

Vendor: Please return this sheet.

PROPOSAL SUMMARY

Title: **MAIL PROCESSING FOR UTILITY STATEMENTS**
Due Date: **Friday, October 14, 2011 at 2:00 p.m.**

Having carefully examined the attached specifications and any other applicable information, the undersigned proposes to furnish all items necessary for and reasonably incidental to the proper completion of this bid. Vendor submits this bid and agrees to meet or exceed all requirements and specifications unless otherwise indicated in writing and attached hereto.

Vendor certifies that as of the date of this bid the Company or he/she is not in arrears to the City of Traverse City for debt or contract and is in no way a defaulter as provided in Section 152, Chapter XVI of the Charter of the City of Traverse City.

Vendor understands and agrees, if selected as the successful Vendor, to accept a purchase/service order and to provide proof of the required insurance.

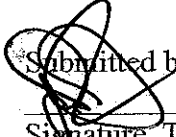
The Vendor shall comply with all applicable federal, state, local and building codes, laws, rules and regulations and obtain any required permits for this work.

The Vendor certifies that it is in compliance with the City's Nondiscrimination Policy as set forth in Administrative Order No. 47 and Chapter 605 of the City's Codified Ordinances.

Vendor understands that the City reserves the right to accept any or all bids in whole or part and to waive irregularities in any bid in the best interest of the City. The bid will be evaluated and awarded on the basis of the best value to the City. The criteria used by the City may include, but will not be limited to: ability, qualifications, timeframe, experience, price, type and amount of equipment, accessories, options, insurance, permits, licenses, other pertinent factors and overall capability to meet the needs of the City. The City is sales tax exempt - Government.

Vendor agrees that the proposal may not be withdrawn for a period of 120 days from the actual date of the opening of the proposal.

Cost of services as outlined in Paragraph D - Pricing: Initial setup fee \$ -0
Cost per item \$.19 EACH

Submitted by: 
Signature, Title President

DAVANT CORPORATION T/A Small Business Service Center
Vendor Name (if corporation, State of corporation)

122 E. KINGS HWY #504
Address

MAPLE SHADE, MI 08052
City, State, and Zip

OFFICE FAX
(856) 234-8059 (856) 234-3702
Phone and fax number

Small Business Service Center

**Proposal for the City of Traverse City
Mail Processing for Utility Statements**

Small Business Service Center Pricing Price Schedule is based on 11,000 bills per month

Production Processing :

Preprocessing	N/C
Laser printing simplex (black toner) or	\$.020 per image
Laser printing simplex (black & 1 highlight color, Red, Blue, Yellow	\$.020 per image
Fold & Insert	\$.020 per sheet
Insert #9 Remit Envelope	\$.010 per envelope
Insert of Generic Inserts	\$.010 per insert
Barcode/presort/mail	\$.020 per piece
Seal and Meter	\$.010 per envelope

NCOA Link Processing N/C

Pre-printed Custom Paper Stock

8 ½ x 11 24# white, 3.5" micro-perforated, preprinted 2/1 \$.020 per sheet

Customer Envelope - Preprinted 1/0 (As specified)

#10 - 24# White, single window envelope (with security tint) printed 1/0	\$.030 per envelope
#9 - 24# Blue Closed Face envelope (with security tint) printed 1/0	\$.030 per envelope

USPS Postage – Postage is due in advance and is reported monthly

USPS First Class Automated Rate per postal receipts, 1 oz. Postage estimate – at qualifying rate (.335 to .44).

Programming and Set Up

Initial Programming Setup	N/C
eTRAX (User set-up, activation)	N/C
eTRAX - online job tracking/reporting	N/C
Form Design and/or Document Changes	\$75/hr
Programming	\$75/hr
On-Demand Clerical/Hand Processing	\$20/hr

Optional CD Archival Pricing

1 time set-up fee per application	\$40.00 one time set-up fee
PDF File Conversion and index	N/C
Media Fee	\$50.00 per CD
Additional copied of CD	\$50 per duplicate copy

USPS Confirm Tracking

Electronic Reports Set-up	N/C
Ongoing per piece tracking	N/C

Small Business Service Center

Proposal for the City of Traverse City
Mail Processing for Utility Statements

utility Bill Per Piece/Per Thousand Cost

Utility Bills
8 ½ x 11, White, 24 lb Paper, 3.5" Micro-Perf, Preprinted 2/1

#10 White Single Window Envelope, Preprinted 1/0
#9 Blue Closed Face Remit Envelope, Preprinted 1/0

