan Solutions and the selected Offeror(s). The Authority cannot negotiate the terms of this agreement.**

3. **Question:** Regarding the Mandatory Pre-Proposal Meeting held on February 18, 2020, according to our notes the Authority has confirmed that there will be a seven (7) day period from the final addendum issued to the due date. Working backwards from the current due date of Friday, March 6, 2020, will the Authority then confirm that the final addendum for this solicitation will be issued no later than Friday, February 28, 2020?

**Response: See Addendum #1.**

4. **Question:** At the time of issue of what the Authority knows to be the final addendum, will the Authority confirm with Offerors in some way that they have in fact received the final addendum?

**Response: It is the Offerors responsibility to confirm receipt of all addenda. All addenda are posted to our website and emailed to all prospective Offerors.**

5. **Question:** Regarding Part I General Information to Offerors Summary on page 2 of the RFP, Offerors are directed to handwrite (not type, as we typically do) the proposal name and number on all packaging for proposals. Will the Authority clarify their intent regarding this instruction, e.g., can/should Offerors handwrite the proposal name and number on a blank label that is affixed to the packaging, while still affixing primary labeling that is typewritten for clarity and accuracy for shipping purposes?

**Response: Yes, Offerors can handwrite the proposal name and number on a blank label that is affixed to the packaging, while still affixing primary labeling that is typewritten for clarity and accuracy for shipping purposes.**

6. **Question:** Regarding Part I General Information to Offerors Summary on page 2 of the RFP, if an Offeror submits – either in its Original copy or in a separate envelope marked “Confidential” – financial statements that are deemed and marked as confidential and proprietary, should the statements also be included on the electronic version PDF file? Or, can Offerors include a blank replacement document where the financials would be, with a typed statement saying the financials are confidential and proprietary and have thus not been included on the electronic version?

**Response: Offerors can include a blank replacement document where the financials would be, with a typed statement saying the financials are confidential and proprietary and have thus not been included on the electronic version.**

7. **Question:** Regarding Part I General Information to Offerors I-3 Procurement Questions on page 3 of the RFP, Offerors are advised that Tuesday, March 25, 2020 at 2 PM is the deadline for questions to be submitted, but this

date is in fact past the due date for the proposal. Will the Authority confirm that the deadline for questions is actually Tuesday, February 25, 2020?

**Response: See Addendum #1.**

- 8. Question:** Regarding Part II Information Required from Offerors I-13 Business Licenses on page 5 of the RFP, can an Offeror provide the required Tax ID number in Tab A. Transmittal Letter or Tab B. Qualifications and Experience?

**Response: Tax ID number should be filled in on page 6 of the Proposal Form.**

- 9. Question:** Regarding Part II Information Required from Offerors II-1 Proposal Format on page 7 of the RFP, can Offerors include a tabbed section for a Table of Contents to precede Tab A. Transmittal Letter?

**Response: Yes.**

- 10. Question:** Regarding Part II Information Required from Offerors II-1 Proposal Format on page 7 of the RFP, can Offerors include a tabbed section for an Appendix to follow Tab J. Data Security Information?

**Response: Yes.**

- 11. Question:** Regarding Part II Information Required from Offerors II-1 Proposal Format on page 7 of the RFP: Under "The tab requirements are as follows:," the Authority has provided an itemized list of tabs that does not agree with the structure subsequently presented in II-2 through II-11. Specifically, in the list Tab D is listed as "Key Personnel" but in the latter under II-5 Tab D is listed as "Proposal Form." Similarly, in the list Tab F is listed as "Proposal Form" but in the latter under II-7 Tab F is listed as "Technical Response." Will the Authority clarify / correct / confirm the required structure and order?

**Response: See Attachment A.**

- 12. Question:** Regarding Part II Information Required from Offerors II-7 Technical Response (TAB F) on page 8 of the RFP, here (and later in the RFP) Offerors are required to comply with Contractor Integrity Provisions outlined in an attachment titled Exhibit A, but Exhibit A is not included in the RFP document. Will the Authority provide Exhibit A to Offerors?

**Response: See attached Contractor Integrity Provisions which will be Exhibit E of the Authority's contract.**

- 13. Question:** Regarding Part II Information Required from Offerors II-9. Financial Statements (TAB H) on page 8 of the RFP, if Offerors watermark their financials as "Confidential" and submit them in the original proposal (vs. in a separate envelope marked "Confidential"), will the Authority honor this distinction and deem them confidential? Or must financials definitely be placed in that separate labeled envelope in order to be regarded as confidential?

**Response: Offerors can watermark their financials as "Confidential" and submit them in the original proposal (vs. in a separate envelope marked "Confidential"). All financial information is confidential and not subject to Pennsylvania's Right to Know Law.**

- 14. Question:** Regarding Part II Information Required from Offerors II-11. Data Security Information (TAB J) on page 9 of the RFP, does the Authority also want a description of an Offeror's data security program here, or is the Authority strictly looking for certification/validation of said program as evidenced by an Offeror's current and valid PCI-DSS Level 1 Services Provider Attestation of Compliance and SOC 2 Type 2 Report?

**Response: Provide the Offeror's current and valid PCI-DSS Level 1 Services Provider Attestation of Compliance and SOC 2 Type 2 Report.**

- 15. Question:** Regarding Part II Information Required from Offerors II-11. Data Security Information (TAB J) on page 9 of the RFP, is an Offeror required to submit a SOC 2 Type 2 or SOC 3 Type 3 (if cloud-based) audit report with its proposal, or just confirm that it does have one? If the former, how can Offerors assign and be guaranteed

confidentiality of this document? Should it be watermarked as such and included in the separate package marked "Confidential?"

**Response: The document must be submitted with the proposal and can be marked confidential. This information will not be released in response to a Right to Know Request.**

**16. Question:** Regarding Part IV Work Statement, IV-1 Objectives, 2. Specific on pages 11-12 of the RFP, if support contractors will already have worked accounts for 180 days (and for Parking Tickets, a full year), are accounts to be placed for this new contract considered secondary placements?

**Response: Prior to assignment the Authority sends collection notices to debtors. There is no outbound calling performed. After a designated time period of one year for parking tickets and six months for red light tickets, open unpaid debt is eligible for assignment.**

**17. Question:** Regarding Part IV Work Statement, IV-1 Objectives, 2. Specific on pages 11-12 of the RFP, are current support contractors eligible to submit proposals for and be awarded contracts for the supplemental debt collection services sought through this RFP?

**Response: Yes.**

**18. Question:** Regarding Appendix B Sample Contract, please confirm that this document has been provided for Offeror reference only at this time and does not in any way need to be completed and submitted to the Authority as part of an Offeror's proposal.

**Response: Confirmed.**

**19. Question:** Regarding Appendix E Data Sharing Agreement, please confirm that this document has been provided for Offeror reference only at this time and does not in any way need to be completed and submitted to the Authority as part of an Offeror's proposal.

**Response: Confirmed.**

**20. Question:** Regarding Appendix F Vehicle Record Business Partner & End User Agreement, please confirm that this document has been provided for Offeror reference only at this time and does not in any way need to be completed and submitted to the Authority as part of an Offeror's proposal.

**Response: Confirmed.**

**21. Question:** Regarding Appendix E – Data Sharing Agreement with PennDOT, Section 13 §e Compliance Audit; what is the average cost paid by the existing contractors for this audit last year to PennDOT?

**Response: No fees will be paid by the selected Offeror(s) to PennDot.**

**22. Question:** Regarding Appendix E – Data Sharing Agreement with PennDOT, Section 13 §g Payment; what is the estimated cost (monthly or annually) that the existing contractors are paying to PennDOT?

**Response: No fees will be paid by the selected Offeror(s) to PennDot.**

**23. Question:** Regarding Appendix E – Data Sharing Agreement with PennDOT, Section 13 §h Positive Account Balance Requirement; what account balance is this section referencing?

**Response: The selected Offeror's will not be entering into the Data Sharing Agreement with PennDot.**

**24. Question:** Regarding Appendix E - Data Sharing Agreement with PennDOT, Section 13 §g Performance Security; Please confirm that the minimum bond amount is \$300,000. What bond amount do the existing contractors have in place (based on payments due in the immediate preceding year if greater than \$300,000).

