

**SAN MATEO COUNTY
EMPLOYEE AND PUBLIC SERVICES DEPARTMENT
Inter-Departmental Correspondence**

DATE: May 2, 2001

TO: Honorable Board of Supervisors

FROM:  Mary Welch, Employee & Public Services
Girdie Bernard, Division Manager, Revenue Services

SUBJECT: Approval of Resolution Authorizing an Agreement with Columbia Ultimate for Bill/Invoice printing and mailing services

RECOMMENDATION

Adopt a resolution authorizing the Director of Employee and Public Services to execute a three-year agreement with Columbia Ultimate to provide bill/invoice printing and mailing of collection notices and dog/cat renewal notices using their Immedia program. The contract may be extended by the County for two additional years.

BACKGROUND

The Revenue Services Division of the Department of Employee and Public Services recovers funds due to the County from individuals for services rendered and for court-ordered payments. The organization is also responsible the processing of payments for dog and cat licenses. As part of the collection effort, the organization mails out approximately 127,000 collection notices annually on outstanding debts owed to the County and 48,000 license renewal notices.

DISCUSSION

The County solicited proposals from firms to provide bill/printing and mailing services which would help the organization to process notices faster and more efficiently. This service will allow us to eliminate most of the in-house printing, bursting, stuffing, stamping, sorting, and mailing of correspondence. Sixteen request for proposals were distributed, 3 firms submitted proposals and were interviewed. Columbia Ultimate was selected for 5 reasons:

- 1) Material cost for envelopes, paper, printing, folding, inserting, and sorting are competitive with other agencies that were part of the RFP process.
- 2) Billing and invoice printing and mailing services are provided for other government agencies
- 3) Skiptracing services were less expensive than the other vendors
- 4) Postage discounts are provided. The other respondents did not provide any postage discounts.
- 5) All information received from references was positive.

FISCAL

The cost of the contract will not exceed \$125,000 per year. There will be a slight savings to the Revenue Services budget of approximately \$5,000 per year on postage and supplies because Columbia Ultimate is able to obtain substantial discounts due to the volume of correspondence they distribute.

TERM

The contract will cover the period from June 1, 2001 through May 30, 2004 and may be extended by the County for an additional two years.

EXHIBIT

1. General Description of RFP	Three-year contract for a private company to provide bill/invoice printing and mailing services for collection notices and dog/cat licenses.
2. List key evaluation criteria	<ul style="list-style-type: none"> • Material/processing cost • Postage rates • Discounts • Skiptracing Cost • System capability • Experience providing printing/mailing services • Company stability
3. Where was it advertised	<u>San Mateo Times</u>
4. In addition to any advertisement, list others to whom the RET was sent	<p>ABC Media Publications Accu Docs Airport Printing American Data Management Bay Business Forms Columbia Ultimate Compumail DataProse DMR Group Inc First Image Management Company Fong Brothers Printing Inc. Green Onion Info Image MSB Pacificon Proxy Message Center of SF</p>
5. Total number sent to prospective proposers	16
6. Number of proposals received	3
7. Who evaluated the proposals?	<p>Proposal Screening committee: Jorge Gutierrez (Revenue Services Supervisor) and David Sheen (Revenue Services Information Tech).</p> <p>Proposal Interview Panel: Girdie Bernard (Revenue Services Manager), Beverley Evans (Revenue Services Sr. Accountant), and David Sheen (Revenue Services Information Tech).</p>
8. In alphabetical order, names of proposers (or finalist, if applicable) and location	<p>Columbia Ultimate 14300 SE First Blvd Vancouver, WA 98684</p> <p>CompuMail 2355 Whitman Rd. - Ste F Concord, CA 94518</p> <p>DataProse 1451 N. Rice Avenue - Ste A Oxnard, CA 9303</p>