Laser Images per record	1,000	
Sheets Per Record	1,000	
1,000 Data Processing	0.020	\$20.00
1,000 Laser Black Toner	0.020	\$20.00
1,000 Fold & Insert	0.020	\$20.00
1,000 Insert #9 Remit Envelope	0.010	\$10.00
1,000 Insert Generic Inserts	0.010	\$10.00
1,000 Barcode/presort/mail	0.020	\$20.00
1,000 Seal and Meter	0.010	\$10.00
1,000 White 8 ½ x 11 with 3.5" micro-perf, printed 2/1	0.020	\$20.00
1,000 #10 - 24# White single window envelope, printed 1/0	0.030	\$30.00
1,000 #9 - 24# Blue closed face envelope, printed 1/0	0.030	\$30.00
Cost Per Piece	0.190	
Cost Per Thousand		\$190.00
		Plus Postage



October 3, 2011,

Julie Dalton
Purchasing Agent
City Manager's Offices
Governmental Center, second floor
400 Boardman Avenue
Traverse City, MI 49684

Julie,

The following proposal represents your Mail Processing for Utility Statements.

DataMail Services, Inc. is prepared to supply Traverse City with the printing and inserting of their Utility Statements. DataMail Services will provide complete laser and offset print services in one facility, along with full service insertion and mail fulfillment. Quality control reporting can be supplied on a predetermined schedule to Traverse City for auditing purposes.

SCOPE: The City will provide *(answers/exceptions to questions) 1-4*

1. DataMail Services uses a secured ftp file transfer client called "Moveit"
2. DataMail Service uses a postage security program DataMail Services is proud to offer a service that eliminates the need for you to create and mail monthly postage checks.
3. DataMail can do selective inserting and inserting – there is a difference and must be explained in the "Scope of Work".
 - a. *Selective Inserting* – In the initial set-up of the programming DataMail would key off a phrase, number, name for a ACH account and thus a #9 return envelope would **"not be inserted"** basically the customer is receiving a information copy thus no remittance is needed to send back for payment.
 - b. *Inserting* - All mail being process would receive an insert or depending on how the data file is received we could add insert to one file and not the other (2 separate jobs).
4. Any customer supplied materials such as statement forms and envelopes must be approved by DataMail Services prior to production. Our quality control procedures require strict adherence to a number of specifications.



SCOPE: The Vendor will provide (*answers/exceptions to questions*) 1-11

1. DataMail Service will store and manage inventory at the DataMail Services facility located at Madison Heights plant.
2. DataMail can render many different data formats, from PDF, Print Image, Txt file, etc... Test file will need to be provided from the city for set-up and testing.
3. A thru H is currently the process that we follow. "Moveit" the ftp file transfer client will time date stamp your data file with e-mail notifications for both parties.
4. This will need to be discussed in detailed by review of the data file we receive.
5. DataMail will Cass Certify and IMB the address block at the front end of the data processing.
6. DataMail is one of the USPS largest customers in south eastern Michigan and we are always up to date with the postage regulations. We keep our customers up to date as well.
7. Please review our new audit report, *SAS 70 type II* is now called: *SSAE 16 Type II*
8. Proofs of artwork are always sent to the customer via e-mail for sign-off and approval. Nothing is printed or mailed without customer approval or sign-off. If you decide to go to a lock box service from a bank, the bank must receive samples of the OCR Scan Line for final approval before a print and mail can proceed.
9. Quality Control process is detailed within the *SSAE 16 Type II* report
Internal Control – DataMail Services use's a secured FTP client to move files back and forth between its customers. Q.C measures are in place with MOVEit. Checks and balances are in place with e-mail notifications with time /date stamp when a file is received and pick-up between both parties.
Contingency Plan – DataMail Services is *SSAE 16 Type II* compliant – DataMail Services prints and mails highly secured financial statements for hundreds of financial institutions. That said, we have a complete redundancy plan that includes (2) disaster and recovery sites and another plant operation located in Lansing Michigan.
DataMail Services has (2) locations
A) 747 E. Whitcomb Avenue Madison Heights, Michigan 48071-1409
B) Lansing Operations -Suite 4D 3120 Sovereign Dr. Oakwood Executive Park, Lansing, Mich. 48911
10. This is detailed within the *SSAE 16 Type II report*
Our data center is backed up in Flint Michigan with a secondary facility in Ann Arbor. We also have redundant data lines and associated fire walls /routers in case of failure of our primary internet connection.
11. Project: Set-up timeline estimate: 45 to 60 days prior to the Drop Date (Set-up of test file and art work)



DataMail Services, Inc. Deliverables

DataMail Services will be responsible for the following:

