

CITY COUNCIL ACTION REPORT

February 18, 2010

TO: John Szerlag, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance and Administration
Susan A. Leirstein, Purchasing Director
James A. Nash, Financial Services Director
Sandra Kasperek, City Treasurer

SUBJECT: Standard Purchasing Resolution 3: Exercise Renewal Option – Tax Bill Printing Services

Background

- On March 30, 2009, Troy City Council approved a one-year contract to provide printing and mailing services for the 2009 summer and winter tax bills to the lowest acceptable bidder, DivDat of Ferndale, MI, with options to renew for two additional one (1) year tax periods. CC Resolution #2009-03-105-F-4d – As amended
- Vendor is required to provide laser printed tax bills inserted in envelopes, presorted and delivered to the post office by a specified date.
- DivDat of Ferndale agreed to renew the current contract under the same prices, terms and conditions until December 31, 2010.
- The Purchasing Department performed a market survey and based on the results concluded that it is in the City's best interest to exercise the option to renew with DivDat.
- DivDat proved to be reliable by meeting required deadlines.

Financial Considerations

- Funds for these services are available in the operating budget of the Treasurer's Office
Accounts 101.191.253.7901 and 101.191.253.7730

Legal Considerations

- ITB-COT 09-03, to provide tax printing and mailing services for summer and winter tax bills for one year with options to renew for two additional (1) year tax periods was competitively bid, in accordance with the City Charter and Code.

Recommendation

- City management and the Finance Division recommend exercising the first, one (1) year option to renew tax bill printing and mailing services with DivDat of Ferndale, MI, under the same prices, terms and conditions to expire December 31, 2010.

January 27, 2010

TO: Susan Leirstein
Purchasing Director

FROM: Linda N. Bockstanz
Associate Buyer

RE: MARKET SURVEY – PRINTING OF SUMMER/WINTER TAX BILLS

TGI DIRECT – Betsy Christianson (810) 237-5252

Betsy has indicated that prices for the printing of Tax bills would stay the same. Base on competition that is out there.

DATAMATX, INC – Robert Grant (770) 936-5600

Mr. Grant told me that his company's material prices would stay the same; even if the paper prices would increase. (Per the Paper Mills - they will increase from 1% to 5%.) Because of competition that is out there – he needs to keep his prices the same.

LASERCOM LLC – David Grudzinski (248) 585-2800

David received information from the Paper Mills that paper will increase 1% or better. He does think at this time he will keep his prices the same on materials. But with Postage cost going to increase – he will have to increase his prices in that area.

CENTRON DATA SERVICES, INC. - Michael Andrus (800-732-8787

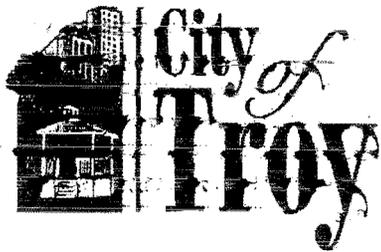
Per Mr. Andrus, there will be an increase in paper costs – about 2% or better – which will affect paper and envelope costs. He will have to increase his costs on some of these items.

OAKLAND COUNTY – Vickie Smith & Tom Papandrea (248) 975-9735

Vickie has indicated that with postage increasing – they would have to pass that cost on to the consumer. Tom has indicated that they buy in bulk (paper and envelopes) and can storage them on site. They have also been working with vendors on the cost of envelopes to keep them down. They were told by the paper mills there would be an increase in paper prices. But since they buy paper in bulk and can store it, their costs would stay the same; unless the paper used is not in their stock and they have to order it from the paper mills.

Based upon the above comments, I respectfully recommend that the City accept the offer to renew the contract for the Printing of Summer/Winter Tax Bills with the current vendor based on the costs of paper will increase in the coming year.

CC: File



January 18, 2010

ATTN: Stephanie Warren
DIVDAT
10811 Northend
Ferndale, MI 48220

Dear Ms. Warren:

On April 1, 2009, the City of Troy entered into contract #2009-00000956 with DIVDAT to provide one-year requirement of laser printed tax bills. This contract contained an option to renew for two additional one year tax periods under the same prices, terms, and conditions as the original contract.

