

January 24, 2006

TO: John Szerlag, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Services  
Jeanette Bennett, Purchasing Director  
Timothy L. Richnak, Public Works Director

RE: **Agenda Item** – Standard Purchasing Resolution 3 – Exercise  
Renewal Option – Printing/Distribution of Water & Sewer Bills

### **RECOMMENDATION**

On March 21, 2005, City Council approved a one-year contract to provide production, printing, and distribution of the City of Troy Water and Sewer bills with an option to renew for three additional one-year periods to the lowest acceptable bidder meeting specifications, Automated Computer Methods Inc. of McHenry, IL (Council Resolution #2005-03-123-E-5). Staff recommends the City exercise the option to renew the first of three additional one-year periods at an estimated total cost of \$11,616.00 per year, plus the actual cost of first class postage, under the same prices, terms, and conditions, to expire April 30, 2007.

<b>DESCRIPTION</b>	<b>UNIT PRICE</b>
<b>CUSTOMER BILLING SUMMARY:</b>	
Laser Print, Water/Sewer Bill	\$.050
Fold, Insert, Sort & Mail	\$.020
Printing - #9 Reply Envelope	\$.017
Printing - #10 Envelope	\$.0185
<b>COST PER BILL:</b>	<b>\$.1055</b>

### **MARKET SURVEY**

A market survey conducted by the Purchasing Department indicates paper mill prices are expected to increase about 2% in the near future and concurs with the recommendation to exercise the option to renew for one additional year.

One hundred eighteen (118) vendors were notified via the MITN system. Seven (7) bids received met specifications; one company responded with a statement of no bid because the company couldn't compile their figures in time.

### **BUDGET**

Funds are available from the Water Department operating budgets.

January 24, 2006

TO: Susan Leirstein  
Purchasing Systems Administrator

FROM: Linda N. Bockstanz  
Associate Buyer

RE: MARKET SURVEY – PRINTING & DISTRIBUTION OF UTILITY BILLS

LASON SYSTEM, INC. – Rick Sharpe (248) 837-7100

Rick has indicated that prices for the printing of Utility bills have remained stable; as there have been no significant cost increases in paper or ink.

CENTRON DATA SERVICES – Michael Andrus (800) 732-8787

Mr. Andrus commented that he sees a change in prices this year because paper has increased about 2% because of fuel costs.

LASERTEC INC. – Kim C. (586) 274-4500

Kim told me that her company's material prices would increase, because of the paper mills raising paper prices. That cost would have to be included in her prices for the printing of the bills.

RENKIM CORPORATION – Donald Pentzien (734) 374-8300

Donald does think at this time the pricing will increase for materials. A paper mill indicated that paper would be increasing by 5 to 10%. He would have to reflect those increases in his prices.

MATRIX IMAGING SOLUTIONS – Betty Jo Profeta (716) 504-9700

According to Betty Jo, the big increase for doing this job is the paper costs that have increased by about 2% to 5%. Their company will have to reflect those increases in their prices.

RBF INC. – Steven Bennett (269) 327-3871

This company went out of business – phone disconnected.

Based upon the above comments, I respectfully recommend that the City accept the offer to renew the contract for the Printing & Distribution of Utility Bills with the current vendor based on the costs of materials (paper, etc.) are expected to increase.

CC: Jeanette Bennett  
File



500 West Big Beaver  
Troy, Michigan 48084  
www.troymi.gov

Area code (248)

Assessing  
524-3311

Bldg. Inspections  
524-3344

Bldg. Maintenance  
524-3368

City Clerk  
524-3316

City Manager  
524-3330

Community Affairs  
524-1147

Engineering  
524-3383

Finance  
524-3411

Fire-Administration  
524-3419

Human Resources  
524-3339

Information Services  
619-7279

Law  
524-3320

Library  
524-3545

Parks & Recreation  
524-3484

Planning  
524-3364

Police-Administration  
524-3443

Public Works  
524-3370

Purchasing  
524-3338

Real Estate & Development  
524-3498

Treasurer  
524-3334

General Information  
524-3300

December 22, 2005

ATTN: Mr. Ralph Paulsen  
Automated Computer Methods, Inc.  
2303 Johnsburg Road  
McHenry IL 60050