- Quantity based on 11,000 each month or 132,000 a year (pre-print of stock and envelopes will include a 3% over run)
- #10 DataMail (In-House) White Single Window Envelope printed 1 color 1 side
- #9 Blue Return Envelope printed 1 color 1 side
- Utility Stock - #50 White Offset 8 ½ x 11 – Colors 2/2 – Laser print 1 side (Simplex) – 1 perforation for remittance
- Immediate processing of all input files (HTE Sungard –Data File Undetermined) - 24 hour turnaround would be based on one business day.
Example: Live file arrives on a Friday morning – print and mail following Monday. Turnaround time subject to Holidays also.
Example: If customer requires sample sign off – clock starts after customer approval to proceed to print and mail.
- Cass/Postal Certification for best possible postage discount and IMB (Parse Address Block)
- Selective Inserting of # 9 Return Envelope :(Key off of a phrase or word for ACH Accounts if applicable)
- Ancillary Postal Endorsement: Selective - add postal endorsement for a name, no endorsement if we see “OWNER” or “RESIDENT”
- House Hold – Key off same name and address/ Bundle the water bills and stuff into a large envelope- label and mail Insert /Fold and Sort Tax bill into DataMail #10 Envelope
- Quality control and quality control reporting.
- Postage additional – The use of DataMail Services Permit (*Indicia Printed on Envelope not metered*)
- Programming changes after set-up and approval are additional and will be quoted at \$95.00 per hour based on programming hours needed for customer change.
- Price does not include NOCA – please refer to attached pricing table below.



NCOA Changes now in effect: First Class Options

1. Use an NCOA^{Link} Product – We can use our current product Mail Manager-BCC. Client would send in a complete address file, we would run it against the USPS National Change of Address List and provide them back a file of the changes. This has to be performed every 95 days for the paper work to remain in compliance. Charges noted below.

NCOA File Processing

NCOA list processing updates your list(s) using 18 months of data from the database of Change Of Address (COA) forms filed with the Postal Service.

Processing Identifies moves that occurred between 19 and 48 months ago. It returns the Move Effective Date (MED), but not the new address.

Process validates address information at the physical delivery point level. This will allow you to identify Undeliverable As Addressed (UAA) mail prior to mailing.

NCOA File Processing Charges, these are per thousand

Minimum Charge \$ 55.00

1-50	51-100	101-250	151-250	251-500	501-1000	> 1000
\$2.60	\$2.40	\$2.30	\$2.10	\$1.90	\$1.65	\$1.35

Or

2. Ancillary Endorsements

- a. If an ancillary endorsement is used then the customer agrees that they will update their records as mail is returned. **If address updates are not kept current, your mailing could be flagged and required to mail out at .44 cents each. Postage pre-sort discounts will be denied.**
- b. Valid endorsements are:
 - i. Return Service Requested – Piece is returned to Mail Owner with new address or reason of non-delivery (No addl. Change) unless you re-mail the piece with the correct address.
 - ii. Address service requested- Mail piece is forwarded and a hard copy of the address change is sent to the Mail Owner (50¢ fee for hard copy)
 - iii. Temp-Return Service Requested-Returns the piece but does not provide COA information



DOCUMENTS REINVENTED

**Total Summary based on 11,000 bills per month, receiving a data file approx 2,200 parcels 5 times a month
8 1/2 x 11 White 24 lb Paper, 3.5" Micro-Perf – Pre-printed 2/2**

• Annual Printing of Water Bills Stock	136,000 @.016	\$ 2,176.00
• Annual Printing of #10 Window Envelope	136,000@.029	\$ 3,944.00
• Annual Printing of #9 Blue Return Envelope	136,000@.029	\$ 3,944.00
• 1 Time Set-up Data Process Fee		No Charge
• Monthly Data Processing Fee	132,000@.005	\$ 660.00
• Annual Laser Toner Printing based on	132,000 @.025	\$ 3,300.00
• Annual Letter Shop based on	132,000 @.043	\$ 5,676.00
• Add multiple bills into 6x9 and or 9x12 Monthly Lot Fee \$55.00		\$ 660.00
DataMail Services Sub total		\$20,360.00
• *Estimated Annual Average Postage based on 1 st class pre-sort .34 x 132,000 =		\$44,880.00
Total Cost		\$65,240.00

Estimated Average cost per piece (not including postage) based on 132,000 .1542 cents a piece
 Estimated Average cost per piece (including postage) based on 132,000 .4942 cents a piece

Additional costs not list above are services that are not usually run each month.

