

## RESOLUTION NO. 2006-876

Adopted by the Sacramento City Council

December 5, 2006

### APPROVING AND AWARDING A MAIL SORTING AND PRESORTING SERVICES CONTRACT TO MAILING SYSTEMS, INC., IN AN AMOUNT NOT TO EXCEED \$1,604,429

#### BACKGROUND

- A. The City of Sacramento and its various departments have an urgent and continuing need for mail sorting, presorting and lettershop services.
- B. The present invitation for bid was advertised in accordance with Chapter 3.56 of the City Code and API 1, "Procurement of Supplies and Non-Professional Services." Twenty-four (24) prospective bidders registered with the City Bid Center, two (2) bids were received in response to the IFB.
- C. During the City's contract with Quick Sort Sacramento (the incumbent), there were numerous instances where Quick Sort Sacramento did not perform in accordance with the contract terms and provisions and Scope of Work. Recurring invoicing problems resulted in Central Services being unable to charge expenses, in the correct amount, back to the appropriate department. On numerous occasions, mailers were processed incorrectly or not at all, and in one case, Quick Sort Sacramento had to reimburse the City for its failure to process a mailer for a community meeting. As a result of these failures, the City determined that Quick Sort Sacramento is non-responsible. The second apparent low bidder is Mailing Systems, Inc. They were found to be responsible and their pricing is fair and reasonable.

#### BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1.** The contract is awarded to Mailing Systems, Inc., the lowest responsible bidder, for a total not to exceed value of \$1,604,429 over five years.
- Section 2.** The contract provides for an initial term of two years, with the option to extend for additional one year terms, up to a total agreement term of five years (including the initial term and all extensions). The City Manager may authorize such extension(s) for the annual not to exceed amount specified above, provided that sufficient funds are available in the budget adopted for the applicable Fiscal Year(s).

The initial two-year Base Period has a not to exceed value of \$312,000 per year for a total of \$624,000. Option Period One has a not to exceed value of \$312,000. Option Period Two has a not to exceed value of \$324,480, and Option Period Three has a not to exceed value of \$343,949, with an overall contract, not to exceed value of \$1,604,429.

Adopted by the City of Sacramento City Council on December 5, 2006 by the following vote:

Ayes: Councilmembers, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: Councilmember Cohn.



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Mayor, Heather Fargo

Attest:

  
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Shirley Concolino, City Clerk

Bid Tabulation Sheet <sup>(1)</sup>  
 IFB #B071187019, Mail Preparation and Presorting Services, City of Sacramento

Bidders	Bid Total	5%E/SBE Preference	Prompt Payment Discount	1% City Tax Preference	Evaluation Total
Quick Sort Sacramento	\$1,633	N/A	none	none	\$1,633 <sup>(3)</sup>
Mail Services, Incorporated	\$2,024 <sup>(1)</sup>	<101.21>	<40.>	none	\$1,883 <sup>(3)</sup>

Recommendation for Award to: Mailing Services, Incorporated  
 2431 Mercantile Drive, Suite A  
 Rancho Cordova, California  
Using Department: Citywide contract; Primary user is the Department of Finance

Total Number of Bids Solicited: 42      Total Number of E/SBE Bids Solicited: 0      Number of E/SBE Responses: 1

Bid Opening Date: 25Sep06      Award to E/SBE: Yes

<sup>(1)</sup> Bid Tabulation Sheet represents subtotals, less sales tax, and include 5% E/SBE Preference, 1% City Tax Preference, and prompt pay discount where applicable.

<sup>(2)</sup> Totals corrected for mathematical errors.

<sup>(3)</sup> The lowest responsible bid amounts represent the totals for the items based on unit pricing and are for evaluation purposes only. Authorization is requested to enter into contracts in a total aggregate amount not-to-exceed \$344,000 per contract year, which more closely reflects the actual amount anticipated to be expended each year of this potential five-year contract.