Dear Mr. Paulsen:

On March 21, 2005, the City of Troy entered into contract #20400812 OB with Automated Computer Methods to provide one-year requirements of Laser Printing/Distribution of the City of Troy Water & Sewer Bills. This contract contained an option to renew for one additional year under the same pricing structure, terms, and conditions as the original contract. The price may be adjusted to reflect changes in paper costs with verifiable documentation from the mill or manufacturer.

Please fax this letter back indicating if Automated Computer Methods wishes to renew this contract until April 30, 2007. Our fax number is (248) 524-3520. It should be understood that this request to renew the contract is subject to a favorable market survey and City Council approval. A request by City staff to determine the successful bidder's interest in renewing the contract in no way obligates the City. The option cannot be exercised without Troy City Council approval and a blanket purchase order issued.

If you have any questions, please call me at (248) 524-3373.

**CHECK ONE:**

Automated Computer Methods is interested in renewing the contract under the same prices, terms, and conditions:

Automated Computer Methods is not interested in renewing the contract:

X  
Signed: SECT/ADMS  
Authorized Company Representative

Date: 12/22/05

Thank you,  
Ann M. Tyrrell  
Water Department  
City of Troy

**POSTPONED ITEMS:**

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**D-1 No Postponed Items**

**CONSENT AGENDA:**

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**E-1a Approval of "E" Items NOT Removed for Discussion**

Resolution #2005-03-123  
Moved by Stine  
Seconded by Lambert

RESOLVED, That all items as presented on the Consent Agenda are hereby **APPROVED** as presented with the exception of Item E-8 which shall be considered after Consent Agenda (E) items, as printed.

Yes: All-5  
No: None  
Absent: Schilling, Broomfield

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**E-2 Approval of City Council Minutes**

Resolution #2005-03-123-E-2

RESOLVED, That the Minutes of the Regular Meeting of March 7, 2005 at 7:30 PM be **APPROVED** as submitted.

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**E-3 Proposed City of Troy Proclamation(s): None Proposed**

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**E-4 Standard Purchasing Resolution 9: Approval to Expend Funds for Membership Dues and Membership Renewals Over \$10,000.00 – 2004-05 Michigan Municipal League Membership Renewal**

Resolution #2005-03-123-E-4

RESOLVED, That approval is **GRANTED** to pay the 2004/05 Michigan Municipal League membership fee covering the time period of May 1, 2005 through April 30, 2006 in the amount of \$12,709.00.

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**E-5 Standard Purchasing Resolution 2: Bid Award - Lowest Bidder Meeting Specifications – Printing/Distribution of Water & Sewer Bills**

Resolution #2005-03-123-E-5

RESOLVED, That a one (1) year contract to provide Laser Printing and Distribution of the City of Troy Water and Sewer Bills, with an option to renew for three (3) additional one (1) year periods is hereby **AWARDED** to the lowest acceptable bidder meeting specifications, Automated Computer Methods, Inc. of McHenry, IL, for an estimated cost of \$11,616.00 per year, plus the actual cost of first class postage, at unit prices contained in the bid tabulation opened March 2, 2005, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, with a contract expiration of April 30, 2006.



