



To: Finance Committee
David A. Hulseberg, Village Manager

From: Timothy Sexton
Director of Finance

Date: September 17, 2012

Subject: Award of Contract: Vehicle Sticker Printing, Mailing, and Processing

BACKGROUND

Since 2007, the Village has used Third Millennium Associates (TMA) for vehicle sticker printing, mailing, and processing. Our contract ended with TMA in 2010 and we renewed for two additional years.

On July 16, 2012, staff advertised a request for proposals to provide vehicle sticker printing, mailing, and processing services. Proposals were due on August 13, 2012 and were received from the following vendors.

- Third Millennium Associates
- Credentials Solutions

The RFP and the responses to the RFP are available in my office for review. Due to their size, I have not included this information herein. Both vendors have extensive experience, resources and customer base.

Third Millennium Associates has been our vendor since 2007 and has not proposed any changes to their current services.

Credentials Solutions, located in Northfield, IL, is a technology intensive service company that provides comprehensive business process solutions to more than 100 higher education institutions and municipalities across the United States. Founded in 1997, Credentials Solutions established itself as an innovator in student records management with the introduction of a patented online degree and enrollment verification service. Credentials Solutions has introduced a suite of services that fully automate the ordering, processing and rendering of complex transactions involving municipal vehicle registrations, academic transcripts, diplomas, meeting registrations, and campus parking permits. In 2009, the Village of Lake Forest contracted with Credentials Solutions to develop their municipal vehicle sticker program. The Village of Lake Forest's staff has expressed complete satisfaction with their services and 50% of their residents have signed up to receive their yearly notice/application via e-mail.

Credentials Solutions will provide marketing material to the Village to help encourage the residents to use the online services. Residents will have the ability to opt in for annual email notifications as soon as they have logged into their profile using the User ID and Pin number provided in the first mailing. Also, prior to sending mailers, they will compare the final resident address list with the National Change of Address database to reduce unneeded and returned mail.

Proposals were also analyzed based on price including current postage rates and static cling stickers. Below is the annual cost for Lombard to have a vehicle sticker program by vendor. Third Millennium has offered the lowest price for required services.

Third Millennium Associates: Estimated \$52,223 per fiscal year

Credential Solutions: The first year Credentials is offering a discount on the first year of printing applications to give individuals the opportunity to opt-in for e-mail notifications. Their pricing structure is based on the number of orders they process.

- 2013--\$54,244 (includes printing discount)
- Future Years--\$58,244
- Future Years with 25% Email Notifications--\$52,708

FISCAL/PROCEDURE CHANGES

There is no cost savings with either vendor compared to previous years. There would be a few process changes for both the Village and the residents if Credential Solutions is selected.

- Checks would be made out to CCS for lockbox orders. This could be confusing for residents who pay at the Village with a check. Checks taken at the Village would need to be made payable to the Village of Lombard.
- The sticker would be slightly different for those who purchase at the front counter. Credentials Solutions has a Mylar backing on their sticker. This would also change the procedures for Community Service Officers (CSO's) for identification purposes. Currently, CSO's are able to drive through parking lots and look through the back window of vehicle to determine if the vehicles have the current vehicle sticker. Due to the proposed sticker from Credential Solutions with the Mylar backing, this would no longer be possible.
- Credentials Solutions does not include a return envelope for the resident to return their completed application. This is to encourage residents to pay online. However, this could pose two issues. It could generate a significant amount of complaints from residents, and it could inadvertently increase the number of people coming into Village Hall to purchase the sticker, since they did not have an envelope.

RECOMMENDATION

Staff has not made a recommendation on a specific vendor, as we would like to discuss some of the issues related to both vendors with the committee. However, staff is requesting that the Finance Committee recommend a vendor for vehicle sticker printing, mailing, and processing services, for the 2013-2015 vehicle sticker registration periods with an option for three additional years at the Village's request. Upon committee approval, this recommendation will be presented to the Village Board for their consideration and approval.