



Legislation Details (With Text)

File #: 18-232 **Version:** 1

Type: Change Order & Work Order **Status:** Passed

File created: 3/13/2018 **In control:** City Council

On agenda: 4/3/2018 **Final action:** 4/3/2018

Title: Approve the award of Change Order #1 to Contract 17-038, Bill Print and Mail Services, to AB Data for an amount not to exceed \$23,142 and a total award of \$225,142

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
4/3/2018	1	City Council	approved	Pass

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the award of Change Order #1 to Contract 17-038, Bill Print and Mail Services, to AB Data for an amount not to exceed \$23,142 and a total award of \$225,142

DEPARTMENT: Finance Department

SUBMITTED BY: Rachel Mayer, Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

In October 2017, the City Council approved the award of Contract 17-038, Bill Print and Mail Services, to AB Data for an 18-month term from January 1, 2018 through June 30, 2019. Daily, AB Data receives a print file of utility bills from the City that must be printed, inserted and mailed the same day. Monthly, AB Data inserts a copy of Naperville's Connected newsletter with the utility bill, which is printed in-house and shipped to AB Data.

DISCUSSION:

Monthly expenses to generate the 50,000 double-sided newsletters in-house are estimated at \$3,428 which includes \$1,665 for materials (paper, supplies and shipping) and \$1,763 for labor (approximately 64 staff hours per month in Reprographics). The annual estimated in-house cost is \$41,738.

AB Data provided the City with a quote to generate the same number of copies totaling \$1,653 per month for an annual cost of \$19,836. The savings is predominately due to eliminating postage and delivery expenses as well as freeing staff hours in Reprographics.

In addition to the cost savings, this change order will greatly reduce the lead time needed to get newsletters into monthly utility bills. Currently, the City must generate, print and mail newsletters 30 days prior to the following month's billing cycle. This change order will reduce the time frame to five days prior to month end, as the City only needs to email a PDF document to AB Data.

Due to the reduction in price and time savings, a change order is recommended to amend the current agreement with AB Data to include printing of the monthly Connected newsletter for 14 months (May 2018 - June 2019). Content for the newsletter will continue to be generated and designed by the City's Communications staff and sent to AB Data in PDF format for printing and distribution in the monthly utility bill.

FISCAL IMPACT:

CIP #: N/A

This change order will be expensed to the printing services account listed below. The overage in the Communications budget will be offset by the savings in the Reprographics printing and postage budget. Staff will program the contracted cost appropriately for the 2019 budget.

Account Number	Fund Description	Total Budget Amount
11391100-531310	General Fund	\$600