March 14, 2005

TO: John Szerlag, City Manager

FROM: Brian Murphy, Assistant City Manager/Services  
Jeanette Bennett, Purchasing Director  
Timothy L. Richnak, Public Works Director

RE: **Agenda Item** – Standard Purchasing Resolution #2 – Bid Award:  
Lowest Bidder Meeting Specifications – Printing/Distribution of  
Water & Sewer Bills

**RECOMMENDATION**

On March 2, 2005, eight (8) proposals were opened to provide production, printing, and distribution of the City of Troy Water and Sewer Bills for one (1) year, with three (3) one-year options to renew. City management recommends awarding the contract to the lowest acceptable bidder meeting specifications, Automated Computer Methods Inc. of McHenry, IL, for an estimated cost of \$11,616.00 per year, plus the actual cost of first class postage, at unit prices contained in the attached bid tabulation.

<b>DESCRIPTION</b>	<b>UNIT PRICE</b>
<b>CUSTOMER BILLING SUMMARY:</b>	
Laser Print, Water/Sewer Bill	\$.050
Fold, Insert, Sort & Mail	\$.020
Printing - #9 Reply Envelope	\$.017
Printing - #10 Envelope	\$.0185
<b>COST PER BILL:</b>	<b>\$.1055</b>

**EXPLANATION OF BID NOT MEETING SPECIFICATIONS**

After reviewing the bid proposal from Miami Systems, the apparent low bidder, and performing a reference check with cities with contracts similar to ours, it was discovered that the data processing time once the file was sent to the vendor, took up to four days or longer to process and deliver the bills to the post office. Our time-frame requirement is sixty hours. Also, there were numerous errors when the bills were completed and mailed, resulting in additional City staff hours to correct the problems.

**SUMMARY**

Automated Computer Methods, Inc. has the ability to generate bills monthly, meet our processing time requirements, and deliver them to the post office in a timely manner. The file will be sent electronically either via e-mail or an ftp site provided by the vendor. The work will be done in-house, with sub-contractors providing

March 14, 2005

To: John Szerlag, City Manager

Re: Bid Award – Printing/Distribution of Water & Sewer Bills

**SUMMARY** - Continued

the forms and envelopes. They have handled numerous mailing and printing projects for Government Agencies, as well as the private sector, and have been in business for over 21 years. Automated Computer Methods, Inc. will also attach the bar codes, or OCR lines that are necessary as well as being CASS Certified (Coding Accuracy Support System certification by the US Postal Service in cooperation with the mailing industry), and will include any inserts that will be mailed with the monthly bills. They have a proven track record to meet deadlines, and will work with us regarding any issues that arise.

**BUDGET**

Funds are available from the Water Department operating budgets.

118 Vendors Notified via the MITN System

8 Bid Responses Rec'd

1 Bid did not meet specifications

1 No Bid: Company couldn't get estimate quick enough.

Prepared by: Ann Tyrrell, Office Coordinator

VENDOR NAME:

* <b>ACM, INC</b>	LASON	CENTRON DATA	LASERTEC INC
AUTOMATED	SYSTEMS INC	SERVICES INC	
COMPUTER METHODS INC			
#14090	#632022251	#507137872	#649255192
\$ 2,100	\$ 2,100	\$ 2,100	\$ 2,100

CHECK #:

CHECK AMOUNT:

**PROPOSAL:** FURNISH ALL LABOR, MATERIALS, AND EQUIPMENT TO PROVIDE ONE-YEAR REQUIREMENTS OF LASER PRINTING AND DISTRIBUTION OF THE CITY OF TROY'S WATER AND SEWER BILLS, WITH AN OPTION TO RENEW FOR THREE(3) ADDITIONAL ONE-YEAR PERIODS.

