



CITY OF POMONA

COUNCIL REPORT

November 16, 2020

To: Honorable Mayor and Members of the City Council

From: James Makshanoff, City Manager

Submitted By: Andrew Mowbray, Finance Director/City Treasurer

SUBJECT: AWARD OF BID TO INFOSEND, INC. FOR PRINTING, POSTING, MAILING, ELECTRONIC BILL PRESENTATION AND PAYMENT SERVICES FOR CITY UTILITY BILLS FOR AN INITIAL TERM OF THREE (3) YEARS, WITH TWO (2), ONE-YEAR (1) EXTENSION OPTIONS, AT THE PRICES BID, PLUS ACTUAL POSTAGE COST

RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1) Approve the award bid to InfoSend, Inc. of Anaheim, California, for the printing, posting, mailing, and electronic bill presentment and payment services for the City of Pomona's utility bills for an initial term of three-year (3) years, with two (2), one-year (1) extension options, for the printing, posting, mailing and electronic bill presentment and payment services (EBPP) for the City of Pomona's utility bills, at the prices bid, plus the actual cost of postage; and
- 2) Authorize the City Manager, to execute an Agreement with InfoSend, Inc. for these services and any authorized extensions, subject to review by the City Attorney.

EXECUTIVE SUMMARY:

Approval of this award will enable the City to continue with uninterrupted printing, posting, mailing, and online viewing of bill-paying services for approximately 30,000 accounts that receive bi-monthly utility bills from the City. InfoSend, Inc. is the City's current vendor and was the lowest responsible bidder in response to a Request for Bids for these services.

FISCAL IMPACT: The estimated annual cost, based on current customer volume at the prices bid, is \$51,288. There is sufficient funding in the Controllable Contract Services budget (Acct # 571-8121-52285-0000) for Fiscal Year 2020-21 for these services. The annual postage cost for mailing the City's utility bills is estimated at \$89,600, which is funded in the postage budget (571-8121-52063-00000). The contract cost is consistent throughout the potential five-year term of the agreement, with the exception of pricing for materials and data services related to changes to data file layouts for years four and five, if extended. Appropriate funding will be budgeted in future fiscal years.

PUBLIC NOTICING REQUIREMENTS: Section 2-970 of the City’s Purchasing Ordinance requires that a Notice Inviting Bids be posted at least ten days prior to the date of opening. The notice was posted to the City’s website and the Public Notice Board on May 21, 2020, with bids from three (3) companies; bids were opened on June 4, 2020.

PREVIOUS RELATED ACTION: In 2009, the City outsourced the printing and mailing of City utility bills. An RFP process was utilized and InfoSend was awarded the Agreement for an annual amount not to exceed \$35,406 for the initial agreement term, and actual postage cost. In January 2015, InfoSend was awarded a second agreement for an annual amount not to exceed \$41,691 for a three-year term, with two, one-year options. In February 2020, the Purchasing Manager of the City of Pomona authorized an extension of the agreement for a period of up to Nine (9) months, and it is scheduled to expire on November 30, 2020.

DISCUSSION:

The City has contracted with the current vendor since 2009. The term of the current contract expires November 30, 2020. In preparation for the award of a new contract for utility billing services, a Request for Bids (RFB) Number 2020-14 for the Printing, Posting, and Mailing of Utility Bills advertised. The RFB was posted to the City’s website and eighty-eight (88) companies providing this type of service were notified. Three (3) companies responded with proposals and price quotations, Two (2) bidders were determined to be non-responsive as listed on the below Summary of Bids. Vendors deemed as non-responsive did not meet the general requirements of having the ability to Host the EBPP services without outsourcing to any other company or entity. InfoSend submitted the lowest responsive bid for providing the required services.

| VENDOR | BID AMOUNT |
|-----------------------------------|-------------------|
| InfoSend, Inc. | \$51,288 |
| Electronic Output Solutions (EOS) | Non-Responsive |
| McPrint Direct | Non-Responsive |

InfoSend, Inc., has been the contracted vendor for providing the printing, posting, mailing, and EBPP services to the City over the past ten years. The company has proven to be a reliable and responsive partner and they have successfully passed annual Payment Card Industry Data Security Standard (PCIDSS) audits. The PCIDSS are requirements designed to ensure that all companies that process, store, or transmit credit card information, maintain a secure environment. Based on the current account volume and at the prices bid, the City will pay \$51,288 per year for the printing, posting, mailing, and EBPP services for the City’s utility bills. Under the terms of the Agreement, InfoSend will obtain the best available postage rates and will be responsible for printing, sorting, and bulk-mailing 18,700 pieces of mail per month, or 224,000 pieces per year. Additionally, InfoSend will be responsible for maintaining the customer web portal for EBPP services. The City currently has 18,267 active enrolled EBPP participants.

InfoSend, Inc. was declared the lowest responsive and responsible bidder. They are appropriately licensed, bonded, insured, qualified, and competent to perform the required services. Staff recommends the award of a three-year (3) contract, with two (2), one-year (1) extension options for the printing, posting, mailing, and EBPP services for the City of Pomona’s utility bills.

COUNCIL PRIORITIES & GOALS:

***This item supports the 2019-2020 City Council Priority 1: Fiscal and Operational Responsibility
– Goal B: “Improve efficiency and effectiveness of City services to businesses and residents.”***

Prepared by:

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