

**ADDENDUM NO.   1**

RFP NO:       158258      

DATE RFP DUE:       08/29/17      

TIME:       4:00 p.m.      

DEPARTMENT:       FINANCE      

COMMODITY:       SEWER BILLING SERVICES      

**QUESTIONS AND ANSWERS**

**The answers to all questions received are attached.**

(SIGNED)

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COMPANY:

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PLEASE SIGN ONE (1) COPY OF ADDENDUM AND RETURN TO THE  
PURCHASING DEPARTMENT WITH YOUR SEALED PROPOSAL (mail to Purchasing,  
Attn:RFP 158258, SEWER BILLING SERVICES, 101 E. 11<sup>th</sup> Street, Chattanooga, TN,  
37402).

RETAIN A COPY FOR YOUR FILES.

## Q&A for RFP #158258 – Sewer Billing Services

Q: Is this for printing separate from Bid 304838 for sewer bill printing and hang tag printing? (Same question by another vendor - Does this Sewer Billing Services RFP 158258 replace the previous sealed bid request – bid 304838)?

A: RFP #158258 allows for a company or partnership\* to propose comprehensive sewer billing services that must include a software system and could possibly include printing to accompany it. Until the proposals have been reviewed, we will not know whether or not there is an entity that offers that package, or if we will want to go that route. Because we need sewer bill printing services in the near term, well before the RFP awardee will be under contract, we elected to proceed with a separate bid for the sewer bill printing for the near term under bid #R158215/304838, which is currently being reviewed for award.

\*the City must have a single entity with which to contract and interact, so if a partnership proposes, the partnership must propose as a single entity

Q: Have you already decided on a vendor? This is a quick turn-around.

A: To the first question, the answer is, "No." To the second question, the answer is "The turn-around time is short because we are hoping to have a contract in place so that we can have an April 1, 2018, launch date."

Q: What software is the City of Chattanooga currently using for sewer billing?

A: Harris MS Govern

Q: Is there a problem with the current system?

A: We are using an old server that we cannot continue to maintain. We prefer to get a system that can be hosted and maintained on a cloud server.

Q: Who does the City/Department currently contract with for credit card processing?

A: FIS/Link 2 Gov.

Q: Is the City/Department open to changing the credit card processing company in order to be more tightly integrated with a different vendor's solution?

A: We are under contract with FIS/Link 2 Gov for twelve months ending June 30, 2018, at which time our contract can be renewed by mutual agreement. Regarding these services, we are limited by the scope of this RFP. So, we may consider this but for

sewer charges only. It would not include other credit card processing throughout the City.

Q: Can you provide more details on what test instances are needed for and how you plan to use them?

A: We use test instances to test new features, work through issue resolution for problems that were encountered in production, and to try new processes before implementing them in production.

Q: How often do you plan to have a test instance running?.

A: We would like to have it available on all working days.

Q: What is meant by "automated collections file export" ?

A: A file export of payments received that can be scheduled to be transmitted to GL via batch process.

Q: Can you provide details on your rates and fees ?

A: See last page.

Q: Does online chat and a user knowledgebase satisfy the requirement for 1bi?

A: Yes, however if there are bugs with the system, the City would expect an appropriate way to create a ticket for the software vendor to review and resolve.

Q: What access are you looking for in regards to 3cii?

A: Provide a copy of the data backup and method to extract the data upon request.

Q: For section 3ai, this audit report needs to be done directly with Amazon Web Services by City of Chattanooga personnel as there is a NDA required specifically for the organization requesting a copy of the audit report. Will a link to the AWS site to register for the NDA and audit report suffice for this section?

A: Regardless of where a solution is hosted, we would expect the vendor providing the solution to work with the hosting vendor to ensure that all security standards are met. We also expect to be provided with an audit report or other official report of security compliance. If the City needs to pull the report from the vendor, we can do that if instructed how to obtain.

Q: After quoting requested Custom #10 and #9 envelopes – RFP states, “All envelopes (mailing and return) – black ink,” will you accept options for a Dual Window #10 and the #9 that could potentially reduce the City’s overall expense ?

A: Our current software does not allow for use of a dual window envelope. With a new software system, this might be possible, but we will not be able to answer this question until we know which company is going to be the Awardee and the specifications of the software. However, we are open to the other options if the software can adapt the bill to that envelope.

Q: The specifications state, “Finished door hangers must be delivered...,” Is there variable printing to be provided by the print vendor on the Door Hang Tag other than the static verbiage shown in the samples?

A: No

Q: What software is the City of Chattanooga currently using?

A: Harris Govern Utility Billing

Q: How many active users are there?

A: 20

Q: Most importantly, can you please provide a Word document of the RFP? The current PDF does not allow one to easily take the text related to the scope and quote it in our proposal.

A: No, we apologize for any inconvenience, but we cannot release the MS WORD version of the document.

Q: Would you like signed copies of the Affirmative Action Plan and Iran Divestment Act “Vendor Disclosure and Acknowledgement form” to be included with the proposal?

A: Yes. All signed and dated forms, including Addenda, if there are any, should be turned in either with the sealed proposal or separately by e-mail or mail in a marked envelope. It is preferred for these documents to be turned in with the proposal.

Q: I just noticed there is nothing in the RFP asking for pricing information and was curious if the City of Chattanooga wanted pricing information in the responses to this RFP.

A: Yes. We would like for vendors to propose a price for the baseline package meeting minimum specifications with any option(s) priced as additions. As a government entity, we are conscious of the initial cost, the cost of maintenance, other costs, and, ultimately, of overall value.