EST QTY	SERVICE DESCRIPTION	UNIT PRICE	UNIT PRICE	UNIT PRICE	UNIT PRICE
1	One Time, Account Set-Up	\$ 200.00	\$ 125.0000	\$ 300.0000	\$ -
109,400	Laser Print Water / Sewer Bills	\$50.00/M	\$ 0.0393	\$ 0.0390	\$ 0.0800
109,400	Fold, Insert, Sort and Mail	\$20.00/M	\$ 0.0300	\$ 0.0640	Included
102,000	Printing on #9 Envelopes	\$17.00/M	\$ 0.0185	\$ 0.0040	\$ 0.0200
109,400	Printing on #10 Envelopes	\$18.50/M	\$ 0.0210	\$ 0.0050	\$ 0.0190
	ESTIMATED TOTAL COST:	* \$ 11,615.90	11,890.82	12,523.20	\$ 12,870.60
	PROCESSING TIME: 60 Hours				
	Can Meet	XX	XX	XX	XX
	Cannot Meet				
	SERVICE FACILITY:				
	Location	McHenry, IL	Livonia, MI	Norton Shores	Sterling Heights
	24-Hour Phone Number	(815)861-1957	(734)632-1600	(800)732-8787	(586)274-4500
	Hours of Operation	8:30-5pm	24/7	24/5	24
	TERMS:	Net 30 Days	30 Days Net	Net 30	30 Days
	DELIVERY / COMPLETION:	60 Hours After Receipt of Electronic File			
	EXCEPTIONS:	Blank	Blank	None	Postage must be prepaid. There is no relevant MSDS Letter of Understanding attached to bid
	ACKNOWLEDGEMENT: Completed Y or N	Yes	Yes	Yes	Yes
	VENDOR QUESTIONNAIRE:				
	Attached	XX	XX	XX	XX
	Not Attached				
	COST BREAKDOWN - SUPPLY INVENTORY				
	Attached	All Pricing			
	Not Attached	Listed on page	XX	XX	XX
		one of Bid			

NO BIDS:

Moore Wallace

\* DENOTES LOWEST ACCEPTABLE BIDDER

ATTEST:

Ann Tyrrell

MaryAnn Hays

Linda Bockstanz

Jeanette Bennett

Purchasing Director

VENDOR NAME:

RENKIM	MATRIX	RBF
CORPORATION	IMAGING	INC
SOLUTIONS		
#654963892	#31313	#620709692
\$ 2,100	\$ 2,100	\$ 2,100

CHECK #:

CHECK AMOUNT:

**PROPOSAL:** FURNISH ALL LABOR, MATERIALS, AND EQUIPMENT TO PROVIDE ONE-YEAR REQUIREMENTS OF LASER PRINTING AND DISTRIBUTION OF THE CITY OF TROY'S WATER AND SEWER BILLS, WITH AN OPTION TO RENEW FOR THREE(3) ADDITIONAL ONE-YEAR PERIODS.

EST QTY	SERVICE DESCRIPTION	UNIT PRICE	UNIT PRICE	UNIT PRICE
1	One Time, Account Set-Up	\$ 825.00	\$ 250.00	N/A
109,400	Laser Print Water / Sewer Bills	0.0486	\$ 0.0550	\$ 0.0680
109,400	Fold, Insert, Sort and Mail	0.03037	\$ 0.0550	\$ 0.0510
102,000	Printing on #9 Envelopes	0.01625	\$ 0.0230	\$ 0.0200
109,400	Printing on #10 Envelopes	0.01725	\$ 0.0170	\$ 0.0210
ESTIMATED TOTAL COST:		\$ 13,008.97	16,489.80	17,356.00
PROCESSING TIME: 60 Hours				
Can Meet		XX	XX	XX
Cannot Meet				
SERVICE FACILITY:				
Location		Southgate, MI	Sanborn, NY	Lansing, MI
24-Hour Phone Number		(734)374-8300	(716)504-9700	(269)327-3871
Hours of Operation		7am-11pm	24Hrs M-F	7:30-11pm
TERMS:		Blank	Net 30 Days	Net 30
DELIVERY / COMPLETION:		60 Hours After Receipt of Electronic File		
EXCEPTIONS:		Blank	Blank	Blank
ACKNOWLEDGEMENT: Completed Y or N		Yes	Yes	Yes
VENDOR QUESTIONNAIRE:				
Attached		XX	XX	XX
Not Attached				
COST BREAKDOWN - SUPPLY INVENTORY				
Attached		XX	XX	XX
Not Attached				

DMS:

Miami Systems - \$11,095.80

Reason: Difficulty meeting 60 hour processing time



## Downloading History for ITB-COT 04-62 UtilityBil

The report below shows all fax and e-mail vendors that matched this document when it was originally issued. It also shows all vendors that have downloaded or ordered the document and any subsequent amendments as of 3/14/2005.

