



Legislation Text

File #: 24-637, **Version:** 1

Report Prepared by: Michelle Zamudio, Revenue & Customer Service Supervisor, Finance Department

SUBJECT: Approval of First Amendment to Service Agreement with ABS Direct, Inc for Printing and Mailing Services Through December 31, 2025

REPORT IN BRIEF

Considers approving an extension of the current agreement with ABS Direct, Inc through December 31, 2025, to align with the completion of Tyler Technologies conversion and implementation of all modules.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving First Amendment to Service Agreement with ABS Direct, Inc; and,
- B. Authorizing the City Manager to execute all necessary documents.

ALTERNATIVES

- 1. Approve, as recommended; or
- 2. Refer matter back to staff for changes; or
- 3. Deny.

AUTHORITY

Chapter 3.04, Purchasing System, sets forth procedures for contracting for professional services.

CITY COUNCIL PRIORITIES

As provided in the Fiscal Year 2024/25 adopted budget.

DISCUSSION

The City currently contracts with ABS Direct, Inc. (ABS) to provide printing and mailing services for various billing statements. The billing statements are for municipal services, business license, and miscellaneous receivables. This service includes printing, folding and inserting the statements, as well as sealing, applying postage, and mailing. The City Council approved this agreement on June 3, 2019, after the Finance Department conducted a Request for Proposal (RFP).

The current contract with ABS expires June 30, 2024, and under regular circumstances the City would have gone out for an RFP. However, the City is currently in the middle of an ERP implementation which is converting Central Square operations to Tyler Munis operations. This implementation will result in changes to all billing statements and the related printing and mailing

processes. Due to this fact it would be difficult to get an accurate proposal until the conversion and changes to city processes are completed. The Finance Department is requesting an extension of the current contract with ABS through December 31, 2025. ABS Direct, Inc. has provided the Finance Department with an updated fee schedule with the rate per item for printing and mailing services for July 2024 to December 2025.

ABS is consistent and reliable. The company provides quality and timely service and has maintained a good working relationship with the City.

IMPACT ON CITY RESOURCES

The estimated annual cost for printing is \$97,532 and postage is \$245,019 for a total of \$342,551. Of these costs, 90% are for utility bills and delinquent notices.

Funding for printing and mailing services are included in the water, sewer, refuse, and General Funds as part of the adopted Fiscal Year 2024-25 budget. No additional funding is needed.

ATTACHMENTS

1. First Amendment to Professional Services Agreement
2. ABS Exhibit A
3. ABS Exhibit B
4. Original Agreement