Q: On page 9-10, regarding "bills delivered next day by 0900 est to USPS," We deliver the USPS next day but in late afternoon or early evening. Even if we deliver at 9 AM, the USPS will not process the bulk mail until later that day. Please clarify : why 9 AM?

A: This is practice under current setup. Flexibility may be an option if it does not delay the mailing time for our customers.

Q: On page 10, regarding "bulk rate mail and postage cost payments," Is postage supposed to be included in the unit cost. More specifically, we require that postage be paid in advance based on estimated postage to cover a week or month mailing in advance (assuming lowest presort bulk rate) & then cover overages temporarily. In other words, we do not extend credit terms for initial postage. We set up a specific escrow account for this from which the USOS draws when mailing goes. Please confirm this advance payment is acceptable; if not acceptable, then does this disqualify bidders outright?

A: The City requires postage to be used on our prepaid City of Chattanooga USPS meter permit, which we replenish directly. Any overages not covered by bulk rate would need to be invoiced to the City for repayment.

Q: On page 10, regarding "postage rate now paid by the City," what postage rate is paid now per typical #10 - approximately?

A: Postage only: presorted per piece average \$0.37 each; group multies not presorted and full class rate is average \$0.45 each

Q: On page 10, regarding "Outsourcing question - general," is current bill print and mail outsourced; if so – to what firm?

A: Diversified Companies, LLC

Q: On page 9, regarding "Vendor must be able to pull certain records," when do these typically get "pulled" - after printing? – Please explain.

A: The City may ask for items to be printed, that would need to be mailed back to the City - and - the vendor would need the capability to cancel printing for specifically marked items (for example - if a sewer customer has selected e-billing in lieu of a printed bill). To answer your question - vendor must have capability for both if needed.

Q: If software vendor is partnering with another (printing, mailing) but not sub-contracting, what are the requirements for RFP submission? Signatures, etc.?

A: The City must have a single entity with which to contract and interact. In the case of a partnership, there will be a legal document (Partnership Agreement or other) that depicts the name(s) of the person(s) who has (have) authority to sign on behalf of the partnership. Before a contract between the City and any entity can be signed, the City must know who is the authorized signer. For the purpose of submitting the proposal, this same authorized person would be required to sign. The actual authorized signer document does not have to be provided until contract formation begins.

Q: Do #10 envelopes require security lining as do #9's?

A: No

City of Chattanooga FY18 ISS Proposed Rates		City of Chattanooga FY17 ISS Rates	
1st Rate Block—First 100,000 gallons	\$10.30 / 1,000 gallons	1st Rate Block—First 100,000 gallons	\$9.38 / 1,000 gallons
2nd Rate Block—Next 650,000 gallons	\$7.66 / 1,000 gallons	2nd Rate Block—Next 650,000 gallons	\$6.97 / 1,000 gallons
3rd Rate Block—Next 1,250,000 gallons	\$6.22 / 1,000 gallons	3rd Rate Block—Next 1,250,000 gallons	\$5.66 / 1,000 gallons
4th Rate Block—Next 30,000,000 gallons	\$5.25 / 1,000 gallons	4th Rate Block—Next 30,000,000 gallons	\$4.78 / 1,000 gallons
5th Rate Block—Over 32,000,000 gallons	\$5.11 / 1,000 gallons	5th Rate Block—Over 32,000,000 gallons	\$4.65 / 1,000 gallons
Minimum Bills by meter size		Minimum Bills by meter size	
5/8"	\$21.16	5/8"	\$19.27
3/4"	\$75.50	3/4"	\$68.76
1"	\$131.52	1"	\$120.14
1-1/2"	\$295.25	1-1/2"	\$268.88
2"	\$522.77	2"	\$476.08
3"	\$1,225.43	3"	\$1,115.98
4"	\$2,264.63	4"	\$2,062.34
6"	\$5,393.98	6"	\$4,912.17
8"	\$9,540.98	8"	\$8,688.75
Reg O&M (Flow Meter) Charge	\$0.8434 / 1,000 gallons	Reg O&M (Flow Meter) Charge	\$1.2119 / 1,000 gallons
Reg Debt (Flow Meter) Charge	\$0.4434 / 1,000 gallons	Reg Debt (Flow Meter) Charge	\$0.4095 / 1,000 gallons
Reg Capital (Flow Meter) Charge	\$0.9020 / 1,000 gallons	Reg Capital (Flow Meter) Charge	\$0.1900 / 1,000 gallons
	\$2.1888 / 1,000 gallons		\$1.8114 / 1,000 gallons
Reg O&M (Water Meter) Charge	\$1.5821 / 1,000 gallons	Reg O&M (Water Meter) Charge	\$2.2603 / 1,000 gallons
Reg Debt (Water Meter) Charge	\$0.7147 / 1,000 gallons	Reg Debt (Water Meter) Charge	\$0.7918 / 1,000 gallons
Reg Capital (Water Meter) Charge	\$1.5199 / 1,000 gallons	Reg Capital (Water Meter) Charge	\$0.3824 / 1,000 gallons
	\$3.8167 / 1,000 gallons		\$3.4345 / 1,000 gallons
Septic Haulers	\$121.00 / 1,000 gallons	Septic Haulers	\$110.00 / 1,000 gallons
Garbage Grinders	\$317.00 per grinder	Garbage Grinders	\$288.00 per grinder
Industrial Surcharge:		Industrial Surcharge:	
BOD per Pound	\$0.1229	BOD per Pound	\$0.1229
TSS per Pound	\$0.0852	TSS per Pound	\$0.0852
All services/rates are charged on a monthly basis with the exception of Industrial Surcharges, which are compiled every six months.			