<b>Document Title:</b>	Laser Printing & Distribution of Water & Sewer Bills
<b>Date Issued:</b>	2/8/2005
<b>Close Date:</b>	3/2/2005

Click on the table headings for "Account Number" or "Company name" to re-sort this report by that column. You may also click on any vendor account number to view their account information.

Acct #	Company Name	Service	Date Obtained Document	Date Obtained Amendments
10991	360 Services International	E-mail	2/8/2005	
11680	A-1 Business Products	E-mail		
20263	AB Data, Ltd.	Free	2/10/2005	
15288	Accelerated Press, Inc.	Free	2/9/2005	
13053	Accuform Printing & Graphics, Inc.	Free	3/1/2005	
10693	ACE Computer Essentials, Inc.	E-mail		
16603	Ad-Tech Agency Inc.	E-mail		
12742	Addison Graphic Solutions, Inc.	E-mail	2/8/2005	
13431	Advantage Communications Group	E-mail		
10325	Aielli Construction Company, Inc.	Free	2/14/2005	
19786	America's Finest Printing & Graphics	E-mail	2/9/2005	
11147	American Mailers	E-mail		
19476	Ann Arbor Printing & Mailing Service	E-mail	2/8/2005	
15460	Arbor Press	E-mail		
16873	AUTOMATED COMPUTER METHODS INC	E-mail	3/7/2005	
10717	Blue Pencil Creative Group, Ltd.	E-mail		
15019	Brodie Corporation	E-mail		
10682	C & R Maintenance d/b/a Rizzo Services	E-mail	2/8/2005	
16815	C.A.P. Printing L.L.C.	Free	2/14/2005	
13422	Centron Data Services, Inc.	E-mail	2/18/2005	
19258				

	Color Q LLC	E-mail	2/8/2005	
16318	Comda International Calendar Co.	E-mail		
16718	Commercial Blueprint, Inc.	E-mail		
13813	Commercial Communications, Inc	E-mail		
17878	Compton Printing	E-mail		
10469	COUGAR PRINTING & GRAPHICS, INC.	E-mail		
10276	CPM Services Group, Inc	E-mail		
16712	Data Direction Inc.	Free	2/23/2005	
10868	Dearborn Lithograph, Inc.	E-mail		
11544	Dearborn Offset Printing, Inc.	E-mail		
13468	DESIGN GROUP	Free	2/21/2005	
19864	DIVERSIFIED UTILITY SERVICES	Free	2/19/2005	
19136	Dodaj Enterprises	E-mail		
16733	E.J. Steve	E-mail		
15621	ECON MARKETING SERVICES INC	E-mail	2/8/2005	
20474	Econobuild	E-mail	3/2/2005	
10981	Ed Luberda	E-mail		
17995	Empire Printing	E-mail		
10318	Entire Reproductions and Imaging Solutions	E-mail		
15795	Epoch Technologies, Inc	Free	2/18/2005	
12661	Executive Printing Services	Free	2/18/2005	
19341	FIRST IMPRESSION PRINTING	E-mail		
14027	Five Star Graphics Inc dba Graphic Image	E-mail		
12125	Flamingo Kid Signs, Inc.	E-mail	2/26/2005	
11444	Fudge Business Forms, Inc.	E-mail	2/8/2005	
15657	Grand River Printing & Imaging	E-mail		
12922	Graphic Enterprises, Inc.	E-mail	2/8/2005	
19815	Graphics East, Inc.	Fax		
19666	Greatland Corporation	E-mail		
17036	greko print & imaging inc.	Fax		
17858	Herald Publishing Company, Inc.	E-mail		
11766	HES STALLINGS-JULIEN SALES & SERVICE	E-mail	3/1/2005	
19788	Identification Resources, Inc.	E-mail		
16060	Imperial Graphics & Design	E-mail		
11388	Inco Graphics	E-mail	2/8/2005	
15511	Inland Press	E-mail		
19591	Innovated Capital Solutions	E-mail		
18146	J & M Reproduction Corporation	E-mail		
18476	John Henry Company	E-mail		
11116	Johnston Lithograph	Fax		
20189	Kanne & Associates	Free	2/9/2005	

