



Meeting Date: 09/ 16 /08

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: <sup>ed</sup> Eden Alomeri, Customer Service Revenue Accounting Manager Agenda Item No. I-3

Reviewed By: City Manager City Attorney Finance Other (Specify) \_\_\_\_\_

**DATE:** September 9, 2008

**TO:** City Council

**FROM:** Eden Alomeri, Customer Service Revenue Accounting Manager   
City Treasurer's Office

**SUBJECT:** First Amendment to Agreement for Printing, Inserting, and Mailing City of Oxnard Utility Bills

**RECOMMENDATION**

That City Council approve the amendment to Agreement No. 4108-07-FN between the City of Oxnard and DataProse, Inc.

**DISCUSSION**

Currently, DataProse Inc. is the vendor that handles the printing, inserting and mailing of the City's utility bills. Bills are mailed daily, Monday-Thursday to approximately 40,000 customers each month. The most current agreement has an expiration date of June 30, 2008. DataProse Inc. agreed to extend the agreement for another year without changes to the cost of their service.

**FINANCIAL IMPACT**

The estimated annual cost of printing and inserting is \$88,000 (Account # 725-1211-852-8216) and mailing is \$176,000 (Account # 725-1211-856-8101), totaling to \$ 264,000.00 included in the 2008-09 approved budget.

EA  
 Attachment 1: Amendment to Agreement No. 4108-07-FN  
 Attachment 2: Agreement No. 4108-07-FN

**Agreement No. 4108-07-FN**

**FIRST AMENDMENT TO AGREEMENT FOR PRINTING,  
INSERTING, AND MAILING CITY OF OXNARD  
UTILITY BILLS**

This First Amendment, dated August 7, 2008, effective June 30, 2008, amends that certain Agreement for Printing, Inserting, and Mailing of City of Oxnard Utility Bills ("the Agreement") entered into on June 20, 2007 between the City of Oxnard, a municipal corporation ("City"), and DataProse ("Vendor").

City and Vendor agree that the Agreement is amended as follows:

1. In the first paragraph, the vendor's name DataProse is deleted and replaced by "DataProse, a division of CSG Systems Inc."
2. In Section 3, the date "June 30, 2008" is deleted and replaced by the date "June 30, 2009".

City and Vendor agree that as amended, the Agreement remain in full force and effect.

CITY OF OXNARD

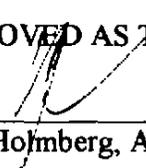
DATAPROSE, A division of CSG Systems, Inc.

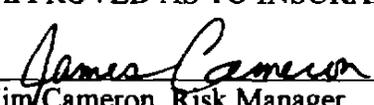
\_\_\_\_\_  
Dr. Thomas E. Holden, Mayor

\_\_\_\_\_  
Glenn Carter, Executive Vice President

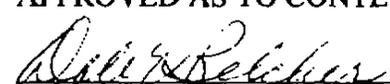
APPROVED AS TO FORM:

APPROVED AS TO INSURANCE:

  
\_\_\_\_\_  
Alan Holmberg, Acting City Attorney

  
\_\_\_\_\_  
Jim Cameron, Risk Manager

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
Dale V. Belcher, City Treasurer

ATTACHMENT NO. 1  
PAGE 1 OF 1

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**AGREEMENT FOR PRINTING, INSERTING, AND MAILING CITY OF OXNARD  
UTILITY BILLS  
Contract No. 4108-07-FN**

This Agreement for Printing, Inserting, and Mailing City of Oxnard Utility Bills ("this Agreement") is entered into in Ventura County, California on June 1, 2007, by and between the City of Oxnard ("City") and DataProse ("Vendor"), subject to the following terms and conditions:

