



To: Finance Committee  
David A. Hulseberg, Village Manager

From: Timothy Sexton  
Director of Finance

Date: September 17, 2012

Subject: Award of Contract: Utility Bill Printing and Mailing Services

Staff is seeking approval of a contract with Cash Cycle Solutions for Utility Bill Printing and Mailing Services.

### **BACKGROUND**

On June 17, 2010, the Village contracted with Third Millennium Associates, Inc., to outsource utility bill printing and mailing services. Outsourcing the billing process reduced cost and improved efficiency in connection with the Village of Lombard finance and utility billing operations. The contract is effective through June 17, 2013.

On July 16, 2012, staff advertised a request for proposals (RFP) to provide utility bill printing and mailing services. The reason that the RFP was issued so early was that the RFP included both this service as well as vehicle sticker printing and processing. Some vendors are capable of providing both services, and we wanted to determine if there would be any additional savings proposed by a vendor in providing both of these services. Proposals were due on August 13, 2012 and were received from the following vendors.

- Cash Cycle Solutions
- DATAMAX
- Emdeon
- Infosend
- Third Millennium Associates, Inc.

The Utility Bill Print and Mail Services 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. All vendors had extensive experience, resources and customer base. Proposals were also analyzed based on price (Attachment A). The top three lowest vendors were:

<u>Vendor</u>	<u>Per Statement Fee*</u>
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- Third Millennium Associates, Inc. \$0.1370

\*Per Statement Fee: includes file transmission, materials, data processing, bill printing, mail preparation, outgoing envelope, one return envelope, and delivery to USPS.

As shown above, Cash Cycle Solutions (CCS) was the lowest priced vendor. We contacted their references provided and all were extremely satisfied. CCS is a full service presentment and payment solutions provider with a complete suite of digital and physical printing services. All work is performed in their facility in Charlotte, NC and San Diego, CA. Both locations are Detached Mail Units (DMU) of the USPS with on-site mail acceptance by USPS personnel to ensure that customer mail is delivered on time.

### **FISCAL IMPACT**

The estimated annual cost for one year of service with Cash Cycle Solutions is \$7,872 which represents a savings of \$2,649, or 25.2%, in comparison to the Village's current vendor.

### **RECOMMENDATION**

I am requesting at this time that the Finance Committee concur in our recommendation to award a contract to Cash Cycle Solutions, beginning June 17, 2013, to provide Utility Billing and Printing Services for the Village of Lombard for the next three years, 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.

### **ATTACHMENTS**

- Attachment A: Utility Billing and Printing Fee Analysis