

REQUEST FOR LEGISLATIVE ACTION

Completed by County Counselor's Office:

Res/Ord No.: 19239

Sponsor(s): Dennis Waits

Date: August 22, 2016

<p>SUBJECT</p>	<p>Action Requested <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance</p> <p>Project/Title: <u>Awarding a Twenty-Four Month Term and Supply Contract, with Three Twelve Month Options to Extend, for the furnishing of Mail Services for the Office Services Division of the Finance and Purchasing Department to Strahm Automation and Mailing Services of Kansas City, MO under the terms and conditions of Request for Proposal EV2181.</u></p>										
<p>BUDGET INFORMATION <i>To be completed By Requesting Department and Finance</i></p>	<table border="1"> <tr> <td>Amount authorized by this legislation this fiscal year:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Amount budgeted for this item * (including transfers):</td> <td style="text-align: right;">\$</td> </tr> <tr> <td></td> <td></td> </tr> </table> <p>* If account includes additional funds for other expenses, total budgeted in the account is: \$</p> <p>OTHER FINANCIAL INFORMATION:</p> <p><input type="checkbox"/> No budget impact (no fiscal note required) <input checked="" type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract: Department: Office Services Estimated Use: \$148,525.00</p> <p>This RLA only approves the term and supply contract. The funds were appropriated through the annual budget adoption. Figures included in the Budget Information section are for informational purposes to provide an estimate of the contract value.</p> <p>Prior Year Budget (if applicable): \$200,000 Prior Year Actual Amount Spent (if applicable): \$189,840</p>	Amount authorized by this legislation this fiscal year:	\$	Amount previously authorized this fiscal year:	\$	Total amount authorized after this legislative action:	\$	Amount budgeted for this item * (including transfers):	\$		
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<p>PRIOR LEGISLATION</p>	<p>Prior ordinances and (date): Prior resolutions and (date): 17240, 4/19/2010; 18462, 4/7/14; 18869, 6/29/15</p>										
<p>CONTACT INFORMATION</p>	<p>RLA drafted by (name, title, & phone): Kyle Brack, Sr. Buyer, 881-3265</p>										
<p>REQUEST SUMMARY</p>	<p>The Office Services Division requires a Term and Supply Contract for the furnishing of Mail Services. The County, along with the 16th Judicial Court of Jackson County, MO, the City of Kansas City, Missouri, and the School District of Kansas City, Missouri joined together for a cooperatively bid contract. The goal of this joint bid was to obtain a strong, financially solvent vendor to provide mail services at the lowest price.</p> <p>A total of thirteen notifications were distributed and five responses were received. It's been determined that three of the five proposals were deemed non-responsive. The following two responses were evaluated as follows:</p> <table border="1"> <thead> <tr> <th></th> <th style="text-align: center;">Estimated Annual Cost*</th> <th style="text-align: center;">Evaluation Points (100 points possible)</th> </tr> </thead> <tbody> <tr> <td>Strahm Automation Kansas City, MO</td> <td style="text-align: center;">\$148,525</td> <td style="text-align: center;">64.1</td> </tr> <tr> <td>KC Blueprint North Kansas City, MO</td> <td style="text-align: center;">\$361,193</td> <td style="text-align: center;">61.3</td> </tr> </tbody> </table>		Estimated Annual Cost*	Evaluation Points (100 points possible)	Strahm Automation Kansas City, MO	\$148,525	64.1	KC Blueprint North Kansas City, MO	\$361,193	61.3	
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Strahm Automation Kansas City, MO	\$148,525	64.1									
KC Blueprint North Kansas City, MO	\$361,193	61.3									

	<p>*Estimated Annual Cost is based on 2015 letter and flats counts, and does not include specialized services e.g. flats and letters over 1 oz., parcels, certified mail, return receipt mail, signature/delivery confirmation, etc.</p> <p>Strahm was the lowest-priced bid and received the highest cumulative score on Evaluation Points.</p> <p>Pursuant to Section 1054.6 of the Jackson County Code, the Director of Finance and Purchasing recommends the award for the furnishing of Mail Services to Strahm Automation and Mailing Services of Kansas City, Missouri under the terms and conditions of Request for Proposal EV2181, as the lowest and best proposal received.</p> <p>This award is made on an "As Needed" basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases is subject to annual appropriations.</p>	
CLEARANCE	<input checked="" type="checkbox"/> Tax Clearance Completed (Purchasing & Department) <input checked="" type="checkbox"/> Business License Verified (Purchasing & Department) <input checked="" type="checkbox"/> Chapter 6 Compliance - Affirmative Action/Prevailing Wage (County Auditor's Office)	
ATTACHMENTS	Pertinent Pages of City of Kansas City's Request for Proposal EV2181, Scoring Sheet, and Pricing	
REVIEW	Department Director:	Date: 8/10/16
	Finance (Budget Approval): <i>If applicable</i>	Date: 8/11/16
	Division Manager:	Date: 8/18/16
	County Counselor's Office:	Date:

