



AGENDA MEMORANDUM

Action Item for the City Council Meeting of September 10, 2024

DATE: September 10, 2024

TO: Peter Zaroni, City Manager

FROM: Nicholas Winkelmann, P.E. Director of Water Systems and Support Services
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Utility Bill Printing, Mailing and Insert Printing Services

CAPTION:

Motion authorizing execution of a one-year service agreement, with four one-year options, with USIO Output Solutions, Inc., of San Antonio, in an amount not to exceed \$925,670.00, with a potential up to \$4,628,350.00 if options are exercised, for utility bill printing, mailing and insert printing services for Corpus Christi Water, with FY2024 funding of \$77,139.16 from the Water Fund.

SUMMARY:

This motion authorizes a one-year service agreement with four one-year options for utility bill printing, mailing and insert services.

BACKGROUND AND FINDINGS:

The Utility Billing Office (UBO) is managed by Corpus Christi Water and provides monthly utility billing for water, wastewater, gas, solid waste, and stormwater services. The UBO division consists of resolutions specialists, billing specialists, supervisory, and quality assurance staff.

A service provider is utilized for printing, folding, processing, and mailing of the City's utility bills, delinquent notices, and inserts. The contract for this service also includes electronic archiving of these bills which are accessible by authorized city staff. Each

month approximately 108,000 utility bills and 15,000 delinquency notices are prepared and mailed utilizing these contracted services.

PROCUREMENT DETAIL

A Request for Proposal (RFP) was issued for a new service agreement for utility bill printing, mailing and insert printing services. The city received five proposals which were evaluated by the City’s evaluation committee. The evaluation committee was comprised of five members from the IT and Corpus Christi Water Departments. The Request for Proposal committee evaluated all aspects of the company’s current capabilities and correspondingly assigned an appropriate point score as part of the selection process.

Each proposer had the potential to earn one hundred points which were divided into different categories culminating the overall score. These categories consisted of technical qualifications which had a possibility of 50 points, the interview which had a possibility of 25 points, pricings which had a possibility of 15 points, and local preferences which had a possibility of 10 points. Final scores were tabulated for each firm to determine the service provider offering the best value to the city for utility bill printing, mailing and insert printing services.

The selection committee recommends the award to USIO Output Solutions, Inc., of San Antonio. They are the vendor that submitted the most competitive proposal and received the highest overall score of 83.4 out of 100 points. The processing facility for USIO is in San Antonio with Municipal utility billing comprising 49% of their overall business which includes many medium and small-size cities in Texas. USIO is the current service provider and has performed very well.

The box below shows cost comparison of the previous contract and the new cost proposal.

Item	USIO Output Solutions, Inc. 2018 -1 year	USIO Output Solutions, Inc. 2024 – 1 year	Variance in Dollars	Variance in Percent
Utility Bill Printing, Mailing and Insert Printing Services	\$886,886.48	\$925,670.00	\$38,783.52	4.4%

ALTERNATIVES:

City Council could choose not to award the contract to USIO. Not awarding the contract for these services would disrupt the operation and critical functions of the Utility Billing Office and require the issuance of another RFP.

FISCAL IMPACT:

The fiscal impact for the Water Fund in FY 2024 is \$77,139.16.

Funding Detail:

Fund: 4010 Water Fund
Organization: 30010 Utility Water Office
Department: 45 Water
Project # (CIP Only):
Activity:
Account: 530000 Professional Services

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Evaluation Matrix
Service Agreement