



Legislation Text

File #: 14-242, **Version:** 1

ITEM: AUTHORIZATION TO UTILIZE A CITY OF BAYTOWN, TEXAS CONTRACT, AS A BASIS FOR PRICING FOR UTILITY BILL PRINTING AND MAILING SERVICES

REQUEST: Authorization to utilize a City of Baytown, Texas contract with Dataprose, LLC, as a basis for pricing to provide utility bill printing and mailing services to the Village.

EXPLANATION: In May 2009, the Village Council approved use of an Okaloosa Gas District contract, with Dataprose, LLC, to provide utility bill printing services through May 2012. The contract included a provision for automatic annual renewals unless written notice of cancellation was received by either party ninety (90) days prior to contract expiration.

In September 2012, Council approved authorization to utilize a City of Ocala contract with Infosend, Inc. to provide utility bill printing services. The anticipated savings under this contract were estimated to be between \$15,000-\$20,000 annually. However, such savings were based on the Village implementing new, comprehensive payment software (Summation 360) that would provide e-billing, mobile payment processing, bill print and mail services, and customer notifications in a single, consolidated service. The implementation of Summation 360 involves major upgrades for multiple payment platforms used throughout the Village, including our utility services, building, and recreation departments. The isolated implementation of the utility bill printing services individually did not provide these savings. Subsequently, rather than incurring the cost to transition to a new utility bill printing provider and jeopardizing the level of service to our customers, we continue to utilize the services of Dataprose, LLC.

While staff continues to research the Summation 360 product, in order to ensure the Village pays the most competitive pricing, staff found an existing City of Baytown, Texas contract which provides better pricing than our existing agreement, with the same vendor. The Baytown contract provides pricing to print utility bill statements at \$.088 (includes cost to provide envelopes, forms, data process/laser print, fold, sort, tray, tag mail and drop at USPS) each compared to the existing contracted price of \$.10 each, for an estimated annual savings of approximately \$1,500.00.

Staff also researched two online government procurement pricing services (Smart Procure and Procure Source) and found pricing from other government agencies, and the city of Baytown contract provides the best pricing as summarized below:

Agency	Per Statement Pricing
City of Baytown (Dataprose, LLC)	\$.088
Hillsborough County	\$.09
City of Ocala (Infosend, Inc.)	\$.095
City of Altamonte Springs	\$.13

In addition, staff found that the Southeast Florida Co-op and the State of Florida do not have existing contracts for this type of service and Palm Beach County handles all of their statement printing and mailing in-house.

Additionally, the City of West Palm Beach recently bid these services and received eight bids ranging from \$.08-\$.48, however put the bid on hold since a new Utility Director was recently hired.

Dataprose is a leading provider of billing statement services, providing billing statement design, print, mail, and electronic presentment and payment for municipalities nationwide.

Staff recommends utilizing an existing City of Baytown, Texas contract with Dataprose, LLC, as a basis for pricing for these services, through January 31, 2015, while staff continues to research the Summation 360 product. The agreement includes a provision for successive annual renewals upon agreement by both parties.

Estimated expenditures under this contract include approximately \$30,000 in statement printing and \$90,000 in mailing expenses for a total of \$120,000 annually.

BUDGET AMENDMENT REQUIRED: NO

PUBLIC HEARING: NO **QUASI-JUDICIAL:**

FIRST READING: **SECOND READING:**

LEGAL SUFFICIENCY: YES

FISCAL IMPACT: Funding for utility bill printing and mailing services are allocated in the fiscal year Utility Customer Service budget. Estimated annual expenditures for bill printing and mailing services are \$120,000.

WELLINGTON FUNDAMENTAL: Responsive Government

RECOMMENDATION: Authorization to utilize a City of Baytown, Texas contract with Dataprose, LLC, as a basis for pricing to provide utility bill printing and mailing services to the Village.