Fiscal Information (to be verified by Budget Office in Finance Department)

- This expenditure was included in the annual budget.
- Funds for this were encumbered from the _____ Fund in ____.
- There is a balance otherwise unencumbered to the credit of the appropriation to which the expenditure is chargeable and there is a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made each sufficient to provide for the obligation herein authorized.
- Funds sufficient for this expenditure will be/were appropriated by Ordinance # _____
- Funds sufficient for this appropriation are available from the source indicated below.

Account Number:	Account Title:	Amount Not to Exceed:

- This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order.
- This legislative action does not impact the County financially and does not require Finance/Budget approval.

Scope of Services

1. STATEMENT OF NEED

The City of Kansas City, MO in partnership with Jackson County, MO and the Kansas City Public Schools are currently seeking proposals from qualified individuals and/or firms interested in providing print center and mail room services. Suppliers may not respond to only one service.

2. OBJECTIVE

To obtain savings by combining the mail and print functions under one contract vehicle.
To obtain savings for our constituents by utilizing the joint buying power of three large agencies within the Kansas City metro.

3. BACKGROUND

The current mail services and duplicating services contracts were solicited separately and are held by different suppliers. This has caused a redundancy within the organizations where there could be cost savings without a reduction in service. This is a rising trend in this field of service.

4. OVERALL PROJECT SUPPLIER SERVICES AND DELIVERABLES

*The City has listed below some specific deliverables required but, but reserves the right to identify other deliverables which will be identified and agreed upon between The City and the Proposer during negotiations and will be incorporated as part of the project plan and payment milestones in the final contract.

In general, the proposer must complete the following tasks:

4.1 Project Management

For this section of the proposal, Proposer must submit a narrative that fully describes the approach, methods, tools, and techniques for managing the project to achieve the goals and objectives stated by the City.

Proposer must also submit a Project plan that will be used to create a consistent, logical management plan of action that will be used to guide the Project execution and control the project. The Project Plan must include sufficient detail to give City an understanding of Proposer's approach to a successful implementation.

Supplier must provide a Project Manager to directly manage all activities. City will provide a Project Manager to oversee the entire project. As a part of project management duties, Supplier must attend informational, status and any other project related meetings as designated by City. Project deliverables and activities will follow a rigorous quality management process. The following activities are required to achieve this:

4.1.1 Management of Supplier Staff

City will provide oversight for the entire project. However, Supplier must provide overall project management for the tasks in the Contract, including the day-to-day management of its staff. Supplier must provide administrative support for its staff and activities. Any staffing changes must be reviewed and approved by City prior to any reassignments.

4.1.2 Project Plan/Updates

Within the first four (4) weeks of beginning work, Supplier must refine the detailed Project Work Plan and Resource Schedule using Supplier's Scheduling tool and should be able to export into Microsoft Project. These documents must be approved by City before the project continues. This document must contain the following:

- a. A consolidated view of the work to be performed
- b. Project activities, task assignments, due dates and resources for both Supplier and City. Dependencies and constraints should be identified.
- c. Project Milestones clearly identified (Hardware, Software, Testing, Training, etc.) Note the payment schedule should be based on milestones.

4.1.3 Kick-Off Meeting

Supplier and City will conduct a joint kick-off meeting.

4.1.4 Status Meetings

Throughout the project, Supplier Project Manager and City Project Manager will attend regular status meetings. The meetings must follow a pre-set agenda but must also allow Supplier or City the option

to discuss other issues that concern either party. Supplier shall provide written documentation (minutes with items discussed and action items assigned) from each meeting.

4.1.5 Issues Tracking, Analysis and Escalation

The creation and updating of these documents, which are part of the overall Project Plan, are the joint responsibility of Supplier Project Manager and the City Project Manager must be reviewed and approved by the City.

4.1.6 Change Management

Supplier must use a written Change Management Plan which establishes the Change Management roles and responsibilities, policies, guidelines, processes and procedures necessary for controlling and managing the changes during the life of the Project. This documented plan will describe how changes are identified, defined, evaluated, approved, and tracked to completion. The Change Management plan should include a Communications plan describing planned communications methods, documents, and audience.