Please fax this letter back indicating if DIVDAT wishes to renew this contract for one additional tax year until December 31, 2010. Our fax number is (248) 524-3328. 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) 524-3333.

CHECK ONE:

DIVDAT is interested in renewing the contract under the same prices, terms, and conditions:

DIVDAT is not interested in renewing the contract:

X *Sandra Kasperek*
Signed: Authorized Company Representative

Date: 1-20-10

Thank you,
Sandra Kasperek
Treasurer's Office
City of Troy

F-5 Private Agreement for 1401 Crooks – Phase I – Project No. 08.928.3

Resolution #2009-03-115-F-5

RESOLVED, That Troy City Council hereby **APPROVES** the Contract for the Installation of Municipal Improvements (Private Agreement) between the City of Troy and 1401 Troy Associates Limited Partnership, for the installation of water main and storm sewer on the site and in the adjacent right of way, and hereby **AUTHORIZES** the Mayor and City Clerk to execute the document, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

F-7 Correction to City Council Minutes for Regular Meeting of June 5, 2006

Resolution #2009-03-115-F-7

RESOLVED, That Troy City Council hereby **APPROVES** the typographical correction made to agenda item D-1 *Adoption of City Ordinance, Chapter 28 – Tree Ordinance and the Landscape Design & Tree Preservation Standards-Resolution #2006-06-234* by **STRIKING** “Broomfield” and **INSERTING** “Beltramini” in the Regular City Council meeting minutes of June 5, 2006.

F-8 Approval to Temporarily Waive Parking Restrictions – Smith Middle School

Resolution #2009-03-115-F-8

RESOLVED, That Troy City Council hereby **WAIVES** the no parking restrictions on Donaldson from Square Lake to Cotswald on May 15, 2009, between the hours of 5:30 PM to 9:30 PM.

F-9 Reconsideration of Resolution #2009-03-105-F-4d–Tax Bill Printing Services**a. Vote on Resolution to Reconsider Resolution #2009-03-105-F-4d – Tax Bill Printing Services**

Resolution #2009-03-115-F-9a

RESOLVED, That Troy City Council hereby **RECONSIDERS** Resolution #2009-03-105-F-4d, Moved by Beltramini and Seconded by Eisenbacher as it appears below:

RESOLVED, That Troy City Council hereby AWARDS a contract to provide printing services for the 2009 Summer and Winter Tax Bills with options to renew for two (2) additional one-year tax periods to the lowest acceptable bidder, DivDat, of Ferndale, MI, at prices contained in the bid tabulation opened February 25, 2009, a copy of which shall be ATTACHED to the original Minutes of this meeting, with a contract expiration of December 31, 2009.

Yes: Fleming, Kerwin, Schilling, Beltramini, Broomfield, Eisenbacher

No: None

Absent: Howrylak

MOTION CARRIED

b. Vote on Resolution to Amend Reconsidered Resolution #2009-03-105-F-4d Standard Purchasing Resolution 2: Bid Award – Lowest Bidder Meeting Specifications – Tax Bill Printing Services

Resolution #2009-03-115-F-9b

RESOLVED, That Troy City Council hereby **AMENDS** Resolution #2009-03-105-F-4d, *Standard Purchasing Resolution 2: Bid Award – Lowest Bidder Meeting Specifications – Tax Bill Printing Services* by INSERTING “*plus the actual cost for first class postage and overruns not to exceed 5%,”* AFTER “meeting”.

c. Vote on Resolution for Reconsidered Resolution #2009-03-105-F-4d Standard Purchasing Resolution 2: Bid Award – Lowest Bidder Meeting Specifications – Tax Bill Printing Services as Amended

Resolution #2009-01-105-F-4d

Moved by Beltramini

Seconded by Eisenbacher

RESOLVED, That Troy City Council hereby **AWARDS** a contract to provide printing services for the 2009 Summer and Winter Tax Bills with options to renew for two (2) additional one-year tax periods to the lowest acceptable bidder, DivDat, of Ferndale, MI, at prices contained in the bid tabulation opened February 25, 2009, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, plus the actual cost for first class postage and overruns not to exceed 5%, with a contract expiration of December 31, 2009.