- NCOA Processing - \$55.00 Lot Charge Per run (see above chart)
- Programming changes after set-up and approval are additional and will be quoted at \$95.00 per hour based on programming hours needed for customer change.
- Additional Insert -\$5/M or .005 each

Project: Set-up timeline estimate: 45 to 60 days prior to customers drop date (Set-up of test file and art work)

Live Data Turnaround: 24 hours upon approval to print and mail prior to drop date:

Note: The success of this project is dependent upon the timely receipt of customer-supplied components. Prices quoted are based on the actual job specifications indicated above and are valid for 120 days from the above date. If any portion of the specs should change DataMail Services, Inc. reserves the right to adjust the pricing schedule accordingly

Confidentiality Disclaimer:

All contents of this estimate proposal (including but not limited to pricing and references) are for the explicit use of Traverse City employees only. Any unauthorized disclosure of contents, review, use, print, save, copy, or distribution is strictly prohibited.

Thank you for your time and the opportunity to serve the Traverse City.

Sincerely,

Jeff Hayden
 Sales Executive
 DataMail Services
 747 E. Whitcomb Avenue
 Madison Heights, Michigan 48071
 (313) 530-3672



Payment Outline:

1st Invoice will include:

• Annual Printing of Water Bills Stock	136,000 @.016	\$ 2,176.00
• Annual Printing of #10 Window Envelope	136,000@.029	\$ 3,944.00
• Annual Printing of #9 Blue Return Envelope	136,000@.029	\$ 3,944.00
• 1 Time Set-up Data Process Fee		No Charge
• Monthly Data Processing Transmittal Fee	11,000@.005	\$ 55.00
• Monthly Laser Printing based on	11,000@.025	\$ 275.00
• Monthly Letter Shop based on	11,000@.043	\$ 473.00
• House Holding Flat Lot Charge 6 x 9 or 9 x 12		\$ 50.00
• Postage based on exact USPS weights and measures example: 11,000 x.34		\$ 3,740.00
	▪ Total	<u>\$14,657.00</u>

2nd thru 12th Invoices will include the following until annual reprint of stock and envelopes.

• Monthly Data Processing Transmittal Fee	11,000@.005	\$ 55.00
• Monthly Laser Printing based on	11,000 @.025	\$ 275.00
• Monthly Letter Shop based on	11,000@.043	\$ 473.00
• House Holding Flat Lot Charge 6 x 9 or 9 x 12		\$ 50.00
• Postage based on exact USPS weights and measures example: 11,000 x.34		\$ 3,740.00
	▪ Total	<u>\$ 4,593.00</u>

Payment Terms Net 10 days

One Time Set Up Charges:

Programming and Set Up	\$75/hour	9 hours	\$650 Total
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Monthly estimate with Option 1 forms:

Service	Per Item Price	Volume	Extended Charge
Print	.06	11,000	\$660.00
Insert	.03	11,000	\$330.00
Forms (blue)	.02	11,000	\$220.00
Envelopes - outgoing	.03	11,000	\$330.00
Return Envelopes	.03	11,000	\$330.00
Postage estimate	.34	11,000	\$3,740.00
Presort, processing and handling	.035	11,000	\$385.00
TOTAL*			\$5,995.00

Note that most of the monthly expense is postage and stock.
 Per bill price with postage is .545.
 Per bill price without postage is .205.

Monthly estimate with Option 2 Custom Color forms (Current Form):

Service	Per Item Price	Volume	Extended Charge
Print	.06	11,000	\$660.00
Insert	.03	11,000	\$330.00
Forms (current color)	.022	11,000	\$242.00
Envelopes - outgoing	.03	11,000	\$330.00
Return Envelopes (blue)	.03	11,000	\$330.00
Postage estimate	.34	11,000	\$3,740.00
Presort, processing and handling	.035	11,000	\$385.00
TOTAL*			\$6,017.00

Note that most of the monthly expense is postage and stock.
 Per bill price with postage is .547.
 Per bill price without postage is .207.

As the stock for forms and envelopes are replenished annually, price adjustments may be incurred according to paper prices in the market.

Postage pricing adjustments will be made according to pricing changes by the USPS.

The annual percentage of increase will be the lower of CPI inflation rate or 5%.

Confidentiality Notice: This document and its related attachments are for the sole use of the intended recipient and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited.