**Response: The selected Offeror's will not be entering into the Data Sharing Agreement with PennDot.**

**25. Question:** Regarding Appendix F – Vendor Record Business Partner & End User Agreement; Section 1 incorporates by reference “Appendix A” as part of the Agreement with Duncan Solutions Inc (Duncan), but it appears that Appendix A is not included as part of Appendix F. Can you provide “Appendix A” referenced by the Duncan agreement?

**Response: The Data Sharing Agreement is Appendix A of the Business Partner & End User Agreement.**

**26. Question:** Regarding Appendix F – Vendor Record Business Partner & End User Agreement; Insurance, section 24 indicates \$10MM minimum limit for Professional Liability which includes cyber liability coverage; would it be acceptable to maintain a \$10MM cyber liability coverage separate from the Professional Liability coverage? And if so, could the Professional liability coverage be reduced to \$5MM?

**Response: The Business Partner & End User Agreement will be executed between Duncan Solutions and the selected Offeror(s). The Authority cannot negotiate the terms of this agreement.**

**27. Question:** Can a Contractor submit a response to part of the requirements but not all (e.g. all collections up to litigation but not including litigation)?

**Response: Yes.**

**28. Question:** At a minimum, how many supplemental debt collection vendors does the PPA anticipate it needs to conduct the supplemental debt collections identified in RFP 20-02?

**Response: To be determined after proposals are received.**

**29. Question:** When will the PPA and Duncan be commence assigning supplemental debt collection accounts to the successful bidders of RFP 20-02?

**Response: This will be done when new contracts are awarded and the vendors have successfully completed working with Duncan testing and implementing an electronic interface.**

**30. Question:** Will approved vendors be required to obtain SOC 2 and SOC 3 reports yearly?

**Response: Refer to Appendix F of the RFP document.**

**31. Question:** When does the PPA estimate it will begin assigning past due speeding violations to the approved vendors?

**Response: This is a fledging initiative. The time table has not yet been established.**

**32. Question:** Is there any circumstance whereby the PPA will grant vendors an extension to a date after final approval to submit SOC 2 and/or SOC 3?

**Response: No.**

**33. Question:** Are approved vendors considered “Business Partners” and/or “End Users” pursuant to the Data Sharing and Vehicle Record Business Partner & End Users Agreements?

**Response: Business Partners.**

**34. Question:** Please identify the proposed bidders for RFP 20-02 as of February 18, 2020. As a follow up, which of the proposed bidders, if any, have submitted a Proposal Decline forms?

**Response: A list of attendees of the pre-proposal meeting is posted to the Authority’s website. As of February 18, 2020 no proposal decline forms were received.**

- 35. Question:** When, if at all, does the PPA intend to rebid its current contract with Duncan Solutions for parking management application, business intelligence platform and customer support services? If a rebid is not scheduled, when is this contract scheduled to come under review?
- Response: The Duncan contract is a five year contract with two possible one year extensions that was executed on March 19, 2019.**
- 36. Question:** Will the PPA allow vendors who are PCI compliant to process payments via the PPA's web portal rather than creating their own web/payment portal?
- Response: No.**
- 37. Question:** Regarding the "Cost Proposal" section on page 2 the Proposal Form, will the PPA entertain varying fixed fee percentages for each of the four (4) violation classifications listed? If not, why have they been listed separately?
- Response: Yes.**
- 38. Question:** Will all vendors be required to have an attorney on staff who is licensed to practice law in the Commonwealth of Pennsylvania?
- Response: No, but all bidders must have the ability to litigate assigned files if the Authority requests it.**
- 39. Question:** Please verify whether litigation services are a requirement of contract award?
- Response: No, Offeror's can submit a proposal for debt collection alone or both debt collection and litigation.**
- 40. Question:** If litigation services are required, does the Philadelphia Municipal and Common Pleas Courts waive its filing fees for the PPA?
- Response: Yes.**
- 41. Question:** If litigation services are required, will the Sheriff of Philadelphia waive its process service fees for the PPA?
- Response: No.**
- 42. Question:** If litigation services are required, will the vendor be reimbursed by the PPA for any litigation expenses (i.e., postage, service fees, copies)?
- Response: No additional costs or fees will be reimbursed.**
- 43. Question:** If litigation services are required, will an agent from the PPA be available to present testimony at a trial?
- Response: Yes.**
- 44. Question:** Will any payments received directly by the PPA rather than being paid directly to the vendor still be accredited to the vendor?
- Response: Yes.**
- 45. Question:** Who is/are your current vendor(s)? Has the current contract gone full term and have all the extensions been exercised?
- Response: The current vendors are Debt Litigation Associates and Harris and Harris. The contracts have not yet gone full term.**
- 46. Question:** What are the current vendor's liquidation rates, by parking and red light camera debt type?

**Response: It should be noted that our current contracts include assigned parking tickets aged > 4 years. Contracts awarded under this RFP will include parking tickets aged > 1 year. For our current contracts, the liquidation or recovery rate for parking tickets averages 9%. For red light tickets the rate is 21%.**

**47. Question:** 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? If so, what is the total number and dollar value of accounts to be transferred to the new contractor?

**Response: This has not yet been determined.**

**48. Question:** What is/are the commission rate(s) charged by the current contractor(s)?

**Response: Average commission rate is 18.25%.**

**49. Question:** Has the Authority capped and/or limited the number of contractors who will be awarded this RFP?

**Response: No.**

**50. Question:** Are any subcontractors of any vendors be required to obtain and present SOC 2 or SOC 3 reports?

**Response: Per PennDot, selected debt collectors (Duncan's Business Partners) are not permitted to have a subcontractor and will be prohibited on sharing or transferring information to any other party.**

**51. Question:** What is the age of the oldest accounts in the portfolio?

**Response: 10 years**

**52. Question:** What are the current supplemental debt collectors' annual recovery rate?

**Response: It should be noted that our current contracts include assigned parking tickets aged > 4 years. Contracts awarded under this RFP will include parking tickets aged > 1 year. For our current contracts, the liquidation or recovery rate for parking tickets averages 9%. For red light tickets the rate is 21%.**

**53. Question:** What is the anticipated award date for this contract?

**Response: April 21, 2020**

**54. Question:** If a current supplemental debt collection vendor's bid is approved at a higher commission rate than its current contract when will their compensation increase to the higher rate?

**Response: After the start of a new contract.**

**55. Question:** Regarding II-11. Data Security Information (TAB J) on page 9, "At a minimum the Offeror must have a SOC 2 Type 2 or SOC 3 Type 3 (if cloud based) audit report." If we have a SOC 2 Type 2, is it required to be submitted with the proposal? Or is a statement confirming that we have the SOC Type 2 sufficient?

**Response: The report must be submitted with proposal for review.**

**56. Question:** Regarding, Part IV – Work Statement on page 11, With which collection agency(ies) are you currently contracted?

**Response: The current vendors are Debt Litigation Associates and Harris and Harris.**

**57. Question:** Regarding Proposal Form, #6, Cost Proposal on page 2, what are the current contingency fee rates charged by current Contractors?

**Response: It should be noted that our current contracts include assigned parking tickets aged > 4 years. Contracts awarded under this RFP will include parking tickets aged > 1 year. Fees for our current vendors average 18.25%.**