1. Vendor shall print, insert and mail City utility bills as described in Exhibit A, attached hereto and incorporated herein by this reference.
2. Vendor shall mail City utility bills Monday through Friday except holidays.
3. This Agreement shall begin on July 1, 2007, and shall end on June 30, 2008. City may terminate this Agreement at any time, with or without cause, by giving written notice to Vendor, specifying the effective date of termination. This Agreement may be extended for additional one year periods on the written agreement of City and Vendor.
4. City shall pay Vendor for the services as stated in Exhibit B, attached hereto and incorporated herein by this reference.
5. Vendor agrees to indemnify, hold harmless and defend City, its City Council, and each member thereof, and every officer, employee, representative or agent of City, from any and all liability, claims, demands, actions, damages (whether in contract or tort, including personal injury, death at any time, or property damage), costs and financial loss, including all costs and expenses and fees of litigation or arbitration, that arise directly or indirectly from any acts or omissions related to this Agreement performed by Vendor or Vendor's agents, employees, subconsultants, subcontractors, or other persons acting on Vendor's behalf. This agreement to indemnify, hold harmless and defend shall apply whether such acts or omissions are the product of active negligence, passive negligence, or acts for which Vendor or Vendor's agents, employees, subconsultants, subcontractors, or other persons acting on Vendor's behalf would be held strictly liable.
6. Insurance
  - a. Vendor shall obtain and maintain during the performance of any services under this Agreement the insurance coverages specified in Exhibit C, attached hereto and incorporated herein by reference, issued by a company satisfactory to the Risk Manager, unless the Risk Manager waives, in writing, the requirement that Vendor obtain and maintain such insurance coverages.

- b. Vendor shall, prior to performance of any services, file with the Risk Manager evidence of insurance coverage as specified in Exhibit C.
  - c. Maintenance of insurance coverages by Vendor is a material element of this Agreement. Vendor's failure to maintain or renew insurance coverages or to provide evidence of renewal may be considered a material breach of this agreement.
7. In performing services under this Agreement, Vendor is an independent contractor, Vendor and Vendor's agents, employees, subcontractors and other persons acting on Vendor's behalf are not officers or employees of City.
  8. Vendor shall not, without the written consent of City's Purchasing Officer, assign this Agreement, or any interest therein, or any money due thereunder.
  9. In providing services under this Agreement, Vendor shall comply with all applicable laws, ordinances and regulations. Before providing services under this Agreement, Vendor shall obtain all required licenses and permits, including a City business license.
  10. This Agreement may be amended only by a written document signed by both City and Vendor.
  11. Any notices to Vendor may be delivered personally or by mail addressed to : DataProse, Corporate Offices, 1451 N. Rice Avenue, Suite A, Oxnard, CA 93030. Any notices to City may be delivered personally or by mail addressed to: City of Oxnard, Utility Billing, 305 W. Third Street, Oxnard, CA 93030.
  12. This Agreement constitutes the entire agreement of City and Vendor regarding the subject matter described herein and supersedes all prior communications, agreements and promises, either oral or written.

CITY OF OXNARD

Bruce E. Winder for  
Susan Winder, Interim Finance Director

DATAPROSE, INC.

Glenn Carter  
Glenn Carter, President

APPROVED AS TO FORM:

Gary L. Gillig  
Gary L. Gillig, City Attorney

APPROVED AS TO INSURANCE:

Mike More  
Mike More, Risk Manager

APPROVED AS TO AMOUNT:

Edmund F. Sotelo  
Edmund F. Sotelo, City Manager

APPROVED AS TO CONTENT:

Eden M. Alomeri  
Eden M. Alomeri, Customer Service  
Revenue Accounting Manager

## EXHIBIT A

Vendor shall print utility bills and bill inserts and mail these bills and inserts to the City's utility customers, both residential and commercial. Vendor shall supply forms and envelopes and store sufficient quantities of forms and envelopes to insure availability for printing and mailing. Vendor shall provide to the City timely reports and/or acknowledgements of data received, images/pages printed and bills mailed. Vendor shall customize security and verification procedures as specified by the City.

Vendor shall perform the services at a location that provides security and supervision from start to finish, including a well-defined quality control assurance program.

Vendor shall invoice City with a minimum of the following detail:

- Invoices rendered no less than monthly;
- Provide copies of each 3600/3602 form received from United States Postal Service (USPS) with each invoice;
- Provide a detailed spreadsheet of postage usage for each level of postage used;
- Identify details of specially handled bills.

### BILL INSERTS

- Approximately – 40,000 each/month
- Description: 8.5" x 11" 24 lb. Colored paper
- Preprinted – 1/1 color ink
- Frequency- monthly
- Halftones- one per insert (optional)
- Fold- Tri-fold (letter fold) or folded to fit a #10 standard mailing envelope.