**Print and Mail Service for City of Traverse City
October 6, 2011**

This pricing is provided with the following assumptions:

- Volume – approximately 11,000 items per month
- Invoices are one page 8.5" x 11" perforated stock
- Files will be received 1 business day prior to mailing due date
- Postage estimate is based on metered mail, zip code sorts and postal compliance

Monthly Services	Unit Price	Notes
Print impression	.06 each	
Insert (bill, payment envelope, other enclosure)	.03 each	Payment envelope can be a selective insert, if auto pay customers are identified.
Processing: Presort, CASS, IMb, NCOA Link, file processing*	.035 each record	NCOA Link report will be returned to the city for updating address records per internal procedures.
Postage Estimate*	Estimate: .10 discount off of the full first-class rate, so .34 per 1 oz. piece at the current first-class rate.	Presort concentration (assumes 5-digit) and compliance with postal rules determines the discount. Postage is prepaid for first month's estimate, billed for "actual" going forward, which keeps 1 month postage on deposit.
Forms and Envelopes – Option 1		
Forms; 8.5 x 11, 24lb. white, perforation, with blue screened color (example provided)	.02 each	
Carrier Envelope, double window #10, 24lb. white	.03 each	Form designed to show outgoing and return addresses through windows of the envelope.
Return Envelope, std. #9 single window	.03 each	Remittance address designed on coupon to show through window of the envelope.
Forms and Envelopes – Option 2 (Current Forms)		
Forms: 8.5 x 11, 24lb. white paper, 2 colors on front, prints one color on back, perforated.	.022 each	If custom color, ordered in quantities of 135,000 and order paid for at time of delivery.
Carrier Envelope, single window, 1 color on face and black inside tint	.03 each	If custom color, ordered in quantities of 135,000 and order paid for at time of delivery.
Blue #9 Return Envelope, preprinted	.03 each	If custom color, ordered in quantities of 135,000 and order paid for at time of delivery.
One Time Set Up Fees		
Programming/set up charge	\$75/hour	Hours estimate given when test file and layout is received. Typical quote is 6 - 9 hours.
Other Optional Items		
Programming/analyst charge	\$75/hour	Changes to scope of project or changes after initial set up may be billable at the hourly rate.
Exception handling	.75 each (plus additional postage, if necessary)	Foreign mail, flat mail, manual pulls, reprints, etc.
Research/special requests	\$26/half hour	
PDF (electronic image for customer)	25.00 per cycle	Provide PDF for each cycle
Produce inserts/enclosures	Priced as requested	Depends on size and color

*To achieve maximum discounts on postage, certain processes must be performed to prepare mail according to USPS rules. Mail must be machine readable (CASS adds barcode) and the address data base must comply with Move Update rules. Move Update compliance can be achieved with Ancillary Service Endorsements, Address Correction Service or with NCOA processing. Without CASS and Move Update compliance, discounted postal rates cannot be given. Full First-Class postage rate is .44 starting May 11, 2009.

DATAMATX Pricing Schedule

Production Processing

Preprocessing	\$0.00800	per image (5)
Laser printing simplex (Black)	\$0.02100	per image (5)
Intelligent Fold & Insert	\$0.01500	per sheet
Pocket insert each additional static piece (#9 Remit, Bill Stuffer, etc.)	\$0.00400	per insert
Seal and Meter (Inline)	\$0.00600	per envelope
Barcode/presort/mail	\$0.01800	per envelope
NCOA Link Move Update processing	\$0.35000	per hit (6)

Standard Paper Stock

White, 24 lb, 8.5" x 11, Plain	\$0.01100	per sheet
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Custom Paper Stock (4)

White, 24 lb, 8.5" x 11" Standard Preprint, 3.5" perforation, Printed 2/1	\$0.01500	per sheet
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Custom Envelopes (4)

White, 24 lb, #10 Standard Single Window, Printed 1/0	\$0.03000	per envelope
Blue, 24 lb, #9 Closed Face, Printed 1/1	\$0.02630	per envelope

Standard Envelopes

White, 24 lb, DX #10 Standard Double Window	\$0.01470	per envelope
White, 24 lb, #9 Standard Right/Left Single Window Envelope, Plastic window	\$0.01310	per envelope
White, 24 lb, 6 X 9" Double Window Envelope (6-13 pages)	\$0.04400	per envelope
White, 24 lb, 9 X 12" Double Window Catalog Envelope (14-33 pages)	\$0.25000	per envelope
White, 24 lb, 9 x 12" Double Window Accordion Envelope (34+ pages)	\$0.65000	per envelope

Programming and Setup

Initial Programming/Bill Design Per Document Type/Application **Completed, No Additional Charge**

Post implementation Programming (Maintenance & Changes) \$100.00 per hour

Bill/Form Design or Changes \$100.00 per hour

A document type is defined as a set of documents that: a) use the same paper stock, b) use the same outbound envelope, c) are based on the same set of data sent at the same time, and d) have the same turnaround requirements.

