

PROCUREMENT SUMMARY

COLLECTION AGENCY FOR METRO EXPRESSLANES/PS44600000

1.	Contract Number: PS44600000	
2.	Recommended Vendor: Professional Account Management, LLC, a wholly owned subsidiary of Duncan Solutions, Inc.	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: 07/31/2017	
	B. Advertised/Publicized: 07/31/17	
	C. Pre-Proposal Conference: 08/10/2017	
	D. Proposals Due: 09/15/2017	
	E. Pre-Qualification Completed: 01/22/2018	
	F. Conflict of Interest Form Submitted to Ethics: 01/26/18	
	G. Protest Period End Date: 2/16/2018	
5.	Solicitations Picked up/Downloaded: 17	Proposals Received: 8
6.	Contract Administrator: Adrian Ziemer	Telephone Number: (213) 922-1109
7.	Project Manager: Silva Mardrussian	Telephone Number: (213) 418-3132

A. Procurement Background

This Board Action is to approve Contract No. PS44600000 issued in support of ExpressLanes debt collection on delinquent accounts. Board approval of contract awards are subject to resolution of any properly submitted protest.

The Request for Proposal (RFP) was issued in accordance with Metro's Acquisition Policy and the contract type is revenue generating and includes a percentage of outstanding debt collected.

Three amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on August 18, 2017, clarified Submittal Requirements in the RFP, Updated Exhibit A, and increased proposal page limit;
- Amendment No. 2, issued on August 28, 2017, clarified Key Performance Indicators (KPI) in Attachment A, added SP-13 Liquidated Damages, and updated Attachment C, Work Completion/Deliverable;
- Amendment No. 3, issued on September 7, 2017, clarified Exhibit 2, Compensation and Method of Payment.

A pre-proposal meeting was held on August 10, 2017 and was attended by six participants representing five companies. During the solicitation phase, 75 questions were asked and responses were released prior to proposal due date.

A total of eight proposals were received on September 15, 2017 from the following firms (in alphabetical order):

1. AllianceOne Receivables Management, Inc. (AllianceOne)
2. ETAN Industries
3. GC Services, LP
4. Linebarger Goggan Blair & Sampson, LP
5. Municipal Services Bureau Gila, LLC dba Municipal Services Bureau (MSB)
6. Penn Credit Corp (Penn Credit)
7. Professional Account Management, LLC, a wholly owned subsidiary of Duncan Solutions, Inc. (PAM)
8. SWC Group, LP

B. Evaluation of Proposals

A Proposal Evaluation Team (PET) consisting of two staff from Metro Congestion Reduction department and one person from Washington State Department of Transportation was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- | | |
|--------------------------------------|------------|
| • Staff Qualification | 15 percent |
| • Experience & Qualification of Firm | 20 percent |
| • Collection Process & Approach | 25 percent |
| • Collection Service Fee (Price) | 40 percent |

Several factors were considered when developing these weights, giving the greatest importance to Collection Service Fee.

Of the eight proposals received, four were determined to be within the competitive range and are listed below:

1. PAM
2. Penn Credit
3. AllianceOne
4. MSB

Four firms were determined to be outside the competitive range and were not included for further consideration.

During the week of December 19, 2017, the PET met and interviewed four firms. The firms' project managers and key team members had an opportunity to present each team's qualifications and respond to the PET's questions. In general, each

team's presentation addressed the requirements of the RFP, experience with all aspects of the required tasks, and stressed each firm's commitment to the success of the project. Also highlighted were the qualifications of the firm and its staff, and the companies' process and approach to collections. Each team was asked questions relative to each firm's previous experience.

Qualifications Summary of Firms within the Competitive Range:

Professional Account Management

Professional Account Management (PAM) is a wholly owned and controlled subsidiary of Duncan Solutions, Inc. serving California and over 100 municipalities across the state. PAM has made corporate commitments to serve the toll industry, such as involvement and leadership in the International Bridge, Tunnel and Turnpike Association (IBTTA), strategic partnerships, and system interfaces with a variety of different Customer Service Center (CSC) operators and agencies. They have provided delinquent debt collections services to Bay Area Toll Agency (BATA) since 2009. The firm has developed an expertise on California rules and regulation, including California Vehicle Code (CVC), working with the California Franchise Tax Board (FTB) for Interagency Intercept Collection (IIC) and working with the California Department of Motor Vehicles (DMV) for registered owner acquisition.

PAM maintains certifications with the Association of Credit and Collections Professionals (ACA) and its collection solutions are compliant with the Fair Debt Collection Practices Act (FDCPA).