- 58. Question:** Regarding Part IV – Work Statement on page 11, what is the average number of tickets per consumer?  
**Response: 2 tickets.**
- 59. Question:** Regarding Part IV – Work Statement on page 11, If the contract is awarded to a different vendor than currently contracted, will PPA be recalling the accounts previously listed to the current vendor and forward those accounts to the new vendor?  
**Response: Yes.**
- 60. Question:** Regarding Part IV – Work Statement on page 11, what is the age of the oldest accounts you will refer for collections?  
**Response: Maximum age is 10 years.**
- 61. Question:** Regarding Part IV – Work Statement on page 11, what historical recovery rates for Supplemental Debt Collections have been achieved by the current contractors? Please break out by Parking vs. RLC. Please include the context regarding the age at time of placement for Parking Tickets under the current contract vs. the new contract.  
**Response: It should be noted that our current contracts include assigned parking tickets aged > 4 years. Contracts awarded under this RFP will include parking tickets aged > 1 year. For our current contracts, the liquidation or recovery rate for parking tickets averages 9%. For red light tickets the rate is 21%.**
- 62. Question:** In the most recent fiscal year, what dollar amount did each of your current contractors retain in fees?  
**Response: In calendar year 2019 one vendor earned \$138,015 and another vendor earned \$204,489.**
- 63. Question:** Regarding Part IV – Work Statement on page 11, how long does the Contractor have to collect Violations referred to it for Supplemental Debt Collection Services? Please break out by Parking, RLC, and Speed Violations.  
**Response: We will assign debt for 6 months. After that time any accounts on which there have been no payments are subject to recall.**
- 64. Question:** Regarding Part IV – Work Statement on page 11, historically, what percentage of accounts is litigated, by debt category?  
**Response: There have been no accounts litigated under the current contracts.**
- 65. Question:** Regarding 2.1 Overview of Violation Assignment Process, #1, 2, 3 on page 12, Please confirm, are we correct in understanding that there is a separate Support Contractor for each of the debt types, i.e., Parking Tickets, RLC, and Speed Tickets? Therefore the Contractor will be interfacing with three separate Support Contractors?  
**Response: No, there is one Support Contractor, Duncan Management Solutions.**
- 66. Question:** Regarding 2.1 Overview of Violation Assignment Process, #1, 2, 3 on page 12, with what frequency will Violations be transferred to the Contractor? Daily? Weekly? Monthly?  
**Response: After initial assignments we plan to institute monthly supplementary assignments.**
- 67. Question:** Regarding 2.1 Overview of Violation Assignment Process, paragraph #9 on page 13, “The array of billing, payment and update reports that will be created and used by the Contractor should be substantially similar to the reports used by the Support Contractor and shall be subject to the prior approval of the Authority in its sole discretion.” QUESTION: Can PPA please list the types of reports created and used by the Support Contractors? Would it be possible to provide some samples?

**Response: The Authority will provide a report upon which each contractor will base their invoice. The report will list ticket numbers, debtor names, assignment date, issue date, amounts paid and will deduct amounts paid as a result of seizures or registration suspensions.**

**68. Question:** Regarding 2.1 Overview of Violation Assignment Process, paragraph #15 on page 13, “The Authority will continue to pursue its own collection activities of Violation debt, even once assigned to a Contractor. The Authority employs people to find, boot and tow vehicles with outstanding Violation debts. Collection methods such as these will result in the collection of outstanding Parking Ticket debt. In the event a Parking Ticket debt is assigned to a Contractor, but then collected in whole or in part by the Authority through other means, that debt will immediately be considered recalled and no payment or reimbursement will be due to the Contractor.”  
**QUESTION:** In the most recent fiscal year, how many parking tickets were recalled from the current Contractors as a result of being collected in whole or in part by the Authority?

**Response: That information is not available. However, based on a sample of recent invoices approximately 30% of total payments were the result of seizures or registration suspensions.**

**69. Question:** Regarding 2.1 Overview of Violation Assignment Process, paragraph #15 on page 13, Based on annual historic debt volume, what percentage of accounts, by number/dollars, are collected by the Authority after placement per year and thus not subject to collection fee?

**Response: Please see the answer to Question # 68 above.**

**70. Question:** Regarding 2.3 Debt Volume on page 14, Does PPA have any forecast of how many Speed Tickets will be issued once Speed Cameras are installed?

**Response: Not yet.**

**71. Question:** Regarding 2.3 Debt Volume on page 14, Just to confirm, do the volumes listed in Section 2.3 represent accounts currently placed for Supplemental Debt Collection services with your current Contractor(s)? If not, can you please elaborate?

**Response: These are volumes of aged debt. Most of this is or will be placed with current contractors. When new contracts are awarded, debt will be recalled and reassigned as appropriate.**

**72. Question:** Regarding 2.3 Debt Volume on page 14, what is the average age of the Red Light Camera current volumes listed in Section 2.3? What is the average age of the Parking Violations current volumes listed in Section 2.3?

**Response: The Authority currently estimates that there are approximately 1.1 Million parking tickets with amount due of \$121 Million that are potentially assignable. An estimated 17% are aged 1-2 years, 27% aged 2-4 years, and 56% aged 4-10 years. An estimated 240,000 red light tickets have an amount due of approximately \$42 Million. An estimated 8% are aged 6 months to 1 year, 18% aged 1 to 2 years, 29% aged 2 to 4 years and 45% aged 4 to 10 years.**

**73. Question:** Regarding Proposal Form, #6, Cost Proposal on page 2 of proposal form, Is the Contractor’s collection fee added to the Violator’s balance?

**Response: No.**

**74. Question:** Does Contractor remit net or gross?

**Response: Gross.**

**75. Question:** Regarding 1-7 Technical Response (TAB F) #9 on page, Is the Contractor required to provide the ability for debtors to pay in person at a Contractor location in Philadelphia?

**Response: No.**

**76. Question:** Regarding 2.2 Certain technical requirements, #2 on page 14, “Where applicable, Vendor must provide an ASV Scan Report Attestation of Scan Compliance (AOSC) for all systems required to meet 11.2.2.” QUESTION: We are not able to find a section 11.2.2 in the RFP. Can you please clarify to what this is referring?

**Response:** This is a PCI DSS requirement. Information can be found on their website, [www.pcisecuritystandards.org](http://www.pcisecuritystandards.org).

**77. Question:** Regarding Section 6(2), Additional Cost Information on proposal form p. 2 (p. 18 of 105 of pdf), Page 18, Section 6(2), and Additional Cost Information: This section states that tickets collected by the Authority through its concurrent collection efforts shall not be subject to the collection fee. Does the Authority exclude from its concurrent collection efforts debts for which the Contractor has already established an installment plan with the debtor? If not, is the Contractor entitled to its proportionate fee installments collected prior to the concurrent collection effort?

**Response:** a. *Does the Authority exclude from its concurrent collection efforts debts for which the Contractor has already established an installment plan with the debtor?* **No.**

b. *If not, is the Contractor entitled to its proportionate fee installments collected prior to the concurrent collection effort?* **Yes.**

**78. Question:** Regarding 2.1 #5 on page 12, “The electronic information system used by the Support Contractor will be made available to the Contractor for purposes of tracking the debt and to advance collection activities.” QUESTION: What is the name of the electronic information system referenced above?

**Response:** The name of the system is AutoProcess. This is a proprietary system maintained by our Support Contractor, Duncan Management Solutions.

**79. Question:** Regarding Part III, Criteria for Selection / III-4.Evaluation Criteria, item “f” on page 10, If the Offeror proposes to subcontract a portion of the work to a certified Small or Small Diverse Business, would the Offeror earn any of the 5 points indicated in the Section III-4. “Evaluation Criteria” item “f.”?

**Response:** Per PennDot, selected debt collectors (Duncan’s Business Partners) are not permitted to have a subcontractor and will be prohibited on sharing or transferring information to any other party.

**80. Question:** Regarding Appendix A – Proposal Form, 10.d. on p. 6 of Appendix A Section 10.d. of the Proposal Form asks for the Offeror’s “Philadelphia Business Activities License Number.” Is this the same as the “Philadelphia Commercial Activity License” that, per RFP Section I-13, “Business Licenses,” the vendor is required to obtain no later than five days after being notified of selection? If not, please clarify.

**Response:** Yes.

**81. Question:** Regarding Appendix B – Sample Contract, Please provide a copy of “Exhibit A” which does not appear to be included in Appendix B – Sample Contract. “Exhibit A” is referenced in Section II-7., #8; sections 1.D., 1.K. and 4.B. of Appendix B – Sample Contract

**Response:** See attached Contractor Integrity Provisions that will be attached as Exhibit E to the sample contract.

**82. Question:** Regarding Appendix E – Data Sharing Agreement on page 31 of 47 (page 75 of 105 of the pdf), Please provide a copy of the “Exhibit A,” PennDOT’s fee schedule, as referenced in 13.b., “Vehicle Record Fees.”

**Response:** No fees will be paid by the selected Offeror(s) to PennDot.

**83. Question:** Regarding Part I – General Information for Offerors /Mandatory Pre-Proposal Meeting on page 2, Will the PPA publish a list of participants who attended or participated by telephone in the pre-proposal conference?

**Response:** The attendee list from the pre-proposal meeting is posted on the Authority’s website, [www.philapark.org](http://www.philapark.org).

**84. Question:** Regarding 1-12 Contract Negotiation on page 4, In RFP Section I-12. Contract Negotiation, the instructions relating to exceptions references only the exceptions process to the sample contract provided in Appendix B. Will the Authority permit exceptions to Appendix E (Data Sharing Agreement) and Appendix F (Vehicle Record Business Partner & End Users Agreement)?