USPS Postage (2) - First Class 1 oz. Piece Rate (Effective April 2011)

5 digit sort	\$0.340
3 digit sort	\$0.365
AADC	\$0.368
Mixed AADC	\$0.390
Full rate (non-qualifying, non-automation compatible addresses)	\$0.440
Co-mingled Presort	\$0.390

Move-Update Compliance

To qualify for first class postage discounts, you are required to use a USPS approved method to update your address list within 95 the 95 day period prior to each mailing. If you choose a move update method outside of DATAMATX, we will process your mail through NCOA and will upgrade any hits on the NCOA database to full rate class postage prior to mailing avoid potential USPS penalties for non-compliant mail. If your move update process is successful, there should be few or no pieces upgraded, however due to timing differences between updates to various USPS and licensee databases, there may be occasional upgrades required.

Postage Deposit

For recurring mailings, a postage deposit for an estimated 45 days postage is required in advance of any mailing and maintained in a postage escrow account. Actual metered postage usage is drawn from the account and billed on your next monthly invoice to refresh the escrow balance. For single run mailings, a deposit of the estimated postage amount must be received in advance of mailing. Any remaining credit or debit balance will be settled upon completion of the mailing.

eTRAX Client Internet Job Tracking and Reporting Access

(Track jobs in production, create ad-hoc production total reports, securely upload/download files)

Monthly Access for up to 5 users	Free
Additional users	\$ 25.00 Month per user

Optional CD/DVD Archival Pricing

1-time set up fee per application	\$150.00	one time set up fee
PDF File Conversion and index	\$ 0.012	per image
Media Fee	\$ 50.00	
Additional copied of CD	\$ 50.00	Per duplicate copy

Clarification of Service and or Price

1. Includes Electronic File Transfer, Email Confirmation, CASS Certification, Zip+4 Assignment, Address Correction, Page Grouping To Combine Multiple Bills, Processing Variable Messaging, Inserter Bar Codes, Document Integrity Bar Codes, Print File Generation And Report Generation.
2. Based on qualifying pieces using current USPS rates & regulations - subject to change based on USPS rate increase(s).
3. Form and application change programming will be quoted per job after receiving full specifications.
4. All custom ordered client materials will be billed lump sum upon order placement. Pricing for custom materials is based on either (1) a 3-6 month supply with a minimum order of 50,000 for recurring jobs (default) or (2) a specific minimum order quantity noted on or below the pricing line item description. Where no quantity is listed, the default minimum order in (1) applies. To insure an adequate supply for production of single-run jobs, the procurement and billing of any client specific materials requires allowance of a 1-5% overrun (depending on quantity) to accommodate test & production setup sheets, occasional production equipment spoilage and fluctuations in actual production quantities.
5. An image is considered one side of an 8 ½ x 11 page
6. A hit is any name/address match on the NCOA database. A hit may or may not return a new address. Service includes NCOA search, update to in-process address and return of address update information in a PDF report and delimited data file.

Vendor: Please return this sheet.

PROPOSAL SUMMARY

Title: **MAIL PROCESSING FOR UTILITY STATEMENTS**
Due Date: **Friday, October 14, 2011 at 2:00 p.m.**

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Vendor understands and agrees, if selected as the successful Vendor, to accept a purchase/service order and to provide proof of the required insurance.

The Vendor shall comply with all applicable federal, state, local and building codes, laws, rules and regulations and obtain any required permits for this work.

The Vendor certifies that it is in compliance with the City's Nondiscrimination Policy as set forth in Administrative Order No. 47 and Chapter 605 of the City's Codified Ordinances.

Vendor understands that the City reserves the right to accept any or all bids in whole or part and to waive irregularities in any bid in the best interest of the City. The bid will be evaluated and awarded on the basis of the best value to the City. The criteria used by the City may include, but will not be limited to: ability, qualifications, timeframe, experience, price, type and amount of equipment, accessories, options, insurance, permits, licenses, other pertinent factors and overall capability to meet the needs of the City. The City is sales tax exempt - Government.

Vendor agrees that the proposal may not be withdrawn for a period of 120 days from the actual date of the opening of the proposal.

Cost of services as outlined in Paragraph D - Pricing:

Initial setup fee \$ 0
Cost per item \$ 0.131

Submitted by:

Signature, Title HARRY P. STONKOWS,
DATAMATX, INC. PRESIDENT/CEO
Vendor Name (if corporation, State of corporation)

Address

DATAMATX, Inc.
3146 Northeast Expressway, NE
City, State, and Zip Atlanta, GA 30341-5345
770-936-5600/Fax 770-936-5614

Phone and fax number

C. SCOPE

The City will provide:

1. Electronic files via electronic transmission with file layout in agreed format.
We will continue to receive your current file format.
2. City of Traverse City will maintain a prepaid postage account. The postage rate will be at the vendors agreed upon rate based upon their contract with USPS.
Currently established and operational.
3. Selective inserts are to be identified and tagged in the data where applicable.
We currently selectively omit #9 remittance envelopes for your bank draft customers. Other selection criteria for selective inserts can be provided following the City's direction. We have also previously set up in-line inserts for the City's Annual Water Quality Report.
4. The City will provide all materials, which include envelopes, statement forms, and all additional inserts required.
Datamatx currently procures and warehouses all materials, and manages inventory to insure an adequate supply.