Penn Credit Corporation

Penn Credit is a privately held national collection agency founded in 1987. Penn Credit has over 30 years' of experience and is licensed in all 50 states and Puerto Rico to provide toll collection services. Over the last 30 years, they have consistently collected debts for government entities such as the City of Santa Ana, City of Santa Clarita, City of Vista, City of Baltimore (MD), Miami-Dade County Clerk of Courts, County Clerks of Court for Broward and Palm Beach County Clerk of Courts.

Penn Credit maintains memberships in ACA International and is focused in data security by being PCI-DSS compliant. However, the PET felt that the firm provided a minimal amount of training to their Collection Service Representatives.

AllianceOne

AllianceOne is a Delaware corporation with over 30 years of government debt collection experience and over 10 years direct experience with toll collections. AllianceOne's government division is the largest division within the company and

has over 1,200 employees throughout the United States and Canada. However, the availability of some of their key personnel was not clearly outlined in their proposal.

AllianceOne has experience in implementing large scale projects with the County Superior Courts of California and State Toll Authority in Southeastern United States. In addition, AllianceOne has provided similar services to clients such as North Texas Tollway Authority, Florida Department of Transportation, the Port Authority of New York and New Jersey, and City of Los Angeles.

Municipal Services Bureau

MSB was founded in 1991 specifically to provide services to government agencies nationwide for toll operations, violation processing, payment processing, collections and back office support services. MSB works with more than 600 clients nationwide and is an active member of the ACA and the California Association of Collections (CAC).

MSB has implemented collections projects with agencies such as the Central Texas Regional Mobility Authority, Cameron County Regional Mobility Authority, Louisville-Southern Indian Ohio River Bridges, Camino Real Regional Mobility Authority and Oklahoma Turnpike Authority.

While MSB provided a list of key personnel, they did not include those individuals in their organization chart or reporting structure. In addition, quality control was not outlined for the overall process.

Following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	PAM				
3	Staff Qualification	77.78	15.00%	11.67	
4	Experience & Qualification of Firm	80.83	20.00%	16.17	
5	Collection Process & Approach	85.33	25.00%	21.33	
6	Collection Service Fee (Price)	80.35	40.00%	32.14	
7	Total		100.00%	81.31	1
8	PennCredit				
9	Staff Qualification	51.11	15.00%	7.67	
10	Experience & Qualification of Firm	64.17	20.00%	12.83	
11	Collection Process & Approach	66.67	25.00%	16.67	

12	Collection Service Fee (Price)	100.00	40.00%	40.00	
13	Total		100.00%	77.17	2
14	AllianceOne				
15	Staff Qualification	67.78	15.00%	10.17	
16	Experience & Qualification of Firm	66.67	20.00%	13.33	
17	Collection Process & Approach	65.33	25.00%	16.33	
18	Collection Service Fee (Price)	80.35	40.00%	32.14	
19	Total		100.00%	71.97	3
20	MSB				
21	Staff Qualification	58.89	15.00%	8.83	
22	Experience & Qualification of Firm	46.67	20.00%	9.33	
23	Collection Process & Approach	66.67	25.00%	16.67	
24	Collection Service Fee (Price)	86.55	40.00%	34.62	
25	Total		100.00%	69.45	4

C. Price Analysis

The recommended debt collection service fee has been determined to be fair and reasonable based upon an independent cost estimate, fee analysis, technical analysis, and fact finding.

	Proposer Name	Proposed Fee – Collection Type: Violations	Proposed Fee – Collection Type: Account Holders	Metro ICE %	Award %
1.	PAM	14%	14%	20-30%	14%
2.	AllianceOne	14%	14%	20-30%	NA
3.	MSB	13%	13%	20-30%	NA
4.	Penn Credit	12.5%	10%	20-30%	NA

The percentage represents a collection service fee (a percentage of the dollar amount of recovered collections) of which the contractor will retain a fee of 14%. The ICE is predicated on a range of the estimated debt collection.

D. Background on Recommended Contractor

The recommended firm, Professional Account Management (PAM), located in Milwaukee, WI, with five satellite offices including Inglewood, CA, has been in business for 80 years and is an industry leader in delinquent collections. PAM

currently provides collection services for 16 toll agencies including; BATA, Georgia State Road and Tollway Authority, Illinois Tollway, and North Texas Tollway Authority.

PAM has a dedicated staff of three professionals who focus solely on managing DMV interfaces, state rules, and analyzing results. For past toll customer audits, they have corrected 15%-46% of DMV image review errors. They have data conversion interface experience with several large tolling customer service center agencies. PAM has collected over \$260M in annual revenues for government clients. PAM's proposed Metro Account Executive has over 27 years of toll violation experience. PAM's other key personal have an average of 20 years of experience.