



## Legislation Details (With Text)

**File #:** ID 16-1041    **Version:** 1    **Name:**  
**Type:** Ordinance  
**File created:** 8/1/2016    **In control:** City Council  
**On agenda:** 8/16/2016    **Final action:**  
**Title:** Consider adoption of an ordinance accepting competitive proposals and awarding a contract for mailing services including the daily pick-up, metering, and delivery to the United States Post Office for the City of Denton's residual mail; providing for the expenditure of funds therefor; and providing an effective date (RFP 6155-awarded to EagleWheeler Printing Company in the three (3) year not-to-exceed amount of \$345,000).

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Exhibit 1-Evaluation and Pricing Sheet, 2. Exhibit 2-Ordinance, 3. Exhibit 3-Contract

Date	Ver.	Action By	Action	Result
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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Materials Management

**ACM:** Bryan Langley

**AGENDA DATE:** August 16, 2016

### SUBJECT

Consider adoption of an ordinance accepting competitive proposals and awarding a contract for mailing services including the daily pick-up, metering, and delivery to the United States Post Office for the City of Denton's residual mail; providing for the expenditure of funds therefor; and providing an effective date (RFP 6155-awarded to EagleWheeler Printing Company in the three (3) year not-to-exceed amount of \$345,000).

### RFP INFORMATION

The City of Denton has outsourced the tasks of daily pick up, metering, and delivery to the United States (U.S.) Post Office for multiple departments' residual mail to a third party mail service provider for thirteen (13) years. Outsourcing to a mail service contractor has provided an efficient and cost effective method of handling a monthly average of 5,000 pieces of residual mail including envelopes, small packages, and certified mail. The mail is picked up daily from multiple locations within (4) four City of Denton buildings. The mail is consolidated and metered at the contractor's place of business while utilizing their mail sorting and metering equipment. The metered mail is delivered daily to the local post office by the designated time to ensure same day service provided by the U.S. Post Office. The contractor is required by the City to process mail at the lowest possible permissible rate available from the U.S. Postal Service and to keep the City informed of savings available to the City.

The City's Distribution Center is responsible for placing a deposit with the mail service contractor to cover the cost of postage to be metered. The postage is passed through the contractor to the U.S. Postal Service. The total pre-paid amount will not exceed \$15,000, within a quarter, or \$60,000 annually, without approval from the contract administrator. The contractor is contractually required to include the postage meter perpetual balance, including the date and amount of each deposit posted, and an itemized charge for mailing services performed each month. Staff from the Distribution Center and Accounting reconcile the itemized statement and the invoice provided monthly by the contractor. Upon reconciliation, the postage and the cost for mailing service are charged to each end user (or user department) based on the number of pieces mailed.

Requests for Proposals were sent to 104 prospective suppliers including 11 local vendors. In addition, specifications were placed on the Materials Management website for prospective suppliers to download and advertised in the local newspaper. One (1) proposal meeting specification was received from the incumbent vendor, EagleWheeler Printing Company (EagleWheeler). The proposal was evaluated based upon published criteria including price, delivery, compliance with specifications, and indicators of probable performance (Exhibit 1). The pricing submitted by EagleWheeler is a \$.02 increase over their current pricing which was approved on April 16, 2013. This is within an acceptable range for this type of service. Therefore, based on satisfactory performance during the past three (3) years, staff is recommending award to EagleWheeler Printing Company, a local vendor, as the best value for the City.

The Distribution Center has an annual amount of \$60,000 budgeted for postage. Based on the Cost of Service pricing shown on Exhibit 1 (\$52,211.25), the combined total for postage and the cost of service is estimated to be \$112,211.25 annually.

### **RECOMMENDATION**

Award to EagleWheeler Printing Company in the three (3) year not-to-exceed amount of \$345,000. This includes a small contingency amount for a new services that may be required during the contract period.

### **PRINCIPAL PLACE OF BUSINESS**

EagleWheeler Printing Company  
Denton, TX

### **ESTIMATED SCHEDULE OF PROJECT**

This contract will begin October 16, 2016. This is an initial one (1) year contract with options to extend the contract for two (2) additional one (1) year periods, with all terms and conditions remaining the same.

### **FISCAL INFORMATION**

The cost of service and postage will be funded out of the Distribution Center Postage Working Capital account and charged back to the using department.

### **STRATEGIC PLAN RELATIONSHIP**

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council

agenda item contributes most directly to the following KFA and goal:

**Related Key Focus Area:**    **Organizational Excellence**

**Related Goal:**                **1.1 Manage financial resources in a responsible manner**

EXHIBITS

Exhibit 1: Evaluation/Ranking sheet

Exhibit 2: Ordinance

Exhibit 3: Contract

Respectfully submitted:  
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Director of Finance

For information concerning this acquisition, contact: Elton Brock at 349-7133.