The Vendor will provide:

1. An area in their facility to receive and store all materials required for statement processing.
Additionally, agree to provide physical inventory counts upon request of City management and notify management when stock levels fall to predetermined re-order levels.
All materials are stored in our secure, climate controlled warehouse until used. Weekly physical inventory is performed and reported to our Account Managers, who will determine when stock needs to be replenished. Re-orders are placed after receiving client approval.
2. The ability to receive transmissions via modem of files in agreed format during predetermined times. Convert data to processing format and process according to a proposed statement of work flow prepared by the vendor.
We currently receive your files via FTP, which automatically begin processing upon receipt. An automated work flow process controls production and enforces both electronic and physical Quality Control checks.
3. The mail processing services include:
 - a. Set up continuous laser printer.
 - b. Print statements
 - c. Set up inserting system
 - d. Burst, fold, collate and insert statements, and additional inserts, seal and meter with appropriate postage rate.
 - e. Prepare mailing to USPS specifications and deliver to USPS.
We provide all services listed above.

4. To extract customer account, location number and amount into a printed bar code (code 3 of 9) on the utility statement.
Currently being provided.
5. To produce and print a post net barcode from the zip code.
The post net barcode has been replaced with the Intelligent Mail Barcode (IMB). Datamatx is a full service IMB provider.
6. Upcoming USPS changes in regulations or processes and be able to provide guidance.
Our President/CEO sits on the National Postal Policy Council in Washington, DC, which lobbies and advises the USPS regarding upcoming changes and their effect on major mailers. He is also a founding member of the Coalition for a 21st Century Postal Service. This provides us with advance knowledge of any upcoming USPS changes even before they are enacted.
7. Third party reports on the vendors internal control process, specifically SAS 70.
Because we process online credit card payments for some of our customers, Datamatx is a PCI/DSS compliant processor. We are currently undergoing auditing for full PCI compliance. Datamatx completes SAS 70 Type II auditing and certification every 2 years. We are currently in the audit process for SSA 16 certification, the replacement for SAS 70. We are also a HIPAA compliant business partner. SAS 70 auditors report begins on the next page.

Pricing Schedule

Initial system design, programming and implementation . \$0.00 (no charge)

8.5 x 11 One Page Bill \$0.10 per - \$10.00 per thousand

This pricing includes the following services:

- Warehouse and inventory control of all PDS procured forms, envelopes and inserts
- 24# white perforated paper (pre-printed custom stock)
- Laser printing black ink
- #10 outgoing envelope – one window (2 color ink)
- #9 remit envelope - no window (black ink)
- printing, folding and inserting of bills
- Bar coding for high-speed intelligent insertion
- First class bar coding, pre-sorting, and qualification
- Sealing, metering, and date stamping of all mail for distribution through the USPS postal facility
- Banding, tagging, and traying of all mail for distribution through the USPS postal facility
- Standard Reports
- Inserting of return envelope

Additional Charges

Insertion charge for additional inserts \$0.005 per insert

NCOA \$.25 per address changed*

**Note: No minimum charge for file processing*

Programming Charges (after initial setup) \$100.00 per hour

Postage estimated at 5 digit rate: \$0.34

Vendor: Please return this sheet.

PROPOSAL SUMMARY

Title: **MAIL PROCESSING FOR UTILITY STATEMENTS**

Due Date: **Friday, October 14, 2011 at 2:00 p.m.**

Having carefully examined the attached specifications and any other applicable information, the undersigned proposes to furnish all items necessary for and reasonably incidental to the proper completion of this bid. Vendor submits this bid and agrees to meet or exceed all requirements and specifications unless otherwise indicated in writing and attached hereto.

Vendor certifies that as of the date of this bid the Company or he/she is not in arrears to the City of Traverse City for debt or contract and is in no way a defaulter as provided in Section 152, Chapter XVI of the Charter of the City of Traverse City.

Vendor understands and agrees, if selected as the successful Vendor, to accept a purchase/service order and to provide proof of the required insurance.

The Vendor shall comply with all applicable federal, state, local and building codes, laws, rules and regulations and obtain any required permits for this work.

The Vendor certifies that it is in compliance with the City's Nondiscrimination Policy as set forth in Administrative Order No. 47 and Chapter 605 of the City's Codified Ordinances.