RESOLUTION NO _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * *

**RESOLUTION AUTHORIZING THE DIRECTOR OF
EMPLOYEE AND PUBLIC SERVICES TO EXECUTE
A THREE YEAR AGREEMENT WITH COLUMBIA
ULTIMATE FOR BILL/INVOICE PRINTING AND
MAILING SERVICES**

* * * * *

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, there has been presented to this Board of Supervisors for its consideration and ratification an agreement with Columbia Ultimate for bill/invoice printing and mailing of collection letters and dog/cat notices, reference to which is hereby made for further particulars, which provides for services for the period commencing June 1, 2001, and ending May 30, 2004, and

WHEREAS, this Board has examined and approved the Agreement as to both form and content and desires to ratify and adopt the same:

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that this Board of Supervisors hereby authorizes the Director of Employee and Public Services to execute said Agreement for and on behalf of the County of San Mateo

* * * * *

SAN MATEO COUNTY AGREEMENT NO. _____

AGREEMENT WITH INDEPENDENT CONTRACTOR
(NON-CONSTRUCTION)

This Agreement entered this 1st Day of **June, 2001**, by and between the COUNTY OF SAN MATEO a political subdivision of the State of California, hereinafter called "County" and Columbia Ultimate, hereinafter called "Contractor "

W I T N E S S E T H

WHEREAS, it is necessary and desirable that Contractor be engaged by County for the purpose of performing services hereinafter described:

NOW, THEREFORE, IT IS HEREBY AGREED by the parties as follows:

1. Services to be performed by Contractor. In consideration of the payments hereinafter set forth, Contractor shall perform services for County in accordance with the terms, conditions and specifications set forth herein and in Exhibit A attached hereto and by this reference made a part hereof.
2. Payments In consideration of the services rendered in accordance with all terms, conditions and specifications set forth herein and in Exhibit A, County shall make payment to Contractor in the manner specified herein and in Exhibit A. In the event that the County makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the County at the time of contract termination.
3. Relationship of the Parties It is understood that this is an Agreement by and between Independent Contractor(s) and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or association, or any other relationship whatsoever other than that of Independent Contractor.
4. Non-Assignability. Contractor shall not assign this Agreement or any portion thereof to a third party without the prior written consent of County, and any attempted assignment without such prior written consent in violation of this Section automatically shall terminate this Agreement.
5. Contract Term This Agreement shall be in effect only as specified in Exhibit A. The County Purchasing Agent may terminate this contract at any time for any reason by providing 30 days' notice to Contractor. Termination to be effective on the date specified in the notice. In the event of termination under this paragraph, Contractor shall be paid for all work provided to the date of termination.

6. Hold Harmless: The Contractor shall indemnify and save harmless the County, its officers, agents, employees and servants from all claims, suits or actions of every name, kind and description, brought for, or on account of (A) injuries to or death of any person, including Contractor, or (B) damage to any property of any kind whatsoever and to whomsoever belonging, or (C) by reason of any failure to withhold and/or pay to the government income and/or employment taxes from earnings under this contract as made necessary by Section 530 of the Revenue Act of 1978, including, but not limited to, the concurrent active or passive negligence of the County, its officers, agents, employees or servants, resulting from the performance of any work required of Contractor or payments made pursuant to this agreement, provided that this shall not apply to injuries or damage for which the County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of the Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

7. Insurance: The Contractor shall not commence work under this Agreement until all Insurance required under this section has been obtained and such insurance has been approved by the Purchasing Agent. The Contractor shall furnish the Purchasing Agent with Certificates of Insurance evidencing the required coverage and there shall be a specific contractual liability endorsement extending the Contractor's coverage to include the contractual liability assumed by the Contractor pursuant to this Agreement. These Certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the Purchasing Agent of any pending change in the limits of liability or of non-renewal, cancellation, or modification of the policy.

Workers' Compensation and Employer Liability Insurance: The Contractor shall have in effect, during the entire life of this Agreement, Workers' Compensation and Employer Liability Insurance providing full statutory coverage. In signing this Agreement, the Contractor makes the following certification, required by Section 1861 of the California Labor Code:

I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of this work of the Agreement.