**Response: No. Those documents are for reference only and are not something that the Authority can negotiate.**

**85. Question:** If Company uses a 3rd party credit card processor, are the 3rd party's SOC and PCI documents sufficient or do you need the 3rd party's and the Company's as well?

**Response: The 3rd party's and the Company's as well.**

**86. Question:** Under the Work Statement section, 2.1 Overview of Violation assignment process. There was no reference to answer or provide statements to the items listed. Should we provide an area in our response that addresses each one of these items?

**Response: You can respond to these items in your Technical Response (TAB F).**

**87. Question:** The Offeror shall comply with the Contractor Integrity Provisions as outlined in Exhibit A. I did not find Exhibit A; however, I did download the document. Is that acceptable?

**Response: Contractor Integrity Provisions are attached to this addendum.**

**88. Question:** If the Company's financial statements have been reviewed by an Independent CPA but not audited, what documentation do you need submitted by the CPA?

**Response: Reviewed financial statements may be submitted as it is assumed they are prepared by a licensed, independent CPA Firm.**

**89. Question:** Regarding 2.3 Debt Volume on page 14, can you please provide a breakdown of number of accounts and debt dollars for:

- a. a. RLC - Number and dollar amount aged 6 months to one year old
- b. b. Debts that are one to two years old (break out Parking vs. RLC) Section Page Number Question
- c. c. Debts that are two to four years old (break out Parking vs. RLC)
- d. d. Debts that are four to 10 years old (break out Parking vs. RLC)

**Response: See response to question #72.**

**90. Question:** Regarding Part IV – Work Statement on page 11, on a going forward basis, what is the overall volume of accounts (number of accounts and total dollar value of accounts) that you anticipate will be referred for Supplemental Debt Collection Services? Please break out by Parking Violations vs. RL?

**Response: See response to question #72.**

**91. Question:** Regarding Part IV – Work Statement on page 11, If yes, what is the overall volume of those accounts (number of accounts and total dollar value) that you anticipate would be referred for collections? Please break out by Parking Violations vs. RLC.

**Response: See response to question #72.**

**92. Question:** Regarding Part IV – Work Statement on page 11, what is the average age of Violations of any backlog to be referred to a newly awarded Contractor? Please break out by Parking vs. RLC.

**Response: See response to question #72.**

**93. Question:** Regarding Exhibit C Insurance Requirements Preamble, will you allow Cyber Liability to be made on a claim-made basis?

**94. Response: Yes.**

**95. Question:** Regarding Exhibit C Insurance Requirements Section 2(b), will you remove Per Location General Aggregate as this is not applicable to collection/call center work?

**Response: Yes.**

**96. Question:** Regarding Exhibit C Insurance Requirements Section 6, will you add the following language, “claims made is acceptable.”?

**Response: The first paragraph of the requirements state that professional liability may be on a claims made basis, this also applies to Cyber liability.**

**97. Question:** Regarding Exhibit C Insurance Requirements Section 10, will you allow Vendor to notify PPA of insurance policy cancellation as insurance carrier will not notify additional insured directly?

**Response: Yes.**

**98. Question:** Regarding Appendix C, Insurance Requirements, on page 40, This section requires that all insurance policies are primary and noncontributory. It is typical that insurers will allow coverage to be primary and noncontributory on commercial general liability and automobile liability, but not with respect to other policies, including Errors & Omissions. Please clarify whether it is the Authority’s intent to require that only commercial general liability and automobile liability coverage is primary and noncontributory.

**Response: This applies to general liability and auto liability.**

**99. Question:** If two Companies are submitting a joint proposal, do you need each Company to meet full insurance limits or must they meet the limits with their policies combined?

**Response: All parties must provide the required limits.**

**100. Question:** Regarding IV-1. Objectives 1 General on page 11,

A. Are bidders required to have already retained an attorney licensed to practice in Pennsylvania?

B. Would it be acceptable to retain an attorney licensed to practice in Pennsylvania upon contract award?

**Response: No. Offerors who do not have litigation services can submit a proposal for debt collection only.**

**END OF ADDENDUM TWO**

## PART II

### INFORMATION REQUIRED FROM OFFERORS

#### **II-1. Proposal Format.**

All proposals submitted must conform to the following format requirements. A transmittal letter signed by a person authorized to engage the Offeror in a contract must be included in your proposal. Proposals must be submitted on letter size (8 ½" x 11") paper. The point size font for text must be 10 to 12, and 6 to 8 for exhibits. All documents must contain a one-inch margin. For exhibits, 11x17 paper is acceptable. An electronic version of the Proposal Form can be provided to all prospective Offerors upon request. Forms that are altered by the offeror may be grounds for rejection of the Offeror's response.

The tab requirements are as follows:

- Tab A - Transmittal Letter
- Tab B - Qualifications and Experience
- Tab C - Staff Experience
- Tab D - Proposal Form
- Tab E - References
- Tab F - Technical Response
- Tab G - Insurance Requirements
- Tab H - Financial Statements
- Tab I - Proposed Amendments to Sample Contract
- Tab J – Data Security Information

**Physical tabs should extend beyond the 8 ½" x 11" paper.**

#### **II-2. Transmittal Letter (TAB A).**

Briefly summarize the Offeror's qualifications and past experience relevant to the Project scope. Include any additional information which would serve to distinguish the firm/agency from other debt collectors submitting proposals.

A principal or officer authorized to execute contracts or other similar documents must sign the letter. Name, mailing address, phone, email and website address should be included. The Authority will contact this person to address any clarifications needed after proposals are received.

#### **II-3. Qualifications and Experience (TAB B).**

Proposals must present evidence satisfactory to the Authority that they are fully competent to perform the conditions of the Contract. Offerors must have the necessary certifications, training, licenses, facilities, equipment, experience and financial capacity to fulfill the conditions of the Contract and all the terms and specifications included herein.

In order to be considered qualified, the Offeror should clearly demonstrate that they have successfully performed similar debt collection services, preferably to government entities within the Commonwealth of Pennsylvania.

#### **II-4. Staff Experience (TAB C).**

List professional staff members who will be assigned to this engagement if their proposal is selected. Provide details of each professional staff member's qualifications, including years and types of experience, education, accomplishments, etc. Specify the extent of the availability and commitment of each such professional staff member who will be assigned to this engagement if the vendor's proposal is selected. Do not include staff that will not work under this contract.

**II-5. Proposal Form (TAB D).**

The Proposal Form contained within this RFP must be submitted in its entirety (with the exception of the Proposal Decline Form).

**II-6. References (TAB E).**

Offeror must complete the spreadsheet that is provided in Appendix D to supply information regarding similar work performed as described in this RFP, within the past three years.

**II-7. Technical Response (TAB F).**

Provide a response detailing how your firm will meet the requirements set forth in the Work Statement. Your response should specifically include the following:

1. Offeror shall provide in their technical proposal steps that will be taken once the collection matter is received by the Offeror. Include the number of contacts and procedures that will be taken (written correspondence, telephone contact, judgement, etc.).
2. Offeror shall identify any geographical or jurisdictional limitations applicable to its collection abilities.
3. Provide a detailed description of Offeror's policy and procedure on consumer complaint handling.
4. Specify whether Offeror utilizes any form of automated collection processes, and if so, set forth a detailed description of Offeror's automated collection procedures.
5. Describe the Offerors reporting capabilities and procedures. Include a sample reports.
6. Offeror shall provide any additional information relating to its collection procedure and practices that is not specifically addressed in this RFP.
7. The Offeror shall identify any subcontractors that will be used during the contract period. All subcontractors are subject to approval by the Authority.
8. The Offeror shall comply with the Contractor Integrity Provisions as outlined in Exhibit A.
9. Describe your collection procedures along with payment options offered to debtors. Response should include but not be limited to the following:
  - a. Pay directly over the internet.
  - b. Pay by phone.
  - c. Pay through the United States Mail.
  - d. Pay in person.
  - e. Installment plans
10. Detail the highlights of your collection approach.
11. Provide evidence of internet based web portal that allows the Authority constant access to all of the records and information created or maintained by the Contractor related to any collection account assigned by the Authority, if one does not currently exist please describe how this requirement will be met.

**II-8. Insurance Requirements (TAB G).**

The successful Offeror will be required to submit Insurance Coverage as outlined in *Appendix C*. Offeror's must submit with their proposal a sample certificate of insurance from a recent project that meets the requirements. If you do not currently carry the level of insurance that is required you must submit a letter from your insurance company indicating that they will provide the required insurances as outlined in this RFP if awarded a contract.

