Legislation Text

File #: 19-0638, **Version:** 1

DATE: June 4, 2019

TO: Board of Supervisors

SUBMITTED BY: Delfino E. Neira, Director, Department of Social Services

SUBJECT: Agreement with BIT California, LLC dba Document Fulfillment Services for Printing and Mailing Services

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute an Agreement with BIT California, LLC dba Document Fulfillment Services for printing and mailing services, effective July 1, 2019, not to exceed eight consecutive years, which includes a three-year base contract and one optional five-year extension, total not to exceed $28,800,000.

Approval of the recommended action will allow BIT California, LLC dba Document Fulfillment Services (DFS) to print and mail client correspondence, with no increase in Net County Cost. Printing and mailing services will be provided on a fee-for-service basis and are necessary for the Department to meet State and Federal requirements for mandated notifications and client correspondence. This item is countywide.

ALTERNATIVE ACTION(S):

There is no viable alternative action. Existing County infrastructure does not have the capacity to provide the services. Should your Board choose not to approve the Agreement, the County will be unable to meet State and Federal mandated timeframes for client correspondence.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum cost of the recommended agreement is $28,800,000, comprised of $14,400,000 in printing costs and $14,400,000 in postage costs, based on current postage rates. Vendor compensation is based on the actual documents printed and mailed on behalf of the Department.

The cost of the Department's printing and mailing services will be offset with CalWIN Allocation and Social Services Program funds. CalWIN Allocation costs will be offset with Federal and State reimbursement ($6,792,080) and 1991 Social Services Realignment ($248,448) with the General Relief program share of cost funded by Net County Cost ($38,000). The Social Services Program costs will be offset with State and Federal Social Services funds ($18,624,386) and 1991 Realignment ($984,246) with the General Relief program share of cost funded by Net County Cost ($112,556). In addition, 2011 Realignment funds will offset the former State share of the Child Welfare Services and Adult Protective Services Programs that were realigned to counties through Assembly Bill 118 ($2,000,284). Sufficient appropriations will be included in the FY 2019-20 Recommended Budget for the Department of Social Services Organization 5610 and will be included in subsequent budgets.

DISCUSSION:

The Department has contracted with DFS for printing and mailing services since December 1, 2005. The Board last authorized an amendment to extend the term of the agreement with DFS on June 6, 2017, as Sacramento County's contracting process was not complete. Sacramento County, for efficiency, coordinates the competitive bidding process on behalf of all CalWIN counties. Request for Proposal (RFP) #8352 for CalWIN Client Correspondence Printing and Mailing Services was released by Sacramento County on March 29, 2016. Two proposals were received and reviewed for quality and cost by a committee, which included representatives from Santa Barbara and Sonoma counties. The proposal submitted by DFS was selected and Sacramento County's Board authorized the agreement on August 14, 2017, following a period of review. The County's Internal Services Department - Purchasing concurs with the recommended action.

Approval of the recommended action will allow DFS to provide the Department with timely printing and mailing services, ensuring all mandatory notification deadlines for social services programs are met. DFS will also generate accounts receivable billing notices and special one-time mailings to specific populations. Vendor compensation is computed on a fee-for-service basis. Services include, but are not limited to: black and white printing, inserting, folding, postage, and programming for special mailings. Typical printing for the Department includes over two million images with 170,000 pieces mailed each month. The recommended maximum compensation accounts for existing average monthly costs, a contractually obligated 5% increase in printing costs beginning in the fourth year, fluctuations in caseload size, anticipated postage increases, and the potential need for large monthly mailings resulting from future social services programs. To allow for uninterrupted service delivery while invoices are processed, the Department has set up a postage deposit account of approximately three months of postage costs.

The recommended agreement term deviates from your Board's preferred length and matches the term in Sacramento County's agreement. A uniform contract end date aligned with other CalWIN counties is expected to ease the anticipated transition to the CalSAWS welfare data management system in 2022.

REFERENCE MATERIAL:

BBR - Transition from the CalWORKs Information Network to the California Statewide Automated Welfare System, October 8, 2018
BAI #61, June 6, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Document Fulfillment Services

CAO ANALYST:

Ronald Alexander