Liability Insurance: The Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect Contractor, its employees, officers and agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all operations under this Agreement, whether such operations be by Contractor or by any sub-contractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall be not less than

\$1,000,000 unless another amount is specified below and shows approval by the Department of Employee and Public Services, Risk Management Division.

Required insurance shall include:

	Requesting Department complete column below	Approval by Risk Management Division if under \$ 1,000,000
a. Comprehensive General Liability	\$ <u>1,000,000</u>	_____
b. Workers' Compensation	\$ <u>Statutory</u>	_____

The County and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to the County, its officers, agents, employees and servants shall be primary insurance to the full limits of liability of the policy, and that if the County, or its officers and employees have other insurance against a loss covered by such a policy, such other insurance shall be excess insurance only.

After three (3) years from the date this Agreement is first executed the County may, at its sole discretion, require an increase in the amount of liability insurance to the level then customary in similar County agreements by giving sixty (60) days' notice to Contractor.

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, the Purchasing Agent, at his option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement.

8 Non-discrimination.

Non-Discrimination - General. No person shall, on the grounds of age (over 40), ancestry, creed, color, disability, marital status, medical condition, national origin, political or religious affiliation, race, sex, sexual orientation or any non-job-related criteria be excluded from participation in, be denied the benefits, or be subjected to discrimination under this AGREEMENT.

Non-Discrimination - Employment. Contractor shall ensure equal employment Opportunity based on objective standards of recruitment, selection, promotion, classification, compensation, performance evaluations, and management relations, for all employees under this AGREEMENT. Contractor's affirmative action policies shall be made available to County upon request.

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to

- i) termination of this Agreement
- ii) disqualification of the Contractor from bidding on or being awarded a

- iii) County contract for a period of up to 3 years;
- iv) liquidated damages of \$2,500 per violation;
- iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this paragraph, the County Manager shall have the authority to

- i) examine Contractor's employment records with respect to compliance with this paragraph;
- ii) set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other Contractor between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint and a description of the circumstance. Contractor shall provide County with a copy of their response to the Complaint when filed.

9. Accessibility of Services to Handicapped Persons. If the Contractor will be providing services directly to the public on behalf of San Mateo County, Contractor shall assure compliance with Section 504 of the Rehabilitation Act of 1973 by submitting a signed letter of assurance of compliance (Attachment I). Contractor shall be prepared to submit a self-evaluation and compliance plan to the County upon request within one year of the execution of this Agreement.
10. Substitutions: If particular people are identified in Exhibit A as working on this contract, the Contractor will not assign others to work in their place without written permission from the County Purchasing Agent. Any substitution shall be with a person of commensurate experience and knowledge.
11. Sole Property of the County: Any system or documents developed, produced or provided under this contract shall become the sole property of the County.
12. Contract Renewal. This Agreement may be renewed only as specified in Exhibit A.
13. Access to Records. The County, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

Contractor shall maintain all required records for three years after County makes final

payments and all other pending matters are closed.

14. Merger Clause. This Agreement, including Exhibit A attached hereto and incorporated herein by reference, constitutes the sole agreement of the parties hereto with regard to the matters covered in this Agreement, and correctly states the rights, duties and obligations of each party as of the document's date. Any prior agreement, promises, negotiations or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the County Purchasing Agent. In the event of a conflict between the terms, conditions or specifications set forth herein and those in Exhibit A attached hereto, the terms, conditions or specifications set forth herein shall prevail.

IN WITNESS WHEREOF, the parties hereto have affixed their hands on the day and year first above written.

Contractor Signature

Date

Contractor's Tax I.D. Number or Social Security Number

Contractor Address

COUNTY OF SAN MATEO

By _____
Director
Department of Employee and Public Services
County Government Center
Redwood City, California 94063

Date

Note: This contract is not valid unless signed by both parties.
Exhibit A must also be initialed by both parties

EXHIBIT A

Contract between County of San Mateo and Columbia Ultimate, hereinafter called "Contractor".