**II-9. Financial Statements (TAB H).**

Offeror must provide complete financial statements for the last three years, which have been audited or reviewed by an independent Certified Public Accountant who is not an employee of the Offeror. Complete financial statements must include, at a minimum, a balance sheet, income statement, reconciliation of equity and a cash flow statement. Offeror may only submit one copy of their financial statements either with the original proposal or in a separate envelope marked "confidential".

**II-10. Proposed Amendments to Sample Contract (TAB I).**

If successful, this procurement process will result in the presentation of a completed final-form contract to the Authority's Board for approval at a public meeting. To advance that goal a sample contract as Appendix B. Please review the sample contract carefully. Any exceptions or requested changes to the contract **must be clearly noted in the proposal** in order to be considered.

**II-11. Data Security Information (TAB J).**

Provide all data security information to evidence that you meet the requirements set forth in attached the Business Partner & End User's Agreement, Section. At a minimum the Offeror must have a SOC 2 Type 2 or SOC 3 Type 3 (if cloud-based) audit report.

Provide a current and valid PCI-DSS Level 1 Services Provider Attestation of Compliance.

## PART III

### CRITERIA FOR SELECTION

**III-1. Mandatory Responsiveness Requirements.** To be eligible for selection, each proposal must be (a) timely received from an Offeror; and (b) properly signed by the Offeror.

**III-2. Technical Nonconforming Proposals.** The two (2) Mandatory Responsiveness Requirements set forth in Section III-1 above are the only RFP requirements that the Authority will consider to be non-waivable. The Authority reserves the right, in its sole discretion, to waive any other technical or immaterial nonconformities in the proposal, allow the Offeror to cure the nonconformity, or consider the nonconformity in the evaluation of the proposal.

**III-3. Proposal Evaluation.** Proposals will be reviewed, evaluated and scored by an Evaluation Committee consisting of Authority employees. The Authority will select the highest ranking Offeror whose proposal is determined to be most advantageous to the Authority as determined by the criteria listed below.

During the evaluation process, the Authority may require an Offeror to answer questions with regard to the proposal and/or require certain Offerors to make formal presentation to the Evaluation Committee.

**III-4. Evaluation Criteria.** The Authority determined that it is was not advantageous for it to use a bidding process in order to secure the services outlined in the Work Statement because it wished to consider criteria other than price in the award process, in particular, the Offeror’s qualifications and experience.

Proposals will be evaluated consistent with the requirements of this RFP and determine the most responsive Offerors as follows:

- a. **Responsiveness of the proposal to the submission requirements set forth in the RFP. Weight: 5%**
- b. **Qualifications and Experience.** Demonstrated prior experience in providing debt collection services as evidenced in the proposal and confirmed by references. **Weight: 20%**
- c. **Staff Experience** **Weight: 20%**
- d. **Technical Response.** **Weight: 25%**
- e. **Proposed fees and costs.** The Authority is not bound to select the firm who proposes the lowest fees. The Authority reserves the right to obtain best and final offers at its sole discretion. **Weight: 25%**
- f. **Small and Small Diverse Business participation.** **Weight: 5%**

**Philadelphia Parking Authority**  
**CONTRACTOR INTEGRITY PROVISIONS**

1. Definitions.

a) **Confidential Information** means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with the Authority.

b) **Consent** means written permission signed by a duly authorized officer or employee of the Authority, provided that where the material facts have been disclosed, in writing, by prequalification, bid proposal, or contractual terms, the Authority shall be deemed to have consented by virtue of execution of this Contract.

c) **Contractor** means the individual or entity that has entered into this Contract with the Authority, including directors, officers, partners, managers, key employees, and owners of more than a 5% interest.

d) **Contractor Related Parties** means any affiliates of Contractor and Contractor's officers and directors.

e) **Financial interest** mean any financial interest in a legal entity engaged in business for profit which comprises more than 5% of the equity of the business or more than 5% of the assets of the economic interest in indebtedness

f) **Gift** means any conveyance of anything of value, including cash, a gratuity (tip), favor, entertainment (including tickets to sporting events), travel, food, drink, a loan, employment or services.

2. Contractor shall maintain the highest standards of integrity in the performance of this Contract and shall take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with the Authority, including these Contractor Integrity Provisions.

3. Contractor shall not disclose to others any confidential information gained by virtue of this Contract.

4. Contractor, its affiliates, agents, employees and anyone in privity with Contractor shall not, in connection with this or any other agreement with the Authority, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit or gift on anyone, for any reason, including as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the Authority.

5. Contractor confirms that no Authority officer or employee holds a financial interest in Contractor.

6. Contractor shall have no financial interest with or in any other contractor, subcontractor, or supplier providing services, labor, or material under this contract, unless the financial

interest is disclosed to the Authority in writing and the Authority consents to Contractor's financial interest prior to the Authority's execution of the contract. Contractor shall disclose the financial interest to the Authority at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Contractor's submission of the contract signed by Contractor.

7. When Contractor has reason to believe that any breach of ethical standards as set forth in law or these Contractor Integrity Provisions has occurred or may occur, including but not limited to contact by an Authority officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the Authority contracting officer or the Authority's Office General Counsel in writing.

8. Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that it has not violated any of these Contractor Integrity Provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract, to include any extensions thereof.

9. Contractor agrees to reimburse the Authority for the reasonable costs of investigation incurred by the Authority's Office of General Counsel, or its designee, for investigations of Contractor's compliance with the terms of this or any other agreement between Contractor and the Authority that results in the suspension or debarment of Contractor. Contractor shall not be responsible for investigative costs for investigations that do not result in Contractor's suspension or debarment.

10. Contractor shall cooperate with the Authority's Office of General Counsel, or its designee, in its investigation of any alleged officer or employee breach of ethical standards and any alleged Contractor non-compliance with these Contractor Integrity Provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of an investigator, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Authority's designated investigator to Contractor's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Contractor's business or financial records, documents or files of any type or form that refer to or concern this contract. Contractor shall incorporate this paragraph in any agreement, contract or subcontract it enters into in the course of the performance of this contract/agreement solely for the purpose of obtaining subcontractor compliance with this provision. The incorporation of this provision in a subcontract shall not create privity of contract between the Authority and any such subcontractor, and no third party beneficiaries shall be created thereby.

11. Nondiscrimination/Sexual Harassment. Contractor agrees:

a) In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, Contractor, each subcontractor, or any person acting on behalf of Contractor or subcontractor shall not

discriminate in violation of the Pennsylvania Human Relations Act (PHRA) and applicable federal laws against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.

b) Neither Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate in violation of the PHRA and applicable federal laws against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract.

c) Contractor and each subcontractor shall establish and maintain a written nondiscrimination and sexual harassment policy and shall inform their employees of the policy. The policy must contain a provision that sexual harassment will not be tolerated and employees who practice it will be disciplined. Posting this Nondiscrimination/Sexual Harassment Clause conspicuously in easily-accessible and well-lighted places customarily frequented by employees and at or near where the contract services are performed shall satisfy this requirement.

d) Contractor and each subcontractor shall not discriminate in violation of PHRA and applicable federal laws against any subcontractor or supplier who is qualified to perform the work to which the contract relates.

e) Contractor and each subcontractor represents that it is presently in compliance with and will maintain compliance with all applicable federal, state, and local laws and regulations relating to nondiscrimination and sexual harassment. Contractor and each subcontractor further represents that it has filed a Standard Form 100 Employer Information Report (“EEO-1”) with the U.S. Equal Employment Opportunity Commission (“EEOC”) and shall file an annual EEO-1 report with the EEOC as required for employers subject to Title VII of the Civil Rights Act of 1964, as amended, that have 100 or more employees and employers that have federal government contracts or first-tier subcontracts and have 50 or more employees. Contractor and each subcontractor shall, upon request and within the time periods requested by the Commonwealth, furnish all necessary employment documents and records, including EEO-1 reports, and permit access to their books, records, and accounts by the contracting agency and the Bureau of Small Business Opportunities (BSBO), for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause.

f) Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that those provisions applicable to subcontractors will be binding upon each subcontractor.

g) Contractor’s and each subcontractor’s obligations pursuant to these provisions are ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, Contractor and each subcontractor shall have an obligation to inform the Authority if, at any time during the term of the contract, it becomes aware of any actions or occurrences that would result in violation of these provisions.

h) The Authority may cancel or terminate the contract and all money due or to become due under the contract may be forfeited for a violation of the terms and conditions of this

Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place Contractor in Contractor Responsibility File.