4.1.7 Status Reports

City Project Manager will require status reports on a weekly basis. Supplier must provide electronic status reports on the project, every Thursday by Noon. Supplier Project Manager will be given a template to follow. Some information that will be required is as follows:

- a. Tasks Accomplished
- b. Any deadlines met or missed
- c. Any issues encountered and their status or the need to be addressed before proceeding to the next task(s)
- d. Anticipated tasks to be completed in the next week
- e. Updated project schedule

4.1.8 Supplier Deliverables

Must include

- a. Updated Project Strategy, Work Plan, and Resource Schedule
- b. Issues Tracking, Risk, and Communication Plans
- c. Change Management Plan

4.2 Training

4.2.1 User Training

Please describe the user training approach which will be conducted by Supplier to assist City in training employees who will be using the new online ordering form.

Supplier must provide:

Any classroom materials to support the training effort; Best practices on training for the proposed form; How to customize the training materials and set up specific reference data in the training environment, if there is one. Supplier will also provide troubleshooting assistance when end user training is conducted.

4.2.2 Training Facilities/Equipment

All of the training is expected to take place at City facilities. City will provide training facilities in which Supplier must use for conducting training for which it is directly responsible. City will rely on the Supplier to recommend the appropriate mode (e.g. classroom, one-on-one, auditorium) in which the training will be conducted. City has not yet determined the minimum or maximum number of users per session and would like Supplier to suggest optimal session sizes.

4.2.3 Supplier Deliverables

Must include

- a. User Training
- c. Training Facilities/Equipment

[4.3 skipped]

4.4 Implementation Activities

4.4.1 Implementation Plan

Supplier must produce an implementation plan that lists and describes activities needed to successfully implement the software. The plan must detail the approach for coordinating the following; Development of an implementation activities check list; Staffing requirements, by role and responsibilities, for both Supplier and City staff for all implementation activities; an Implementation schedule; The process for developing a contingency plan for identifying, communicating, resolving risks and maintaining the current production capability if the implementation is delayed.

4.4.2 Implementation Report

Supplier must implement the software in accordance with the approved implementation plan. Supplier must produce an Implementation Report detailing all implementation activities and certifying that the online ordering is operational and meets performance requirements.

4.4.3. Supplier Deliverables

Must include

- a. Implementation Plan
- b. Implementation Report

4.5 Documentation

For this section of the proposal, Proposer must submit a narrative that fully describes the approach, methods, tools, and techniques used for developing user and system documentation.

Supplier must develop and provide to City all documentation throughout each phase of the project and prior to final system acceptance. Supplier must provide complete, well-written, and accurate technical, system, and user documentation. For any custom developed applications, Supplier must adhere to City development standards. All documentation must be easy to follow, with screen shots, where applicable. All documentation must also be available in both paper and electronic form. The following activities are required to achieve this:

4.5.1 Supplier Deliverables

Must include

- b. User Documentation (and updates)

5. ROLES AND RESPONSIBILITIES

	Task/Activity	Vendor	City
Project Management	Management of Supplier Staff	Joint	Joint
	Project Plan and Updates	Assistance	Lead
	Kick Off Meeting	Assistance	Lead
	Status Meetings	Assistance	Lead
	Issue Tracking, Analysis, and Escalation	Assistance	Lead
	Change Management	Joint	Joint
	Status Reports	Joint	Joint
Testing	User Training	Joint	Joint
Training/Knowledge Transfer	Project Team Training	Lead	Assistance
	Training Curriculum/Materials	Lead	Assistance

	Train the Trainers	Lead	Assistance
	Training Facility/Equipment Assistance	Assistance	Lead
System Implementation / Post Implementation Support	Implementation Plan	Lead	Assistance
	Implementation readiness	Lead	Assistance
	Implementation Report	Lead	Assistance
Documentation	All Project Documentation	Lead	Assistance

6. MAIL CENTER FUNCTIONAL REQUIREMENTS

6.1 Jackson County, MO County and Courts

A. The annual volumes were:

- 2013: 348,465
- 2014: 215,746
- 2015: 182,369

B. Daily Mail Pickup Schedule for both the County and Courts is:

- Approximately 12:30 PM and 4:30 PM daily at Room G-1 of the Kansas City Courthouse, 415 East 12th Street, Kansas City, Missouri;
- Approximately 4 PM daily at the Eastern Jackson County Courthouse, 308 West Kansas, Independence, Missouri;
- Approximately 4 PM daily at the Legislator's Office, 201 Lexington, Suite 201, Independence, Missouri;
- Approximately 4 PM daily at the Tech Center, 303 West Walnut, Independence, Missouri.
- Approximately 4 PM daily at the Truman Courthouse on the Square, 112 West Lexington, Independence, MO 64050, Room 30.

D. All outgoing mail shall be presorted at the Successful Respondent's site. Mail shall be sorted to qualify for the United States Postal Services I' Class, Automated Postage Rate, including, but not limited to, sorting to Postal Code sequence, bundling and labeling.

E. Successful Respondent shall pick-up, sort and deposit mail at an appropriate United States Postal Services acceptance point on the same day as the pick-up; postmark must be the same date as the pick-up date.