I. Detailed description of services to be performed by Contractor:

Contractor will provide bill/invoice printing and mailing services for the County on accounts identified by the County. Accounts to be assigned may include Revenue Services accounts and Animal Licensing notices.

Specific service requirements of Contractor include:

1. Must maintain in-house technical service department which is available 8-5 Monday through Friday.
2. Must maintain access to print facilities with multiple sites.
3. Turnaround time must be 24 hours or less.
4. Receive and send all account information in EDI format.
5. Access NCOAA address database and update County –Revenue Services Collection system.
 - County Revenue Services uses the Columbia Ultimate Business System software (year 2000 release)
 - County Animal Licensing uses Chameleon software
6. Print tear-off coupons
7. The mailings must go out using the lowest possible 1st class pre-sort rate.
8. Put address of debtor in barcode on envelope
9. Meet all U.S. Postal requirements in regards to mailing address and return regulations.
10. Include logos in the letter templates
11. Translate debtor identification and amount due into OCR or barcode in the letter
12. Columbia Ultimate agrees to provide Client with Acolloid services at Acolloid's current discount rates

EXHIBIT A

II. Prices

The prices for the services are described in Exhibit A. Prices may be modified by giving thirty (30) days written notice by Contractor. In the event contractor elects to increase prices, County has the right to terminate this Agreement by giving thirty (30) days written notice.

Any postal increases will raise the price on the date those increases take effect by the amount of the increase

The programming and coding set-up charges of \$4,125 for the Immedia Software and the first fifteen (15) customized letters will be absorbed by Contractor. In the event County should elect to terminate this Agreement or discontinue services (by not transmitting) within the first twelve (12) months, the set-up charges will be prorated and billed at the rate of \$343.75 per month for the remaining twelve (12) month term, plus the cost of any unused specialty materials ordered on behalf of the County and approved and agreed upon by the County.

III. Postage and Payment Terms

Payment for postage and services must be pre-paid. It is understood that receipt of payment is a condition precedent to Immedia's performance of the contract. In the event payment is not received, Contractor shall have any or all of the following remedies: (a) Temporarily suspend mailing services until sufficient funds are received to cover the payment balance and prepayment necessary to continua services, (b) Cease supplying services under this Agreement until the balance and any penalties are paid; and (c) Make use of all remedies which are available under existing laws.

IV Letter Volume Fluctuation

Based on estimated daily letter volume, County agrees to advise Contractor of volume increases of twenty-five (25) percent of normal daily volume. To guarantee production and mailing of the letter volume increase, a twenty-four (24) hour notice to the Contractor is required.

V Proprietary Software

The Software is and at all time shall remain the sole property of Contractor. The ownership is protected by the copyright laws of the United States and by international treaty provisions. Nothing in this Agreement constitutes a waiver of any right under U.S. Copyright law or any other international, federal or state law.

EXHIBIT A

II. Pricing:

Paper, Printing, and Envelope cost:

	Per Piece
Letter printed on 20 lb. White Woven 8 ½ x 11 Cutsheet Laser Paper Stock	.122*
Test printed in Black Laser Image on Full 8 ½ x 11 with 300 x 300 DPI	
Standard 2/3 Bottom Page Micro Perforation for easy tear and return stub	
White Woven #10 Double Window, Inside tinted Security Envelope	
All Mail Processing, including folding, inserting, sorting, etc	
Postal Move Forward Database Access for Change of Address	

Volume Discounts.

