



“Better Water. Better Lives.”  
 Gloria B. Nelson Public Services Building  
 688 Route 15, Mangilao, Guam 96913  
 PH: 300-6027/6030 Fax: 649-3750

## RFP No. 2022-02 relative to Collection Services

### Response to Inquiries No. 1

This Addendum and Response to Request for Information (RFI) is issued to modify the previously issued bid documents and/or given for informational purposes and to the extent the responses below modify the bid documents, please treat them as an amendment to the Bid. The following responses are in response to RFIs received from potential bidders on September 30, 2022 and December 01, 2022.

REF:	QUESTION/INQUIRY AS SUBMITTED:	GWA RESPONSE:
<b>Questions on September 30, 2022</b>		
1.	Please reconfirm the due date for this procurement by providing it in response to answers to questions.	Refer to Bid Amendment No. 9
2.	What is the date by which you will answer these questions?	Answer will be provided after GWA’s team prepares and finalizes its response.
3.	Why has this bid been released at this time?	The bid has been released to procure external Collections Services for unpaid GWA water accounts.
4.	When is the contract start date?	Contract start date will be issued after contract award.
5.	When is the anticipated award date?	See response in #4 above
6.	Can you please provide greater explanation of your expectations related to any required subcontracting to minority-owned, women-owned, or other types or categories of small or disadvantaged businesses? For example, what is required with the proposal, and what is required	Under Chapter 5 Guam Procurement Law, §5013 Policy in Favor of Women-Owned Businesses subsections (a) Notwithstanding any other provision of law, if any entity of the government of Guam or any entity expending governmental funds intends to procure any supply or service which is

	<p>to comply during the term of the contract?</p>	<p>offered by a business concern that is at least fifty-one percent (51%) owned by women, that entity shall procure such supply or service from that business concern if the supply or service is available within the period required by the procuring entity and the price for the supply or service does not exceed one hundred five percent (105%) of the lowest price bidder, and shall be in addition to any other procurement benefit the women-owned business may qualify for under Guam law. The procuring entity shall determine the lowest price to the entity in the case of more than one (1) women-owned business, or a women-owned business and a service-disabled veteran owned business, who are competing for the same government contract.</p> <p>(b) Qualifications of a Women-Owned Business. A business concern is qualified under Subsection (a) of this Section if: (1) the business concern is licensed to do business on Guam; (2) the business concern maintains its headquarters on Guam; (3) the business concern is at least fifty-one percent (51%) owned by women, who manage day-to-day operations and make long-term decisions; (4) the business concern is certified as a WomenOwned Small Business (WOSB) or an Economically Disadvantaged Women-Owned Small Business (EDWOSB) by the U.S. Small Business Administration; and (5) the owner(s) of the business concern has (have) filed individual tax returns on Guam for a period of at least three (3) consecutive years.</p>
<p>7.</p>	<p>Are bidders permitted to deviate in any way from any manner of quoting fees you may be expecting? For example, if there is a pricing page in the RFP, can bidders submit an alternate fee structure? If there is no pricing page in the RFP, do you have any preference for how bidders should quote fees or can bidders create their own pricing categories?</p>	<p>First, the bidder will be evaluated. Then Bidders with the highest rating will enter into price negotiations. In price negotiations the proposer will be requested to submit pricing.</p>

8.	Please describe your level of satisfaction with your current or recent vendor(s) for the same purchasing activity, if applicable.	GWA currently does not have a vendor providing collections services at this time. GWA was satisfied with the services provided by the recent vendor.
9.	Has the current contract gone full term?	The previous and now expired contract for collections services ended after progressing full term.
10.	Have all options to extend the current contract been exercised?	There is no current contract for these services.
11.	Who is the incumbent, and how long has the incumbent been providing the requested services?	The last contract for collections services was awarded to United Pacific Collection Agency. Contract started on 10/22/2018 and ended on 09/01/2021.
12.	To what extent will the location of the bidder's proposed location or headquarters have a bearing on any award?	Refer to evaluation criteria.
13.	How are fees currently being billed by any incumbent(s), by category, and at what rates?	Collection Agent remits 100% of all payments received monthly to GWA and bills GWA 25% commission on collections.
14.	What estimated or actual dollars were paid last year, last month, or last quarter to any incumbent(s)?	FY2022 (service from Oct 2021 to Feb 2022) - \$9,600
15.	To how many vendors are you seeking to award a contract?	One.
16.	Can you please provide a greater description of the specific kind of receivables to be placed for collection?	The receivables to place for collections services are unpaid GWA water bills for water and wastewater services of varying account types.