Vendor understands that the City reserves the right to accept any or all bids in whole or part and to waive irregularities in any bid in the best interest of the City. The bid will be evaluated and awarded on the basis of the best value to the City. The criteria used by the City may include, but will not be limited to: ability, qualifications, timeframe, experience, price, type and amount of equipment, accessories, options, insurance, permits, licenses, other pertinent factors and overall capability to meet the needs of the City. The City is sales tax exempt -- Government.

Vendor agrees that the proposal may not be withdrawn for a period of 120 days from the actual date of the opening of the proposal.

Cost of services as outlined in Paragraph D - Pricing:

Initial setup fee \$ 0
Cost per item \$.10

Submitted by:

Mark Anderson VP Business Development
Signature, Title

Pinnacle Data Systems, Alabama
Vendor Name (if corporation, State of corporation)

350 Automation Way
Address

Birmingham AL 35210
City, State, and Zip

205-367-6879 205 367 6834
Phone and fax number

Vendor: Please return this sheet.

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Vendor agrees that the proposal may not be withdrawn for a period of 120 days from the actual date of the opening of the proposal.

Cost of services as outlined in Paragraph D - Pricing: Initial setup fee \$ Ø
Cost per item \$.495

Submitted by: [Signature] Contract Manager
Signature, Title DEREK FULTON

Presort Services, INC.
Vendor Name (if corporation, State of corporation)

3594 Roger B Chaffee Dr SE
Address

Grand Rapids, MI, 49548
City, State, and Zip

800-968-3737 Fax: 616-247-6853
Phone and fax number

PRICING

This is a per item cost and the vendor will invoice the City on a monthly basis.

Payment terms shall be for 5 years, with no more than a 10% escalation in year 4 and 5 if applicable.

Pricing Detail

Supply Cost \$70/M = \$.07 per record (custom color paper, #9 blue reply envelope, & #10 window envelope)

Processing Cost \$85/M = \$.085 per record (preprocessing, laser printing, folding, inserting, inserting #9 envelope, seal, meter, insert generic inserts, barcode, presort and mail

Postage Cost \$340/M = \$.34 per record (Guaranteed 5-Digit Postage Rate)

Total Cost: \$495/M = \$.495 per record

Postage rates are subject to change as determined by the US Postal Service. In the event of a postage rate change, *City of Traverse City* will be notified in writing of applicable rates.

STATEMENT GROUPING

It has become commonplace with statement processing for grouping statements by address. This is extremely cost effective for apartment complexes or condominium associations that include the cost of utilities in their service. In some cases up to 100 bills can be addressed to the association. It is possible to combine multiple bills into the same envelope to save on postage. We can separate these bills and mail in one large envelope. This has shown a postage savings of up to 90% on the multiple bill portion of the mailing. Unfortunately, this process is difficult to price within your format based on the unknown factor of how many bills would be combined. There would be a set up charge of \$1,500 to create the grouping module. There would be no additional fees afterward. It is recommended to do a free analysis of the grouping to determine if it is cost effective.



Cost Proposal

City of Traverse City
City Manager's Office
Governmental Center, 2nd Floor
400 Boardman Avenue
Traverse City, MI 49684

Dear Julie,



Thank you for considering the Paper Bill Presentment solution from Best Practice Systems. In our conversation you said that you would like to continue to offer your customers a paper bill delivered.

The following sales proposal will outline the benefits of using Best Practice Systems for the Mail Processing for Utility Statements.

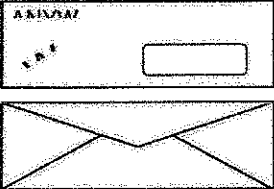


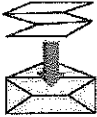

Best Practice Systems can also address any electronic presentment and payment needs you may have in the future.

Print Pricing

Pricing for Print Services

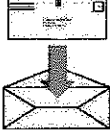
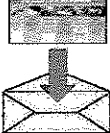

Thumbnail	Description	Unit Price
	Paper	
	#20 White	\$0.0216
	Laser Image 1 st Page -- Simplex	\$0.0349



Envelopes		
	#10 Single Window color: White Kraft, Pre Print Black Type	\$0.0216
	#9 BRE Envelope color: White Kraft, Pre Print Black Type	\$0.0156
Auto Insertion		
	Insert 1 st Page	\$0.0100
	Insert 2 nd Page through 8 Pages	\$0.0100
	Hand Insert pages 9+	\$0.25000



**BEST PRACTICE
SYSTEMS**

	BRE Envelope Insert	\$.0000
	Buck Slip or Advertisement Insert	\$.0100
	POSTAGE	
	Discounted Presort Meter Price	5 Digit

Initial Setup Cost: \$5,000.00

Total Cost per Package: \$.1065