### UTILITY BILLS AND ENVELOPES

#### **Printing**

Vendor, at the City's request, shall preprint forms, envelopes, fliers and warehouse pre-printed forms in a climate controlled facility for use at specified time; Vendor shall print laser image utility bills on custom sheet laser printers using MICR/OCR laser print.

#### **Mailing**

Vendor, at City's request, shall mail approximately 2,800 pieces per day, up to five days per week, and possibly twice that amount two times per month;

Match and hand insert in the same envelope multiple statements to the same owner and mailing address, metered first-class separately, and delivered to the USPS at the same time all other bills are delivered;

Sort separately and hand-deliver City bills via courier to the City's designated person/location;

CASS/PAVE/NCOA certify mail pieces to obtain the lowest possible postage discount;

Sort to the carrier route level;

Presort to conform to the latest USPS notification;

Include Zip+4 bar coding on outgoing mail;

Include only one statement and insert per envelope or as directed by the City.

### **Technology/Hardware**

Vendor shall accept data transmission anytime during 24 hours.

Vendor will deliver clients bills within an average of one (1) business day after the applicable Determination Date (as defined herein). Such average time period will be determined by measuring the number of elapsed business days between each respective determination date and the date which a majority amount of the City's bills were mailed for consecutive three (3) month period. The "Determination Date" is the date which the data is received via electronic transmission (FTP or e-mail) if prior to 10:00 AM, Pacific Time. If data is received after 10:00 AM, Pacific Time, or not on the date of the agreed upon production schedule, the determination date is the business day immediately following the date data is received. As to any production run, however, the performance guaranty will not apply if City has not provided all client data and documentation necessary to permit vendor to produce the bills in a timely manner or, if City fails to approve or report required changes in vendor's work product in a timely manner.

Do custom programming as needed; manipulate the data, if requested by the City;

Provide a secure bulletin board;

Provide a password secure/secure directory;

Provide a password per customer, with no unauthorized access

Provide an emergency back-up plan for production – ability to duplicate all machinery to avoid out of service situation;

Accept receiving data in the following methods:

- Electronic
- Modem transmission
- CD and/or DVD
- Prepare custom designs;

Segment inserts by unique type, such as:

- Customer type;
- Zip Code

### **Statements**

Vendor shall prepare City statements as follows:

An 8 ½ x 11 inch white stock, 24 lb., single part perforated form that tri-folds to a finished bill to fit #10 window envelope;

Bar code of account numbers and amount due.

### **Envelopes**

Standard #10 window envelope, with return address and return statement preprinted; #9 return envelope with City's address preprinted. Return envelope shall not include return postage.

### **Additional Services**

Vendor, at the City's request shall:

Provide CD ROM archiving

Serve as a resource expert regarding complex USPS postal regulations

Serve as a resource for solution-based recommendations regarding technological change(s);  
Provide scanner/imaging capability

**Art Work**

All art work, layouts, plates, negatives, proofs, and all tapes (i.e. data & image, etc) shall become property of the City.

EXHIBIT B

SERVICE/PRODUCT

UNIT PRICE

**Regular Statements**

Laser Imaging  
Processing/CASS  
Folding/inserting/mailing  
Insert BRE  
Standard Statement Form  
#10 Mailing envelope  
#9 Return envelope

Price per Regular Statement \$0.16

**Hand Insert- Regular Statement**

Laser Imaging  
Processing/CASS  
Inserting/mailing  
Insert BRE  
Standard Statement Form  
#10 Mailing envelope  
#9 Return envelope

Price per Hand Inserted Statements \$0.38

**Hold Bills**

Laser Imaging  
Processing/CASS  
Standard Statement Form

Price per Hold Statement \$0.115

**Additional Services**

Inserts (Other than BREO) \$0.01  
Programming Fee \$185.00/hr  
Courier Service \$25.00/event  
Search & View Bill \$.02/bill  
Minimum Daily Fee \$75.00

**Postage Deposit**

Vendor requires a permanent postage deposit based on two months estimated volume (40,000) at \$0.341 per piece (\$27,280.00).