13781	Kimcraft Printers, Inc	E-mail		
11891	Kinko's	E-mail		
12808	Lasertec	E-mail	2/24/2005	
10734	Lason Inc.	E-mail	2/11/2005	
17321	Lighthouse Graphic Services	E-mail		
19604	M-Press, Inc.	Free	2/16/2005	
14525	Maro Enterprises LLC	E-mail		
19927	Mass Mailing	Free	2/10/2005	
17065	Master Business Forms Company	Fax		
17245	Matrix Imaging Solutions	E-mail	2/8/2005	
18734	Matrix Printing Systems, Inc.	E-mail		
17763	Mays Printing Company Inc.	E-mail		
11598	Media Connection Advertising Inc	E-mail		
12333	Messenger Printing Service	E-mail		
12030	Miami Systems Corporation	Free	2/10/2005	
18678	Miller Corp LLC	E-mail		
17889	MK & Company	E-mail		
15976	Moore Wallace Inc	E-mail	2/28/2005	
13485	Morning Star Publishing Company	E-mail		
16101	Mort Crim Communications, Inc.	E-mail		
19622	MSX International	E-mail		
15485	Nu-Tech Graphics & Systems Inc.	Fax	2/17/2005	
18380	OccuMed3	E-mail		
18547	Office Furniture Services	E-mail		
10412	Orion Business Services - dba PrintPro Systems	E-mail		
14166	P&S INC	E-mail		
12480	Paper Express Inc.	Free	2/10/2005	
10331	PC Photo Imaging	E-mail		
14369	Perfect Promotion Inc.	E-mail		
12743	PK Specialties	E-mail		
13644	Presort Services, Inc.	Free	2/22/2005	
19600	Print-Tech Inc.	E-mail	2/8/2005	
10596	Printwell, Inc.	E-mail		
12047	R.b. Printing Service	Fax		
20273	RBF Inc.	E-mail	2/15/2005	
10129	Robot Printing and Communications	E-mail		
10038	Rotary Multiforms, Inc	E-mail	2/22/2005	
16041	S & N Aziza Inc dba Eastern Graphics & Printing	Fax		
12933	Select Graphics Corporation	E-mail	2/8/2005	
11448	Signature Press, Inc.	E-mail		
11956	Sir Speedy Printing	E-mail		

12886	Sky Promotions/Benquin Business	E-mail		
16450	SourceMaster	E-mail		
16388	Standard Office Solutions, INC	E-mail		
13123	Stephens Nu-Ad	E-mail		
18307	Stoffel Seals Corporation	E-mail		
16967	Target Information Management	E-mail		
18415	Technology Integration Group	Free	2/18/2005	
18035	The EGT Group, Inc.	E-mail		
16663	The Job Shop Ink Inc.	E-mail		
17735	The Quintek Group	E-mail		
12437	The Reliance Group	E-mail		
12760	Utley Brothers, Inc.	E-mail		
15948	West Metro Printing Co.	E-mail		
11610	Westside Reprographics	E-mail		
15986	WHITLOCK BUSINESS SYSTEMS	E-mail		
16881	Zip Printing	E-mail		

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