F-1b Address of “F” Items Removed for Discussion by City Council and/or the Public

F-4 Standard Purchasing Resolutions

a) Standard Purchasing Resolution 2: Bid Award – Low Bidder Meeting Specifications – Asphalt Patching Material - Cold

Resolution #2009-03-116a

Rescinded August 31, 2009 (Resolution #2009-08-267-F-9)

Moved by Beltramini

Seconded by Kerwin

RESOLVED, That Troy City Council hereby **AWARDS** a contract to provide one-year requirements of Asphalt Patching Material - Cold to the lowest bidder meeting specifications, Ultimate Epoxy d/a C&D Holdings Limited of Lake Orion, MI, at unit prices contained in the bid tabulation opened March 3, 2009, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, to commence May 1, 2009 and expire February 28, 2010; and

BE IT FURTHER RESOLVED, That the award is **CONTINGENT** upon contractor submission of properly executed bid and proposal documents, including insurance certificates and all other specified requirements.

Yes: All-7



CITY COUNCIL ACTION ITEM

March 25, 2009

TO: Philip L. Nelson, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance & Administration
Susan Leirstein, Purchasing Director
James A. Nash, Financial Services Director
Sandra Kasperek, City Treasurer

SUBJECT: Reconsideration of Resolution #2009-03-105-F-4d – Tax Bill Printing Services

Background

- City Council approved Resolution #2009-03-105-F-4d – Tax Bill Printing Services at their Regular City Council meeting held on Monday, March 23, 2009.
- An omission in the resolution was discovered subsequent to the approval - Postage will be paid for by the City via escrow account. In addition, overruns are limited to 5%.

Financial Consideration

- Funds for postage are available in the operating budget of the Treasurer's Office, Account #101.191.253.7730

Legal Consideration

- There are no additional legal considerations associated with this item.

Policy Consideration

- There are no additional policy considerations associated with this item.

Options

- City management recommends the use of an escrow account to manage the postal charges associated with the mailing of the City's tax bills.

Attachment

- There are no attachments associated with this item.

d) **Standard Purchasing Resolution 2: Bid Award – Lowest Bidder Meeting Specifications – Tax Bill Printing Services**

Resolution #2009-03-105-F-4d **Reconsidered: March 30, 2009 Res #2009-03-115-F-9a**

RESOLVED, That Troy City Council hereby **AWARDS** a contract to provide printing services for the 2009 Summer and Winter Tax Bills with options to renew for two (2) additional one-year tax periods to the lowest acceptable bidder, DivDat, of Ferndale, MI, at prices contained in the bid tabulation opened February 25, 2009, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, with a contract expiration of December 31, 2009.

e) **Standard Purchasing Resolution 3: Exercise Renewal Options – Municipal Testing Services**

Resolution #2009-03-105-F-4e

WHEREAS, On March 20, 2006, two (2) three-year contracts to provide professional municipal testing services effective April 1, 2006 through March 31, 2009, with the option to renew for an additional three (3) year period were awarded to Professional Service Industries, Inc. (PSI) and Testing Engineers and Consultants, Inc. (TEC), as a result of a best value process, at prices contained in the bid tabulation opened February 22, 2006 (Resolution #2006-03-143-E4d); and

WHEREAS, Professional Service Industries, Inc. (PSI) and Testing Engineers and Consultants, Inc. (TEC) have offered to renew their contracts for three (3) additional years under the same pricing schedule, terms and conditions as the 2006 contract;

THEREFORE, BE IT RESOLVED, That Troy City Council hereby **EXERCISES** the three-year option to renew the contracts for municipal testing services with Professional Service Industries, Inc. (PSI) of Auburn Hills and Testing Engineers and Consultants, Inc. (TEC) of Troy, MI, under the same pricing schedule, terms and conditions as the 2006 contract with additional services as outlined in their respective rate schedules, effective April 1, 2009 through March 31, 2012, with a provision for an increase based on the consumer price index inflation calculator or the (CPI) computation for the published Urban-Detroit/Ann Arbor Area between the base year of April 2009 and the current contract year, whichever is lower.

