

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: CHAIR AND BOARD MEMBERS
FROM: TRACY VERA, BUYER, FINANCE DEPARTMENT
SUBJECT: AMENDMENT TO BLANKET PURCHASE ORDER 164811 –
FOUR-YEAR EXTENSION AND INCREASE COMPENSATION
FOR UTILITY BILL PRINTING, BILL INSERTS, AND MAILING
SERVICES

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by Santa Rosa Water and the Finance Department that the Board of Public Utilities, by motion, approve an amendment to Blanket Purchase Order 164811 for utility bill printing, bill inserts, and mailing services to extend for four years and increase compensation in the amount of \$561,000 to InfoSend, Inc., Anaheim, California, for a not to exceed cumulative value of \$897,000.

EXECUTIVE SUMMARY

Santa Rosa Water requests to amend Blanket Purchase Order (BPO) 164811 for utility bill printing, bill inserts, and mailing services to extend for four years and increase compensation in the amount of \$561,000, for a total not to exceed amount of \$897,000.

BACKGROUND

Approximately 54,150 utility bills are generated by the City each month using the City's Advanced CIS Infinity software, which are exported via data file to the contractor's computer system for conversion into printed City utility bills. InfoSend, Inc. is responsible for the mailing of utility bills, and postage is reimbursed by the City. Various City departments utilize this BPO to produce inserts that are included with the utility bill to reach City residents providing information such as emergency preparedness, water conversation, and other essential communications.

On June 22, 2021, the City Council approved, by resolution, the award of BPO 164811 to InfoSend, Inc. for a total not to exceed amount of \$184,000 utilizing the pricing from the City of San Luis Obispo Cooperative Purchasing Agreement.

AMENDMENT TO BLANKET PURCHASE ORDER 164811 – FOUR-YEAR
EXTENSION AND INCREASE COMPENSATION FOR UTILITY BILL PRINTING, BILL
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See Blanket Purchase Order History below:

<u>Date</u>	<u>Description</u>	<u>Amount</u>	<u>Authorization</u>
June 22, 2021	Award of two-year BPO	\$184,000	City Council
December 14, 2022	Add funding for bill inserts	\$30,000	Purchasing Agent
June 15, 2023	One-year extension and increase compensation	\$122,000	Board of Public Utilities
Pending	Four-year extension and increase compensation	\$561,000	Board of Public Utilities
Cumulative Contract Value		\$897,000	

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On June 15, 2023, the Board, by motion, approved a one-year extension and increase in compensation.

ANALYSIS

InfoSend, Inc. has submitted a four-year extension proposal with a 10.9% increase in unit prices for the first year and 2.5% increase each subsequent year.

The cost increase is based on the US Bureau of Labor Statistics Consumer Price Index (CPI) for all Items in San Francisco-Oakland-Hayward, CA (Series ID: CUURS49BSA0) from June 2023 to April 2024, showing a 3.29% increase. InfoSend, Inc. also justifies the increase due to a 28% increase in the cost of paper and envelopes.

City staff has thoroughly analyzed the increase in unit pricing and has determined the extension proposal is considered fair, reasonable, and in the City's best interest to extend the current agreement.

FISCAL IMPACT

Funds for this expense are included in the Fiscal Year 2024-25 adopted operational budget under the Water Department. As a regular operating expenditure, the services, as described, are expected to be included in subsequent years' budget proposals when presented to the City Council.

ENVIRONMENTAL IMPACT

AMENDMENT TO BLANKET PURCHASE ORDER 164811 – FOUR-YEAR
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This proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Sections 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

NOTIFICATION

Not applicable

ATTACHMENTS

Not applicable

PRESENTER

Nick Harvey, Deputy Director – Water Administration
Brandalyn Tramel, Purchasing Agent