17.	To what extent are these accounts owed by private consumers versus commercial businesses?	The majority of the accounts are residential private customers. There are few commercial business accounts.									
18.	Will accounts be primary placements, not having been serviced by any other outside collection agency, and/or will you also be referring secondary placements? If so, should bidders provide proposed fees for secondary placement also?	The referred accounts will be both primary and secondary placements. Bidders may provide proposed fees for secondary placement also.									
19.	What collection attempts are performed or will be performed internally prior to placement?	<ol style="list-style-type: none"> <li>1. A letter will be sent to all inactive GWA accounts with unpaid balances with a 30-day deadline to work out a payment plan directly with GWA before account is referred to external collection agency. This process may reduce the total number of accounts referred to an external collections agency. The count included in response #23 thru 25 will be reduced after the letters are mailed to delinquent customers.</li> <li>2. GWA will review all active account holders and compare this list with all inactive accounts with unpaid balances. Notice of a forthcoming transfer will be issued to any active customer having an unpaid balance for an inactive account. This process may reduce the number of accounts referred to external collection agency cited in response # 23 thru 25 below.</li> </ol>									
20.	Will the selected vendor be allowed to litigate balances exceeding a certain dollar amount on your behalf, with your explicit approval?	No litigation of balances allowed on GWA's behalf by the vendor.									
21.	What is the total dollar value of accounts available for placement now by category, including any backlog?	<p>Inactive GWA accounts within the 4-year statute of limitations, with no open dispute case or pay plan totals \$3.6 million. See below:</p> <table border="1" data-bbox="906 1709 1419 1860"> <thead> <tr> <th>ACCT TYPE</th> <th>COUNT</th> <th>TOTAL:</th> </tr> </thead> <tbody> <tr> <td>W-AGRIR</td> <td>21</td> <td>\$ 13,949.22</td> </tr> <tr> <td>W-COM1</td> <td>141</td> <td>\$ 172,687.99</td> </tr> </tbody> </table>	ACCT TYPE	COUNT	TOTAL:	W-AGRIR	21	\$ 13,949.22	W-COM1	141	\$ 172,687.99
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22.	What is the total number of accounts available for placement now by category, including any backlog?	See response in #21 above.																								
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24.	What is the average age of accounts at placement (at time of award and/or on a going-forward basis), by category?	All accounts referred are outstanding a maximum of 4 years as of Oct 2022.																								
25.	What is the monthly or quarterly number of accounts expected to be placed with the vendor(s) by category?	To be determined later.																								
26.	What is the monthly or quarterly dollar value of accounts expected to be placed with the vendor(s) by category?	To be determined later.																								
27.	What has been the historical rate of return or liquidation rate provided by any incumbent(s), and/or what is anticipated or expected as a result of this procurement?	Historical rate: 15% collection rate of amount referred over a 2 ½ year period. Expected rate of return or liquidation rate is at least 25% or more.																								
28.	What billing servicer do you utilize?	Graphic Center Inc.																								
29.	Have all cases been fully adjudicated by the time of placement?	Only inactive accounts with no open complaint case will be referred to external Collection agency however should a dispute be made on the amounts																								

		owed and referred, the account will be recalled and settled directly with the customer after resolution of the disputed charges.
30.	If applicable, will accounts held by any incumbent(s) or any backlog be moved to any new vendor(s) as a one-time placement at contract start up?	No.
31.	What is your case management/accounting software system of record?	Oracle Customer Care & Billing and Enterprise 1.
32.	Who is your electronic payment/credit card processing vendor?	Payment Gateway: Payeezy (First Data)
33.	What process should a vendor follow, or which individual(s) should a vendor contact, to discuss budget-neutral services outside of the scope of this procurement, but related to it, designed to recover more debt prior to outside placement and lower collection costs?	GWA is only seeking the services announced in this procurement. Additional (OR unsolicited services) may be proposed and if determined beneficial must also be competitively procured under a separate advertised procurement OR other procurement solicitation, depending on price, pursuant to Guam's procurement laws.
34.	How do your current processes and/or vendor relationship(s) systematically determine if the death of a responsible party has occurred?	There is a GWA affidavit form required for responsible parties for water services for a premise wherein no designated administrator has been established and/or no probate proceedings have been completed.
35.	How do your current processes and/or vendor relationship(s) handle the death of a responsible party?	See response above.
36.	Do you have a designated process or policies around deceased accounts today, and what is envisioned in the future?	See response above.
37.	Do you currently search and file probated estate claims? Have you considered an automated tool to identify and file probated estate claims?	No.

**Questions on December 01, 2022**

38.	How many accounts does the Waterworks Authority have to turn over?	There are approximately 6000 inactive GWA accounts that may be turned over to Collection Service.																					
39.	How many accounts, in a normal year typically go delinquent?	In a normal year, @ 2,000 accounts.																					
40.	What is the total dollar amount that is currently delinquent?	See response to #21 and #23 above.																					
41.	What is the average balance of the accounts?	See response to #21 and #23 above.																					
42.	What is the average age of the delinquent accounts?	<table border="1"> <thead> <tr> <th>LAST BILLED YEAR</th> <th>COUNT</th> <th>%AGE OF TOTAL ACCTS POTENTIALLY REFERRED</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>1222</td> <td>19.08%</td> </tr> <tr> <td>2019</td> <td>1278</td> <td>19.95%</td> </tr> <tr> <td>2020</td> <td>1004</td> <td>15.68%</td> </tr> <tr> <td>2021</td> <td>1205</td> <td>18.81%</td> </tr> <tr> <td>2022</td> <td>1696</td> <td>26.48%</td> </tr> <tr> <td></td> <td>6405</td> <td></td> </tr> </tbody> </table>	LAST BILLED YEAR	COUNT	%AGE OF TOTAL ACCTS POTENTIALLY REFERRED	2018	1222	19.08%	2019	1278	19.95%	2020	1004	15.68%	2021	1205	18.81%	2022	1696	26.48%		6405	
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43.	What has been the historical liquidation of these delinquent accounts?	22%																					
44.	Who is the current vendor?	There is no current vendor in contract with GWA at this time.																					
45.	What is the current fees charged by the current vendor?	Refer to response to item #13. Collection Agent receives 25% commission of all amounts collected on behalf of GWA.																					

Bidders are also notified to visit GWA website: [www.guamwaterworks.org](http://www.guamwaterworks.org) to ensure that addenda to the bid, answers to questions, and reminders are communicated to all bidders throughout the solicitation process.

2023-3-1

Date



Miguel C. Bordallo, P.E.  
General Manager