f) **Standard Purchasing Resolution 2: Bid Award – Lowest Bidder Meeting Specifications – Vehicle Graphics**

Resolution #2009-03-105-F-4f

RESOLVED, That Troy City Council hereby **AWARDS** a two-year contract to provide Police, Fire and Fleet departments with vehicle graphic material and/or installation, with an option to renew for two additional years, to the lowest acceptable total bidder, Majik Graphics, Inc. of Clinton Township, MI, at unit prices contained in the bid tabulation opened February 11, 2009, a copy of which shall be **ATTACHED** to the original Minutes of this meeting, with a contract expiration of March 31, 2011; and



CITY COUNCIL ACTION REPORT

March 6, 2009

TO: Phillip L. Nelson, City Manager

FROM: John M. Lamerato, Assistant City Manager/Finance & Administration
Susan Leirstein, Purchasing Director
James A. Nash, Financial Services Director
Sandra Kasperek, Treasurer

SUBJECT: Standard Purchasing Resolution 2: Bid Award-
Lowest Bidder Meeting Specifications -Tax Bill Printing Services

Background

- On February 25, 2009, bids were received and opened for IBT-COT 09-03 to provide printing services for the 2009 summer and winter tax bills with options to renew for two additional (1) year tax periods.
- 147 vendors were notified via the MITN system.
- Nine (9) bid proposals were received from eight (8) vendors. International Security Products, the apparent low bidder, did not meet specifications by failing to include a sample document demonstrating completion of a similar project.
- Vendors are required to provide laser printed tax bills inserted in envelopes, presorted and delivered to the post office by a specified date.
- The lowest acceptable bidder meeting specifications was DivDat of Ferndale, MI.

Financial Considerations

- Funds for these services are available in the operating budget of the Treasurer's Office, Account #101.191.253.7901.

Legal Considerations

- ITB-COT 09-03 was competitively bid and vendors were given the opportunity to respond with their level of interest in supplying summer and winter tax bill printing services for 2009.

Policy Considerations

- A contract award saves labor costs in personal service, and is a more efficient means of creating and distributing approximately 35,000 tax bills per billing season in a timely manner with little or no disruption to staff or our customers. (Outputs for Priority Funding M,T)

Options

- City management and the Finance division recommend awarding a contract for printing services for the 2009 summer and winter tax bills to the lowest bidder meeting specifications, DivDat of Ferndale, MI, at prices contained in the bid tabulation dated 2/25/09 with a contract expiration of December 31, 2009.

Opening Date -- 2/25/09
 Date Prepared -- 2/25/09
 sl

CITY OF TROY
 BID TABULATION
 PRINTING OF TAX BILLS

VENDOR NAME:

DIVDAT	Centron Data	Lasercom LLC	Datamatx, Inc.
	Services, Inc.		
CHECK # -	697669728	ON FILE	9117600985 1202182450
CHECK AMOUNT -	\$3,000.00	\$3,000.00	\$3,000.00 \$3,000.00

PROPOSAL: FURNISH ALL LABOR, MATERIALS, AND EQUIPMENT TO PROVIDE PRINTING SERVICES FOR THE 2009 SUMMER/WINTER TAX BILLS WITH OPTIONS TO RENEW FOR TWO (2) ADDITIONAL ONE-YEAR TAX PERIODS