	Per Piece
50,000 – 99,999 letters/month	.117*
100,000 – 199,999 letters/month	.112*
200,000 or more letters/month	.107*

**Above pricing excludes postage, actual postage rates will vary (.243, .261, .270, or .330 for letters under 1 oz based upon current USPS postage rates) and are calculated on letter volume per transmission and geographical distribution.*

OPTIONAL FEATURES:

	Per Piece
Courtesy Reply Envelope (CRE) #9 White Wove 24lb Single Window	.015
Additional Page – 20lb White Woven 8 ½ x 11 Cutsheet Laser Paper	.08
Customized Backer	.045
Code 39 or OCR Barcode	.0025
Current Specialty Envelope or Letter Stock	N/C
Custom Envelope or Letter Stock	varies

OPTIONAL SET-UP FEATURES:

	One Time Charge
Digitized Scanning and Imaging of Agency Logo	150.00
Digitized Scanning and Imaging of Agent's Signatures	125.00
Additional Letters programming fee per letter (after initial 15 free)	Free/No charge
Changes to Specific Form or Letter Body Text	20.00
Custom Programming (Per Hour)	125.00

Set-Up and Monthly Fee:

- There is NO installation fee for the interface supplied through Columbia Ultimate's Immedia program. There is also NO monthly fee for the support or maintenance of the software.

EXHIBIT A

ACOLLAID SCHEDULE

Columbia Ultimate agrees to provide Client with Acolloid services at Acolloid's current volume discount rates. There will be no minimum service charge and no charge to initiate the service.

A CommServe or MultiTech Modem is required for diagnostic purposes. Clients currently using a CommServe for Credit Retrieval may use the same CommServe for Acolloid services.

Fees Client shall pay Columbia Ultimate for use of the Acolloid System upon receipt of monthly statement. Client will receive advance notice of changes within thirty (30) days and may elect to terminate Agreement with written notice thereafter. By continuing to request data through the Acolloid System after thirty days client acknowledges and accepts all fee changes.

ACOLLAID PRICING SCHEDULE

<u>Service Requested</u>	<u>Report Type</u>	<u>Service Volume</u>	<u>Service Fee</u>
	(2) Postal Standardization	to 20,000	.0286
	(Per Request)	to 40,000	.0267
		to 70,000	.0248
		to 100,000	.0239
		to 400,000	.0230
		to 1,000,000	.0220
<input type="checkbox"/>	(B) COA (Per Hit)		1000
	(Change of Address/Standardization)		
	'Per Hit' Change of Address pricing is reserved for clients using Immedia mail outsourcing services only. Upon going live with Immedia letters, you may change pricing to the Per Hit rate. If you choose this option, you will receive a fax confirmation. The Per Hit rate will be effective on the first day of the following month.		
<input type="checkbox"/>	(B) COA (Per Request)	to 20,000	.0425
	(Change of Address/	to 40,000	.0406
	Standardization)	to 70,000	.0388
		to 100,000	.0379
		to 400,000	.0369
		to 1,000,000	.0360
	Standard Reports (Per Request)		Service Fee
	(D) EDA (Per Record)		4000
	Standard Reports (Per Hit)		Service Fee
	(A) Address Search (At exact phone number)		1000
	(C) Phone Number		.1000
	(E) Phone Number (At exact address)		.1800
	(G) C & E Processing plus 2 Surnames		.2800
	(J) C & E Processing plus 2 Nearbys		.2800
	(L) C & E Processing plus 4 Surnames		.3000
	(N) C & E Processing plus 4 Nearbys		.3000
	(O) C & E Processing plus 2 Nearbys, 2 Surnames		.3600
	(Q) C & E Processing plus 5 Nearbys, 5 Surnames		.3800
	(S) Social Security Search		.5900
	(T) C & E Processing plus 8 Nearbys, 10 Surnames		.4000
	(V) Bankruptcy		1.000
	(W) Deceased		1.000

THE COLLECTOR SYSTEM DOES NOT TRACK MULTIPLE SIMULTANEOUS REQUESTS PER DEBTOR.

Term of the Contract:

The term of this contract shall commence on June 1, 2001 shall continue through May 30, 2004. The contract may be extended by the County for two additional years.

Approval :

Contractor initials _____

County Purchasing Agent initials _____