



Board Agenda Item 24

DATE: February 26, 2019

TO: Board of Supervisors

SUBMITTED BY: Oscar J. Garcia, CPA, Auditor-Controller/Treasurer-Tax Collector

SUBJECT: Agreement with Document Fulfillment Services to Provide Print and Mail Services

RECOMMENDED ACTION(S):

1. **Make a finding that it is in the best interest of the County to waive the competitive bidding process consistent with Administrative Policy No. 34 for unusual or extraordinary circumstances for the solicitation of print and mail services.**
2. **Approve and authorize the Chairperson to execute an agreement with Document Fulfillment Services to provide print and mail services, effective March 1, 2019 through February 29, 2024 which includes a three-year base contract and two optional one-year extensions, total not to exceed \$1,800,000.**

Approval of the recommended action would authorize Document Fulfillment Services (DFS) to provide print and mail services to the Auditor-Controller/Treasurer-Tax Collector Department (ACTTC). This item is countywide.

ALTERNATIVE ACTION(S):

Failure to approve the agreement would result in the responsibility of printing and mailing the statutorily required tax bills and statements reverting to the ACTTC staff. This will significantly increase the cost of print and mail functions.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

It is requested that the County waive the competitive bidding process under Administrative Policy No. 34 under the "unusual or extraordinary circumstances" exception. A Request for Proposal (RFP) was issued June 1, 2013 for print and mail services. Out of the three respondents, DFS was awarded the agreement and is the County's current vendor. In 2019 the County will be converting its property tax system to Megabyte. The property tax system conversion will be an enormous task and choosing DFS will reduce potential conflicts that may occur between a new print and mail service provider and Megabyte. At the end of this agreement it is the ACTTC's intention to issue an RFP for vendors. Purchasing supports this justification to waive the competitive bidding process.

FISCAL IMPACT:

There is no additional net County cost associated with the recommended action. Funds to pay DFS for services provided in Fiscal Year 2018-19 have been budgeted in General Fund Org 04100500, Tax Collector, Accounts 7268 and 7295.

DISCUSSION:

Mail and print services are currently needed to fulfill the statutorily requirements of the State of California. Revenue and Taxation code 2610.5 requires the County to mail a County tax bill for every property on the secured roll. The County currently is contracted with DFS to provide mail and print services. The existing contract with DFS will expire on February 28, 2019.

The proposed agreement with DFS will be effective March 1, 2019 through February 28, 2022, with an option to extend for two additional one-year periods at a maximum cost of \$400,000 for the first year and \$350,000 for each remaining year. The Tax Collector will monitor the performance of the vendor to ensure the vendor is performing satisfactory prior to implementing the extension options.

REFERENCE MATERIAL:

BAI# 22, February 25, 2014

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with DFS
Suspension of Competition Acquisition Request

CAO ANALYST:

Debbie Paolinelli