EST QTY	DESCRIPTION	\$ PER BILLING	\$ PER BILLING	\$ PER BILLING	\$ PER BILLING
LASER PRINTED TAX BILLS					
10,000	INFORMATION STATEMENT 8.5" x 11" 70# White offset stock COMPLETE FOR THE SUM OF:	\$ 226.00	\$ 485.00	\$ 500.00	\$ 140.00
29,000	TAX STATEMENT 8.5" x 11" 70# White offset stock COMPLETE FOR THE SUM OF:	\$ 655.00	\$ 875.00	\$ 1,450.00	\$ 406.00
35,000	LASER IMPRINT FACE OF STATEMENT COMPLETE FOR THE SUM OF:	\$ 913.00	\$ 875.00	\$ 1,050.00	\$ 1,225.00
ENVELOPES					
35,000	#10 STANDARD WINDOW ENVELOPE 24# White wove stock COMPLETE FOR THE SUM OF:	\$ 737.00	\$ 1,010.00	\$ 805.00	\$ 1,085.00
25,000	#9 REPLY ENVELOPE 24# White wove stock COMPLETE FOR THE SUM OF:	\$ 537.00	\$ 870.00	\$ 625.00	\$ 625.00
FULFILLMENTS					
10,000	INFORMATION STATEMENT Fold form, Insert form into window envelope etc COMPLETE FOR THE SUM OF:	\$ 242.00	\$ 200.00	\$ 250.00	\$ 240.00
25,000	TAX STATEMENT Fold form, Insert form and return envelope into window envelope etc COMPLETE FOR THE SUM OF:	\$ 634.00	\$ 500.00	\$ 625.00	\$ 600.00
SET UP & PROGRAMMING CHARGE					
	COMPLETE FOR THE SUM OF:	\$ -	\$ 100.00	\$ 250.00	\$ 750.00
PRESORT & DELIVER TO POST OFFICE (Do NOT Include Postage)					
35,000	PRESORT COMPLETE FOR THE SUM OF:	\$ 525.00	\$ 175.00	\$ -	\$ 630.00
35,000	DELIVERY TO POST OFFICE COMPLETE FOR THE SUM OF:	\$ -	\$ -	\$ -	\$ -
ESTIMATED GRAND TOTALS:		\$ 8,938.00	\$ 10,180.00	\$ 11,110.00	\$ 11,402.00
COMPLETION SCHEDULE:					
Can meet		XX	XX	XX	XX
Cannot meet					
SERVICE FACILITY:					
Location	10811 Northend Ferndale, MI	1175 Devin Dr. Norton Shores, MI	2230 Elliot Troy, MI	0430 Lakeridge Pkwy Ashland, VA	
Hours of Operations	8 AM to 6 PM	M-F 24/7	M-F 7AM to 7PM	7am-12am M-F	
24HR Phone Number	248-721-2787	800-732-8787	248-670-1120	800-943-5240	

Opening Date -- 2/25/09
 Date Prepared -- 2/25/09

CITY OF TROY
 BID TABULATION
 PRINTING OF TAX BILLS

VENDOR NAME:

		DIVDAT	Centron Data	Lasercom LLC	Datamatx, Inc.
			Services, Inc.		
SAMPLE DOCUMENT	Y or N	Yes	Yes	Yes	Yes
PAYMENT TERMS		Net 30	Net 30	N-30	Net 30
DELIVERY		10 Calendar Days - As Specified			
EXCEPTIONS:		None	None	Blank	None
ACKNOWLEDGEMENT:	Y or N	Yes	Yes	Yes	Yes
COST BREAKDOWN	Y or N	Yes	Yes	Yes	Yes

DMS:
 International Security Products - Paso Robles, CA (\$8580) Reason: No sample document included with bid as specified.

HIGHLIGHTED AREA DENOTES LOWEST ACCEPTABLE BIDDER

ATTEST:
 Debra Painter

 Sandra Kasperek

 Linda Bockstanz

 Susan Leirstein CPPB
 Purchasing Director

Opening Date -- 2/25/09
Date Prepared -- 2/25/09

CITY OF TROY
BID TABULATION
PRINTING OF TAX BILLS

VENDOR NAME:

TGI Direct, Inc	American	University	University
	Mailers, Inc	Lithoprinters, Inc	Lithoprinters, Inc
9110701232	714305286	134106	134106
\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00

CHECK # -

CHECK AMOUNT -

PROPOSAL: FURNISH ALL LABOR, MATERIALS, AND EQUIPMENT TO PROVIDE PRINTING SERVICES FOR THE 2009 SUMMER/WINTER TAX BILLS WITH OPTIONS TO RENEW FOR TWO (2) ADDITIONAL ONE-YEAR TAX PERIODS