12) Americans with Disabilities Act. Contractor agrees as follows.

a) Pursuant to the federal regulations promulgated under the authority of the Americans With Disabilities Act, 28 C.F.R. 35.1010 et. Seq., Contractor understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation on this contract or from activities provided under this contract. As a condition of accepting and executing this contract, Contractor agrees to comply with the “General Prohibitions Against Discrimination,” 28 C.F.R. 35.130, and all other regulations promulgated under Title II of the Americans With Disabilities Act, which are applicable to the benefits, services, programs, and activities provided by the Authority through contracts with outside contractors.

13. For violation of any of these Contractor Integrity Provisions the Authority may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these Provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend Contractor from doing business with the Authority. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

14. Contractor certifies to the best of its knowledge and belief that within the last five (5) years Contractor or Contractor Related Parties have not:

- a) been indicted or convicted of a crime involving moral turpitude or business honesty or integrity in any jurisdiction;
- b) been suspended, debarred or otherwise disqualified from entering into any contract with any governmental agency;
- c) had any business license or professional license suspended or revoked;
- d) had any sanction or finding of fact imposed as a result of a judicial or administrative proceeding related to fraud, extortion, bribery, bid rigging, embezzlement, misrepresentation or anti-trust; and
- e) been, and is not currently, the subject of a criminal investigation by any federal, state or local prosecuting or investigative agency and/or civil anti-trust investigation by any federal, state or local prosecuting or investigative agency.

If Contractor cannot so certify to the above, then it must submit along with its bid, proposal or contract a written explanation of why such certification cannot be made and the Authority will determine whether a contract may be entered into with Contractor. Contractor’s obligation pursuant to this certification is ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, Contractor shall have an obligation to immediately notify the Authority in writing if at any time during the term of the contract if becomes aware of any event which would cause Contractor’s certification or explanation to change. Contractor acknowledges that the Authority may, in its sole discretion, terminate the contract for cause if it

learns that any of the certifications made herein are currently false due to intervening factual circumstances or were false or should have been known to be false when entering into the contract.

**AGREEMENT FOR SUPPLEMENTAL DEBT  
COLLECTION SERVICES BY AND BETWEEN  
THE PHILADELPHIA PARKING AUTHORITY  
AND**

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Contract No. K-20-00\_\_

**THIS AGREEMENT** effective as of the \_\_\_ day of \_\_\_\_\_, 2020 by and between **The Philadelphia Parking Authority**, an agency of the Commonwealth of Pennsylvania and a body corporate and politic, with its principal address at 701 Market Street, Suite 5400, Philadelphia, PA 19106 (the “**Authority**”) and \_\_\_\_\_ with a registered address at \_\_\_\_\_ (“**Contractor**”).

**WITNESSETH:**

**WHEREAS**, the Authority, a public body corporate and politic organized and existing under the Act of 2001, June 19, P.L. 287, No. 22, as amended;

**WHEREAS**, the Authority requires supplementary debt collection services to be provided by a firm specializing in such, in addition to the debt collection activities the Authority conducts itself and through existing support contractors;

**WHEREAS**, in order to secure the supplemental debt collection services of highly qualified contractors to act on its behalf, the Authority issued a Request for Proposals No. 19-11 “Supplemental Debt Collection - Reissue (hereinafter “RFP”) on \_\_\_\_\_ and attached hereto as Exhibit “A” and incorporated into this Agreement as if set forth fully herein;

**WHEREAS**, the Contractor submitted an offer in response to the RFP, dated \_\_\_\_\_, 2020 (the “Response”), which is attached hereto as Exhibit “B” and incorporated into this Agreement as if fully set forth herein; and

**NOW, THEREFORE**, in consideration of the covenants and conditions contained herein, intending to be legally bound, the parties hereto hereby agree as follows:

**1. SCOPE OF SERVICES.**

The Authority hereby engages and Contractor hereby agrees to perform the following professional debt collection services (“Services”):

A. To provide professional debt collection services for delinquent on-street parking violations, including penalties (“Parking Tickets”), as well as delinquent Automated Red Light Enforcement System (“Red Light Camera Program” or “RLC”) violations and penalties (“RLC Tickets”) and delinquent Speed Enforcement violations and penalties (“Speed Tickets”) in an efficient manner and at all times consistent with applicable local, state and federal debt collection laws and regulations and in a manner consistent with this Agreement, the RFP, Contractor’s

Response and the exhibits attached hereto.

B. To coordinate the fulfillment of this Agreement with the Authority's Deputy Director of Debt Collection, Dennis Rosen, who may be reached by e-mail at DRosen@philapark.org or by phone at 215-683-9431. However, the parties agree that only the Authority's Board or Executive Director may consent to any alteration or amendment to this Agreement, and in each such case in writing. Any change in excess of \$25,000 will require advanced approval of the Authority's Board at a public meeting.

C. The parties agree and understand that this Agreement does not create an exclusive debt collection service relationship and that the Authority will independently and simultaneously pursue collection of debts, even once assigned pursuant to this Agreement. The parties agree and understand that the Authority contracts with other third parties to conduct debt collection services; however, such third parties will not be simultaneously assigned a collection account while it is assigned to Contractor. It is understood that no Contractor shall be permitted to collect debt on behalf of the Authority without first providing proof of required certification as detailed in Section 2 of this Agreement.

D. Contractor acknowledges that it is required to communicate with the Authority's Support Contractor to track, pursue and report on its debt collection activities in accordance with the Overview of Violation Assignment Process identified in Section 2.1 of the RFP, attached hereto as Exhibit A.

E. The Authority can withdraw any collection account assigned pursuant to this Agreement at any time. In the event a collection account is withdrawn without any collection having been made on the account, no payment will be due Contractor.

F. It is understood that Contractor may not settle and/or compromise any debt assigned without the prior written approval of the Authority. Failure to obtain written approval prior to settling and/or compromising a debt for less than what is owed shall be grounds for termination of this Agreement pursuant to Section 7 herein.

G. Any debt collected by the Contractor on behalf of the Authority shall be deposited into an account designated by the Authority within 24 hours of being collected. The file associated with the collected debt shall be electronically transferred to the Authority's support contractor by 9:00 am the day following its collection.

H. The Authority will have constant access to all of the records and information created or maintained by Contractor related to any collection account assigned by the Authority through an internet based web portal. The parties agree and understand that the purposes of this access is to permit the Authority to continually monitor the handling of all of its assigned debt accounts in real time and that the information made available to the Authority must be sufficient for this purpose, in the Authority's sole discretion. Information accessible by the Authority will include the form, content and frequency of debt collection notices, amounts collected and other collection activity conducted by Contractor. All notes or reports created by Contractor related to each assigned account must also be made available through the web portal. Contractor will make

this fully functional web portal available to the Authority within ninety (90) days of this Agreement's execution.

I. Contractor shall have the ability to support encrypted files transfers that are password protected and shall work with the Authority's support contractor to establish a secure and encrypted data transfer process. Contractor hereby agrees that it is required to seamlessly communicate, exchange and store data using AutoProcess, the system currently utilized by the Authority and its support contractors. However, Contractor acknowledges that due to technological advancements in electronic security, the data transfer system may change. The failure or inability of company to utilize the data transfer system currently in place with the Authority or its support contractors shall constitute a breach of this Agreement and shall be grounds for immediate termination of this Contract by the Authority.

J. Contractor shall maintain a web payment site capable of receiving credit card payments for the collection of debt ("Site"). Contractor's Site shall maintain PCI compliance and adhere to all applicable state and federal laws and regulations.

K. Contractor shall at all times comply with the technical requirements contained in Section 2.2 of the RFP, attached hereto as Exhibit A. Failure to comply with any requirement shall constitute a breach of this Agreement and shall be grounds for termination of this Agreement by the Authority.

## **2. THIRD PARTY AGREEMENTS.**

A. Contractor hereby acknowledges that this Agreement with the Authority is contingent upon Contractor ~~obtaining/maintaining~~, at its sole expense, a SOC 2 Type 2 or SOC 3 Type 3 (if cloud-based) audit report the appropriate certification as mandated by the Pennsylvania Department of Transportation ("Certification").~~s ("PennDOT") Data Sharing Agreement, attached hereto as Exhibit "C". Contractor shall provide to the Authority proof of its compliance with the Data Sharing Agreement and certification of such by PennDOT ("Certification") prior to being assigned or engaging in any debt collection services on behalf of the Authority.~~ In the event Contractor fails to maintain its Certification, it shall, within 24 hours, notify the Authority of such in writing and immediately cease all debt collection services. The loss of Contractor's Certification and/or the failure to notify the Authority within 24 hours of the loss and/or cancellation of Contractor's Certification, shall constitute a breach of this Agreement and shall, at the Authority's sole discretion, be grounds for termination of this Agreement.

