

ITEM #:	<u>17</u>
DATE:	<u>06-10-25</u>
DEPT:	<u>FIN</u>

COUNCIL ACTION FORM

SUBJECT: CONTRACT FOR PRINT-TO-MAIL SERVICES FOR UTILITY BILLS

BACKGROUND:

The City issues approximately 297,711 utility billing statements annually. Rather than preparing, printing, and mailing utility billing statements in-house, the City utilizes a print-to-mail service to ensure timely and accurate delivery of these statements. Currently, only 18% of customers receive electronic bills.

The City of Ames is currently contracted with Matrix Imaging Solutions (formerly DataProse) through June 30, 2025. The company has provided utility bill printing and mailing services for the City for over 20 years, with operations based in Texas. **Recently, staff has received an increasing number of reports from customers indicating delayed or missing utility bills.** In response, the City conducted a review of its current print-to-mail service. The review identified opportunities for improved service and cost savings by partnering with a vendor located closer to Ames.

To evaluate potential improvements, the City issued a Request for Proposals (RFP) for print-to-mail services. Responses were received from eight vendors, which are listed below along with the evaluation score and first year cost for each:

Vendor	Score	Cost
American Solutions for Business, Grand Rapids, MI	746	\$285,790
InfoSend, Inc., Downers Grove, IL	1260	\$173,690
Lineage Connect, Kansas City, MO	916	\$190,117
Matrix Imaging Solutions, LLC, Coppell, TX	1088	\$197,031
OSG, Carol Stream, IL	870	\$185,089
PCI Group, Inc., Fort Mill, SC	890	\$260,248
RevSpring, Inc., Nashville, TN	944	\$200,227

The Master's Touch, LLC, Spokane, WA	938	\$181,244
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Proposals were evaluated based on pricing, service capabilities, reporting and invoicing functionality, data security, implementation approach, and vendor qualifications for a standard number of 352,354 statements. **After a comprehensive review, InfoSend, Inc. was selected as the recommended vendor due to its overall value.**

While pricing between the current vendor and InfoSend, Inc. is similar, the City would benefit from enhanced features and estimated annual savings of approximately \$1,650. Key advantages include:

- **Mail Tracking:** Ability to track bills through the USPS system, providing visibility when customers report non-receipt.
- **Proximity:** Bills would be mailed from a facility within five hours of Ames, significantly reducing mail delivery times.
- **Improved E-Billing:** InfoSend offers a \$100/month Application Programming Interface (API) that integrates with the customer portal, allowing access to PDF versions of the past 12 months of bills. This is half the cost of the City's current vendor and provides a more user-friendly experience than the existing HTML-based e-bills.
- **Remittance Tracking:** For \$50/month, the City can receive tracking information for customer payments made by mail—an option not available through the current vendor.

These improvements align with the City's sustainability goals by promoting e-billing and reducing paper usage and mailing costs. Implementation with InfoSend is targeted for September 1, 2025. Until then, the City will continue month-to-month service with Matrix Imaging Solutions.

The proposed contract with InfoSend, Inc. includes the original costs quoted above, a postage deposit, and the annual cost of the improved e-billing and remittance tracking, which breaks down as follows:

Quoted Price (listed above)	\$173,690
Postage Deposit	41,010
API/Tracking Cost	<u>1,800</u>
Total Contract Amount:	\$216,500

ALTERNATIVES:

1. Award a contract for print-to-mail services to InfoSend, Inc. in an amount not to exceed \$216,500.
2. Award a contract to one of the other vendors.
3. Reject all proposals and direct staff to rebid the required services.

CITY MANAGER'S RECOMMENDED ACTION:

InfoSend offers enhanced service features, including USPS mail tracking and expanded digital access to billing statements, which will improve the customer experience and support the City's sustainability goals. In addition to providing these added benefits, InfoSend's pricing is slightly lower than the current vendor's. Their facility's closer proximity to Ames will also help reduce delivery times for utility bills, further improving reliability and efficiency in customer communications. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, as described above.