



A Tradition of Stewardship
A Commitment to Service

1195 Third St.
Suite 210
Napa, CA 94559
www.co.napa.ca.us

Main: (707) 253-4471
Fax: (707) 253-4176

David Morrison
Director

November 19, 2019

Subject: Question & Answers to RFP for Performance Review and Audit of Billings and Audit of Revenue Reporting of Napa County Recycling & Waste Services

The following questions have been asked in regards to the subject RFP for NCRWS. Answers to each question are listed below. Firm names have been kept anonymous. Relevant documents and reports have been uploaded to the Napa County website. <https://www.countyofnapa.org/bids.aspx?bidID=116>

Firm 1 Questions & Answers:

Question 1: What is the County's estimated project budget?

Answer: Approximately \$60,000, but a budget amendment can be submitted to the Board of Supervisors.

Question 2: May we please have the most current version of the franchise agreement with NCRWS?

Answer: The current and past versions of the franchise agreement applicable to this RFP have been posted for review on the Napa County website.

Firm 2 Questions & Answers:

Question 1: What is the anticipated level of effort?

Answer: The level of effort shall be determined by the Consultant.

Question 2: What number of records will need to be sampled for each of the three types of audits during the 6 to 7 week review window?

Answer: The Consultant shall make this determination.

Question 3: Is there an incumbent?

Answer: Yes, R3 Consulting Group, Inc.

Question 4: Are there any page limits for the proposal response?

Answer: No

Firm 3 Questions & Answers:

Question 1: What is the budget for the proposed engagement?

Answer: Approximately \$60,000, but a budget amendment can be submitted to the Board of Supervisors.

Question 2: Are there previous reports on reviews or audits available?

Answer: Yes, the most recent report has been posted on the Napa County website.

Question 3: The scope requirements are very general in nature e.g. financial management practices, job safety and training. Can you be more specific in terms of your concerns?

Answer: The concerns and requirements of interest are based upon the terms of the Franchise Agreement.

Question 4: Where are the contractors records located?

Answer: Contractors records are housed at their facility in Napa County.

Question 5: Has the contract agreed to make key personnel available for interviews?

Answer: Yes

Question 6: How many customers and what are the gross billings for the services?

Answer: NCRWS provides service to approximately 4,150 Residential Customers, 300 Commercial Customers and 100 Roll-off Customers. Estimated Gross Billings 2018 – \$5,290,000. Estimated Gross Billings 2019 – \$5,701,000

Question 7: What are the relevant reports and what data is made available to Napa County?

Answer: Relevant reports include monthly reports, monthly dispersal instruction reports, and an annual information of customers. These and any other reports are stipulated in the Franchise Agreement which is posted on the Napa County website.

Question 8: What professional standards, if any, is this engagement to be performed?

Answer: This is a consulting engagement, subject to utilization of risk standards, etc. as proposed by the Consultant.

Question 9: What does "audit" mean with reference to billings and revenue?

Answer: The audit shall determine if services received by customers are commensurate with fees billed to the customer.

Question 10: Is subcontracting by the primary lead firm permitted?

Answer: Yes

Question 11: What is the purpose of the requested audit?

Answer: To determine the contractor's compliance with the terms of the agreement as outlined in the RFP.

Firm 4 Questions & Answers:

Question 1: Please provide a copy of the contract with NCRWS, Napa County Agreement (later renamed 10821B).

Answer: The current and past version of the franchise agreement applicable to this RFP have been posted for review on the Napa County website.

Question 2. How long has NCRWS been providing services for the county?

Answer: NCRWS has been contracted since 2005.

Question 3. Has the County performed such an engagement prior to this procurement? If yes, how many auditors were on staff for how many weeks for a similar scope of services?

Answer: Yes, previous reviews averaged 2-3 staff persons and met terms of timeframes proposed.

Question 4. Please provide copies of relevant financial reports submitted by the contractor for the years ended 12/31/2018 and 12/31/2019.

Answer: A copy of the 2018 Annual NCRWS Annual Report has been provided for review on the Napa County Website.

Question 5. The title of the project implies two products 1) a performance review and 2) and audit of billings. Could/should "the audit" be an AUP assignment?

Answer: Yes, it could be.

Question 6. What standards (IIA, GAO, AICPA [if AUP]) are to be followed?

Answer: This is a consulting engagement, subject to utilization of risk standards, etc. as proposed by the Consultant.

Question 7. How much of the franchise fees noted in the financial statements for "zone 1 garbage" is related to this contract?

Answer: Approximately \$60,000, but a budget amendment can be submitted to the Board of Supervisors. Any fees not covered by the terms the Franchise Agreement are covered by Franchise Fees.

Question 8. How much franchise fee revenue was remitted during the year ended 12/31/2018 and year to date for the year ended 12/31/2018?

Answer: Franchise Fee Revenue for 2018 – approximately \$505,000

Question 9. What is the impetus of this engagement?

Answer: Component of the agreement with the contractor.

Question 10. What is the anticipated budget for the engagement?

Answer: Approximately \$60,000, but a budget amendment can be submitted to the Board of Supervisors.

Question 11. The Scope of Services mentions employee grievances. We presume this is at the contractor. Please confirm. If yes, do we know if the contractor has an independently monitored whistleblower function?

Answer: Unknown, however employees are under a Union.

Question 12. Where is the lock box held?

Answer: Mechanics Bank.

Question 13. Approximately how many customer complaints currently unresolved? What is the average time for resolution?

Answer: Zero, subject to information received, resolution time has met standards of the Franchise Agreement.

Question 14. Is the contractor using any county-owned equipment in the provision of services?

Answer: No

Question 15. Approximately how many customers are involved with NCRWS?

Answer: NCRWS provides service to approximately 4,150 Residential Customers, 300 Commercial Customers and 100 Roll-off Customers.

Question 16. On page A-4, for the reports, does the County have a specific format it desires?

Answer: No.