

# City of Sacramento

## Legislation Details (With Text)

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**File #:** 2018-01603    **Version:** 1  
**Type:** Consent Item                      **Status:** Agenda Ready  
**File created:** 11/8/2018                      **In control:** City Council - 5PM  
**On agenda:** 12/18/2018                      **Final action:** 12/31/2023  
**Title:** Contract: Mail Preparation and Presorting Services  
**Sponsors:** Finance - Citywide Procurement - 06001521, Gary O'Neill

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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**Title:**  
**Contract: Mail Preparation and Presorting Services**

File ID: 2018-01603

**Location:** Citywide

**Recommendation:**

Pass a Motion: 1) awarding a five-year contract to KP LLC, the lowest responsive and responsible bidder, in an amount not to exceed \$990,000 for the five-year term; and 2) authorizing the City Manager or the City Manager’s designee to execute the contract specified above provided that sufficient funds are available in the budget adopted for the applicable fiscal year.

**Contact:** Gary O’Neill, Program Analyst, (916) 808-7432; Robert Adams, Procurement Services Manager, (916) 808-5524, Department of Finance

**Presenter:** None

**Attachments:**

- 1-Description/Analysis
- 2-NonProfessional Services Agreement with KP LLC

**Description/Analysis**

**Issue Detail:** The City has an ongoing requirement for mail preparation, mail presorting services, and related services for all City departments. The existing contract for these services is set to expire on March 4, 2019. On August 14, 2018, Procurement Services, in accordance with City Code Chapter 3.56, issued Request for Bid (RFB) No. B19061521003 for mailing and presorting services.

**Policy Considerations:** The recommendations in this report are in accordance with the provisions of City Code Chapter 3.56, Administrative Policy (AP) 4101.

**Economic Impacts:** None.

**Environmental Considerations:** California Environmental Quality Act (CEQA): No environmental review is necessary because the recommendations in this report involve the purchase of printing, reprographic, and related services and are not considered to be a project in accordance with Section 15378(b)(2) of the CEQA Guidelines.

**Sustainability:** The recommendations in this report are in accordance with the Sustainability Purchasing Policy (AP 4003).

**Commission/Committee Action:** None.

**Rationale for Recommendation:** On August 14, 2018, Procurement Services, issued RFB No. B19061521003 to address the City's ongoing requirement for mail preparation and presorting services. Four bids were received. The total bid evaluation amounts are:

- ABS Direct, West Sacramento: \$930,351.20
- KP LLC, West Sacramento: \$900,090.56
- Mailing Systems, Inc., Rancho Cordova: \$921,067.89
- Metro Print and Mail, Sacramento: \$906,647.53

KP LLC is the lowest responsive bidder and the incumbent for these services. This agreement will allow the City to meter mail at a savings of \$0.067 per letter-sized piece of mail. Based upon the current volume of mail, this is an annual savings of approximately \$33,000 to the City.

**Financial Considerations:** In determining the recommended spending authority, staff reviewed the expenditure history for this service and considered future needs. The recommended not-to-exceed amount of \$990,000 includes a contingency of approximately 2.5% per year, to allow for unexpected increases in postage costs as well as increased usage by the various City departments. Funding for these services will be provided by the operating budgets or capital improvement project budgets of the departments that utilize the services. Sufficient funding for purchases made through June 30, 2019, is available in the fiscal year 2018/19 budget. Purchase made after June 30, 2019, are subject to funding availability in the budget adopted for the applicable fiscal year.

**Local Business Enterprise (LBE):** The LBE requirements were waived for this RFB. The vendor is in West Sacramento.