B. Contractor hereby acknowledges that this Agreement with the Authority is contingent upon Contractor entering into a Business Partner Agreement ("BPA") with Duncan Solutions, Inc., which oversees the Authority's on-street parking management functions. The BPA is attached hereto as Exhibit "~~DC~~". In the event the BPA with Duncan Solutions, Inc. is terminated or rendered void for any reason, including the loss of any required Certification, Contractor shall, within 24 hours, notify the Authority of such in writing and immediately cease all debt collection services. Failure to maintain a valid BPA with Duncan Solutions, Inc. and/or failure to notify the Authority with 24 hours of the BPA's termination, shall constitute a breach of this Agreement and shall, at the Authority's sole discretion, be grounds for termination of this Agreement.

**3. TERM.**

The Term of this Agreement shall commence on the date first written above and shall expire automatically and without notice after one year. This Agreement may be renewed, in the Authority's sole discretion, for four (4) one year terms.

**4. CONSIDERATION AND PAYMENT.**

A. For the performance of Services described herein, the Authority shall pay the Contractor \_\_\_% of the amount of each debt collected by Contractor ("Payment"). The Payment shall not include any fees associated with the collection of debt, including but not limited to, credit card processing fees ("Collection Fees"). Such Collection Fees shall be the responsibility of the Contractor. Contractor must receive prior approval from the Authority before assessing any fee associated with the collection of the debt to a consumer, including but not limited to, a transactional fee, incidental fee or an ACH fee.

B. In the event Contractor initiates litigation against a debtor, with the advanced approval of the Authority, Contractor shall be paid \_\_\_% of the amount of each debt collected as a result of that litigation. Contractor agrees to accept such amounts resulting from the successful collection of outstanding debts as the sole and full compensation for such Services. The Authority's obligation to pay for such Services is contingent upon the Authority's finding that the Contractor has performed in a competent and professional manner satisfactory to the Authority and that the collection was not caused by the Authority's own collection efforts (*e.g.* booting, impoundment, etc.) as identified in the Overview of Violation Assignment Process outlined in Section 2.1 of the RFP, attached hereto as Exhibit A.

C. The Contractor shall invoice the Authority monthly for payment for Services as provided in this Agreement in a form acceptable to the Authority. Contractor shall provide such documentation and evidence of collection related activities to the Authority upon request. All invoices shall be forwarded to Dennis Rosen via email at DRosen@philapark.org.

D. At no time will Contractor be reimbursed for any administrative or overhead costs incurred by Contractor in fulfilling the terms of this agreement, including, but not limited to, any time, fees or expenses associated with Contractor's travel, fuel, lodging, food, or photocopying in connection with Contractor's Services.

**5. NO SOLICITATION/CONFLICTS OF INTEREST.**

A. Contractor does hereby warrant and represent that the laws of the Commonwealth of Pennsylvania have not been violated as they relate to the procurement or performance of this Agreement by any conduct, including payment or giving of any fee, commission, compensation, gift, gratuity or consideration of any kind, directly or indirectly to any Authority employee, officer or Contractor.

B. To the best of Contractor's knowledge, no Authority member or officer, and no employee of the Authority has any interest (whether contractual, non-contractual, financial or otherwise) in this transaction or in the business of Contractor. If such transaction comes to the knowledge of the Contractor at any time, a full and complete disclosure of such information shall be made to the Authority.

C. Contractor hereby acknowledges receipt and acceptance of the Authority's Contractor Integrity Provisions attached hereto as Exhibit "E".

**6. INABILITY OF CONTRACTOR TO PERFORM.**

The inability of Contractor to perform or provide the Services under this Contract, for any reason, shall automatically terminate this Agreement, whereupon all liabilities or obligations for payment hereunder shall terminate as of the date of such termination.

**7. TERMINATION FOR CONVENIENCE OF AUTHORITY.**

The Authority and Contractor agree that this Agreement may be terminated by the Authority with or without cause upon five (5) days' notice in writing by the Authority to Contractor, at which time Contractor shall cease all collection activities on behalf of the Authority. If the Agreement is terminated by the Authority, as provided herein, Contractor will be paid any compensation outstanding for the Services satisfactorily performed pursuant to Section 3 herein for the period prior to the date of termination. In such event, all memoranda, records, data, information and other documents prepared by Contractor shall become the property of the Authority and shall be forthwith delivered to the Authority. The payments to be made to Contractor hereunder are the Contractor's sole remedy and right with respect to termination under this paragraph.

**8. GENERAL TERMS AND CONDITIONS.**

**A. Right to Know Law Provisions.**

1. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, ("RTKL") applies to this Agreement.

2. If the Authority requires the assistance of the Contractor as to any request or other issue related to the RTKL in regard to this Agreement ("Requested Information"), it will notify the Contractor using the contact information provided in this Agreement. Upon written notification from the Authority that it requires the Contractor's assistance in responding to such a request under the RTKL the Contractor must:

- i. Provide the Authority, within 5 days after receipt of written notification, with copies of any document or information in the Contractor's possession arising out of this Agreement that the Authority reasonably believes is Requested Information and may be a public record under the RTKL; and

ii. Provide such other assistance as the Authority may reasonably request, in order to comply with the RTKL with respect to this Agreement.

3. If the Contractor considers the Requested Information to be exempt from production under the RTKL, the Contractor must notify the Authority and provide, within 5 days of receiving the written notification, a written statement signed by a representative of the Contractor explaining why the requested material is exempt from public disclosure under the RTKL and identifying the specific provision of the RTKL that renders some or all of the Requested Information exempt from disclosure.

4. The Authority will rely upon the written statement from the Contractor in denying a RTKL request for the Requested Information unless the Authority determines that the Requested Information is clearly not protected from disclosures under the RTKL. In the event the Authority determine that the Requested Information is clearly not exempt from disclosure, the Contractor must provide the Requested Information to the Authority within 5 days of receipt of written notification of the Authority's determination.

5. The Authority will reimburse the Contractor for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

6. If the Contractor fails to provide the Requested Information as provided in paragraph No. 4. ("Contractor's Refusal") the party requesting the information may have the right to challenge that failure to disclose before the Pennsylvania Office of Open Records ("OOR") and potentially the courts. Contractor hereby understands and agrees that the Authority will not argue in favor of the Contractor's non-disclosure of the Requested Information and will inform the tribunal that it directed Contractor to produce such information.

7. In the event of administrative or legal proceedings, or both, related to Contractor's Refusal, the following will apply:

i. Contractor will defend the Authority, at its sole cost, before an agency or court as to any matter or claim related to Contractor's Refusal. Contractor will provide that defense through independent legal counsel agreed to in advance by the Authority, in its sole discretion.

ii. Contractor further agrees that it will indemnify and hold the Authority harmless for any damages, penalties, costs, detriment or harm that the Authority may incur as a result of the Contractor's failure to releases Requested Information, including any statutory damages or order to pay any party's attorney's fees.

8. As between the parties, the Contractor agrees to waive all rights or remedies that may be available to it as a result of the Authority's disclosure of Requested Information pursuant to the RTKL.

9. The Contractor's duties relating to the RTKL are continuing duties that survive the expiration or termination of this Agreement and shall continue as long as the Contractor has Requested Information in its possession.

**B. Force Majeure.**

Neither contracting party will be liable for inadequate performance to the extent caused by a condition (for example, natural disaster, act of war or terrorism, riot, labor condition and governmental action) that was beyond the party's reasonable control.

**C. No Third-Party Beneficiaries.**

There are no third-party beneficiaries to this Agreement.

**D. Maintenance of Records.**

Regardless of the impact of the Right-to-Know Law, Contractor shall maintain all data, records, memoranda, statements of services rendered, correspondence and copies thereof, in adequate form, detail and arrangement, for the Authority's benefit for a minimum of seven (7) years following the termination or expiration of this Agreement. Such information must be maintained in a secure and professionally reasonable manner. Thereafter, Contractor shall contact the Authority before disposing of any such materials and the Authority may direct that some or all of such materials be delivered to the Authority.