EST QTY	DESCRIPTION	\$ PER BILLING	\$ PER BILLING	\$ PER BILLING	\$ PER BILLING
<u>LASER PRINTED TAX BILLS</u>					
10,000	INFORMATION STATEMENT 8.5" x 11" 70# White offset stock COMPLETE FOR THE SUM OF:	\$ 430.00	\$ 972.50	\$ 760.00	\$ 760.00
				ALTERNATE RE-USEABLE ENVELOPE	
29,000	TAX STATEMENT 8.5" x 11" 70# White offset stock COMPLETE FOR THE SUM OF:	\$ 986.00	\$ 1,581.25	\$ 960.00	\$ 960.00
35,000	LASER IMPRINT FACE OF STATEMENT COMPLETE FOR THE SUM OF:	\$ 1,050.00	\$ 1,225.00	\$ 1,590.00	\$ 1,590.00
<u>ENVELOPES</u>					
35,000	#10 STANDARD WINDOW ENVELOPE 24# White wove stock COMPLETE FOR THE SUM OF:	\$ 980.00	\$ 1,045.80	\$ 1,460.00	\$ 1,560.00
25,000	#9 REPLY ENVELOPE 24# White wove stock COMPLETE FOR THE SUM OF:	\$ 650.00	\$ 765.75	\$ 1,030.00	\$ -
<u>FULFILLMENTS</u>					
10,000	INFORMATION STATEMENT Fold form, Insert form into window envelope etc COMPLETE FOR THE SUM OF:	\$ 225.00	\$ 250.00	\$ 1,040.00	\$ 1,040.00
25,000	TAX STATEMENT Fold form, Insert form and return envelope into window envelope etc COMPLETE FOR THE SUM OF:	\$ 485.00	\$ 600.00	\$ 1,975.00	\$ 1,975.00
<u>SET UP & PROGRAMMING CHARGE</u>					
	COMPLETE FOR THE SUM OF:	\$ 775.00	\$ 400.00	\$ -	\$ -
<u>PRESORT & DELIVER TO POST OFFICE</u> (Do NOT Include Postage)					
35,000	PRESORT COMPLETE FOR THE SUM OF:	\$ 90.00	\$ 250.00	\$ -	\$ -
35,000	DELIVERY TO POST OFFICE COMPLETE FOR THE SUM OF:	\$ 40.00	\$ 80.00	\$ -	\$ -
ESTIMATED GRAND TOTALS:		\$ 11,422.00	\$ 14,340.60	\$ 17,630.00	\$ 15,770.00
COMPLETION SCHEDULE:					
Can meet		XX	XX	XX	XX
Cannot meet					
SERVICE FACILITY:					
Location		5365 Hill 23 Dr Flint, MI	100 American Way Detroit, MI	4150 Varsity Dr Ann Arbor, MI	4150 Varsity Dr Ann Arbor, MI
Hours of Operations		6 AM to 11 PM M-F	7 AM to 5 PM	24/6 M-S	24/6 M-S
24HR Phone Number		800-337-2237	248-252-4675	734-973-9414	734-973-9414

Opening Date -- 2/25/09
 Date Prepared -- 2/25/09

CITY OF TROY
 BID TABULATION
 PRINTING OF TAX BILLS

VENDOR NAME:		TGI Direct, Inc.	American Mailers, Inc.	University Lithoprinters, Inc.	University Lithoprinters, Inc.
SAMPLE DOCUMENT	Y or N	No	Yes	No	No
PAYMENT TERMS		Net 30	N-30	Net 30	Net 30
DELIVERY		10 Calendar Days - As Specified			
EXCEPTIONS:		None	No Exceptions	Attached	Accepting our alternate proposal - we will need 5 to 7 extra days to print re-usable envelope only
			Postage must be paid in advance of delivery to PO	To Bid	
		Yes	Yes	Yes	
ACKNOWLEDGEMENT:	Y or N	Yes	Yes	Yes	Yes
COST BREAKDOWN	Y or N	Yes	Yes	Yes	Yes