**E. Assignment.**

This Agreement may not be transferred or assigned by Contractor without the prior written consent of the Authority which consent may be withheld in the sole discretion of the Authority, any transfer or assignment made without the prior written consent of the Authority shall be void.

**F. Non-Discrimination.**

Contractor agrees to abide by all legal provisions regarding non-discrimination in hiring and contracting made applicable by federal, state and local laws.

**G. Notices.**

Any legal notice or demand given by one party to the other under this Agreement shall be in writing and served by nationally recognized overnight courier service or sent by United States

certified or registered mail return receipt requested, postage prepaid, or by overnight express delivery service or by courier service, against written receipt or signed proof of delivery addressed to the other party at the address set forth below, unless a party shall have provided written notice to the other identifying a new address for notice:

**The Authority:**

The Philadelphia Parking Authority  
701 Market Street, Suite 5400  
Philadelphia, PA 19106  
Attn: Dennis G Weldon, Jr.  
General Counsel

**Contractor:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All notices shall be deemed given on the day after the notice was given to the courier or Postal service.

**H. Press Releases**

Contractor shall obtain the prior written approval of the Authority concerning the content and timing of news releases, articles, brochures, advertisements, speeches and other information releases concerning the work performed or to be performed hereunder by Contractor, its sub-Contractors or employees or Contractors of either. Contractor agrees to give the Authority reasonable advance time for review of any material submitted to the Authority approval.

**I. Captions.**

The captions in this Agreement are for convenience only and are not a part of this Agreement and do not in any way define, limit, describe or amplify the terms and provisions of this Agreement or the scope or intent thereof.

**J. General Indemnity.**

Contractor, for itself, its successors, assigns, agents, and sub-Contractors hereby agrees to indemnify, hold harmless and defend the Philadelphia Parking Authority, the City of Philadelphia, and the Commonwealth of Pennsylvania and their agents, employees, representatives, attorneys, officers and directors (the Indemnified Parties) from and against any and all liability for losses, (including those related to business interruption), damage (including special, consequential and incidental) liabilities, claims, demands, causes of action or expense (including attorney's fees and expenses) for which the Indemnified Parties may be held liable by reason of injury (including death or workers' compensation) to any person (including Contractor's employees) or damage to any property of whatsoever kind or nature arising out of or in any manner connected with the work to be performed for the Indemnified Parties (including, but not limited to, work performed under this contract, work performed under Change Order, or any such other work performed for or on behalf of the Indemnified Parties), or damages related to any data breach or loss, whether or not due in whole or in part to any act, omission, or negligence of the Indemnified Parties or any of their agents, employees,

representatives, officers, directors, stockholders, subcontractors, third parties or parent, subsidiary and affiliated companies, whether known or unknown to the Indemnified Parties or Contractor. It is expressly understood and agreed that the indemnity contained in this paragraph covers claims by Contractor's employees. It is further expressly agreed that Contractor assumes the fullest extent of all obligations to indemnify and defend all parties whom the Indemnified Parties are obligated to indemnify and defend in the Indemnified Parties contract with others (whether or not such obligations may extend to items beyond those addressed in this Agreement). This obligation to indemnify, defend and hold harmless shall survive termination of this Contract.

#### **K. Conflicting Provisions.**

This Agreement contains the entire agreement of the parties with respect to the matter covered by this Agreement. No other agreement, statement, representation, understanding or promise made by any party or by any employee, officer or agent of any party, that is not contained in this Agreement, shall be binding or valid. Any revisions, additions, and/or modifications of this Agreement must be set forth in writing and signed by all parties.

#### **L. Entire Agreement.**

This Agreement contains the entire agreement of the parties with respect to the matter covered by this Agreement. No other agreement, statement, representation, understanding or promise made by any party or by any employee, officer, or agent or any party, that is contained in this Agreement, shall be binding or valid. Any revisions, additions, and/or modifications of this Agreement must be set forth in writing and signed by all parties.

#### **M. Exhibits.**

All Exhibits to this agreement are hereby incorporated by reference into, and made a part of this Contract.

#### **N. Interpretation.**

The contracting parties acknowledge and agree that (i) each party reviewed and negotiated the terms and provisions of this Agreement and has contributed to it; and (ii) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of the Agreement, regardless of which party was generally responsible for the preparation of this Agreement.

#### **O. Order of Precedence.**

In the event of an inconsistency between provisions of this Agreement, it shall be resolved by giving precedence in the following order: (1) the main body of this Agreement (not including Exhibits); (2) the RFP (Exhibit "A"), ~~(3) the PennDOT Data Sharing Agreement (Exhibit "C")~~, (4) the BPA (Exhibit "~~D~~C"), (5) the Contractor's Proposal (Exhibit "B") and (6) all other exhibits. It is Contractor's responsibility to study this Agreement and to report at

once in writing to the Authority any errors, inconsistencies, discrepancies, omissions or conflicts discovered between any provisions of the Agreement. Any work performed by the Contractor prior to receiving a written response from the Authority with respect to any alleged error, inconsistency, discrepancy, omission or conflict shall be at the Contractor's own risk and expense.

**P. Specific Proposals.**

It is understood that the Authority shall have the absolute discretion to accept, reject or modify any proposal or offer which Contractor may bring to the Authority's attention during the term of this Agreement. The Authority may direct that Contractor suspend or modify any of its Services related to this Agreement at any time.

**Q. Independent Contractor.**

Contractor agrees that it, as well its employees, are independent contractors as to any Services provided and this Agreement is not intended to create any form of employment relationship.

**R. Applicable Law and Venue.**

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. The parties hereto irrevocably consent to the exclusive jurisdiction of the First Judicial District of Pennsylvania, being the Philadelphia Court of Common Pleas and waiving any claim or defense that such forum is not convenient or proper. Contractor agrees that the Philadelphia Court of Common Pleas shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

**S. Taxes.**

1. Contractor hereby certifies that neither it, nor any of its parent or subsidiary entities, is delinquent or overdue in the payment of any tax or fee to the City or County of Philadelphia or the Commonwealth of Pennsylvania. Contractor also certifies that its Philadelphia Activity License No. is: \_\_\_\_\_. Contractor further certifies that its Federal Tax ID. No. is: \_\_\_\_\_.

2. As an agency of the Commonwealth of Pennsylvania, and a local government agency, the Authority is exempt from the payment of state and local sales and use and other taxes on material, equipment or other personal property. Contractor agrees that the fees, prices or rates stated in this Agreement (1) do not include any state or local taxes, surcharges or fees on the Authority in connection with this transaction, and (2) do include all other applicable taxes for which Contractor is liable. In the event Contractor's performance under this Agreement creates a tax liability, such taxes, including but not limited to, real estate taxes, school taxes, use & occupancy taxes, and sales taxes shall be the sole obligation of Contractor, and Contractor shall

maintain current accounts as to the payment of such taxes and be liable over to the Authority for any taxes assessed against the Authority as a result of Contractors performance under this Agreement.

**T. Ownership of Authority Materials.**

As between the parties, the Authority shall own and retain all right, title and interest in and to all Authority data, records, policies, procedures, files, any and all Authority Provided Resources, and all written summaries, findings and reports, and proposed policies and procedures produced by Contractor pursuant to this Agreement.

**U. Insurance.**

Contractor agrees to provide the Authority the appropriate certificates of insurance in accordance with the Insurance Requirements of the RFP.

**V. Waiver.**

No term or provision hereof shall be deemed waived by the parties unless such waiver or consent shall be in writing signed by both parties. No breach shall be excused unless it is in writing signed by the non-breaching party.

**W. Separation Clause.**

If any provision of this Agreement, or the application of any provision to any person or circumstances, is held invalid or unenforceable, the remainder of this Agreement and the application of such provision(s) to other persons or circumstances shall remain valid and enforceable.

**IN WITNESS WHEREOF**, and intending to be legally bound pursuant to the Uniform Written Obligations Act, 33 P.S. 6, the parties have set their hands and seals on the date first above written.

**INTENTIONALLY LEFT BLANK**

**The Philadelphia Parking Authority**

Attest: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Title: \_\_\_\_\_

By: \_\_\_\_\_

Scott Petri  
Executive Director

APPROVED AS TO FORM

By: \_\_\_\_\_  
Office of General Counsel

**Contractor**

Witness: \_\_\_\_\_

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Title: \_\_\_\_\_