F. Successful Respondent will supply all outgoing mail trays/tubs/greenbags to all pick-up locations.

G. Successful Respondent shall have United States Postal Services Official Depository Status.

H. Successful Respondent's fees must be all inclusive, the County and Courts will not be subject to pick-up or drop-off charges.

I. Successful Respondent will provide an invoice breakdown by department number and mail type (i.e. 1 oz standard, 2 oz standard, 3 oz standard, etc.) for each invoice presented. The Successful Respondent shall provide transmittal slips for this purpose.

J. Successful Respondent will provide a weekly activity report and a quarterly business report outlining volumes, cost efficiencies realized and future improvements. Any non-conformances will be reported quarterly or as needed.

K. Successful Respondent will provide customer service during working hours on business days.

L. Successful Respondent's Issue Resolution Process will be simple and timely.

M. Special Projects: The Successful Respondent will be required to manage all special mailings. Special Mailing will contain, but are not limited to, these components:

- Presort (zip codes and addresses) and same day postage Labeling and date stamping
- Delivery to Post Office
- Applying variable data and proofing
- Successful Respondent will be required to receive data in an electronic format and properly manage the data to ensure 100% accuracy mailing.

6.2 City of Kansas City, MO

The City provides a full service mail room for City operations. City employees receive mail via an internal mailbox located near the copy center. City employees can drop off mail for processing and delivery. City employees are also able to utilize 3rd party services for drop off and delivery, including UPS, FEDEX, etc.

A. The annual volumes were:

- 2013:
- 2014:
- 2015:

Strahm Pricing

City of Kansas City/KCPS Onsite CSR (does not include Jackson County) entity \$5,000.00/month per

Onsite CSR will be main point of contact for City Hall and School District employees. Includes sorting of incoming mail, handling incoming 3rd party carriers (UPS, FedEx) and notifying recipients, maintain log of incoming packages from UPS/FedEx including collecting signatures for release to employees, staging of outgoing mail for pick up by Strahm.

Mail Services - Does Not Include Postage

Daily Pickups - All Entities	\$10.00 per location, daily
Metering postage, Letters	\$0.015
USPS Presorting, Letters	\$0.01
Metering postage, Flats	\$0.085
USPS Presorting, Flats	\$0.042
Move Update for USPS compliance	\$0.003
Meter strip Flats and Parcels	\$0.42 (hand apply meter strips to flats too thick to meter and parcels)

Postage rates are USPS Mixed AADC and subject to change with USPS rate increases

Mail Service only option will not have any required M/WBE participation attached.

City of Kansas City, Jackson County and Circuit Court, KCMO School District

All Entities

Letters	Mixed AADC Postage	Metering	Move Comply	Sorting
Postcards	0.272	0.015	0.003	0.010
1 oz	0.419	0.015	0.003	0.010
2 oz	0.419	0.015	0.003	0.010
3 oz	0.669	0.015	0.003	0.010
3.5 oz	0.794	0.015	0.003	0.010

Non-automatable mail will be metered up to full pay

Flats	Mixed AADC Postage	Metering	Presorting
1 oz	\$0.750	0.085	0.042
2 oz	\$0.960	0.085	0.042
3 oz	\$1.170	0.085	0.042
4 oz	\$1.380	0.085	0.042
5 oz	\$1.590	0.085	0.042
6 oz	\$1.800	0.085	0.042
7 oz	\$2.010	0.085	0.042
8 oz	\$2.220	0.085	0.042
9 oz	\$2.430	0.085	0.042
10 oz	\$2.640	0.085	0.042
11 oz	\$2.850	0.085	0.042
12 oz	\$3.060	0.085	0.042
13 oz	\$3.270	0.085	0.042

Non-automatable mail will be metered up to full pay

Parcels/Packages

	Postage		Metering	Total
1 oz	2.45		0.420	2.870
2 oz	2.45		0.420	2.870
3 oz	2.45		0.420	2.870
4 oz	2.64		0.420	3.060
5 oz	2.83		0.420	3.250
6 oz	3.02		0.420	3.440
7 oz	3.21		0.420	3.630
8 oz	3.40		0.420	3.820
9 oz	3.59		0.420	4.010
10 oz	3.78		0.420	4.200
11 oz	3.97		0.420	4.390
12 oz	4.16		0.420	4.580
13 oz	4.35		0.420	4.770

Postage rates are USPS Mixed AADC and subject to change with USPS rate increases

Special Services (Prices below DO NOT include postage - these are for the services only)

- Certified Mail
- Restricted Delivery
- Return Receipt - Electronic
- Return Receipt - Mail
- Signature Confirmation (Parcels Only) - Retail
- Signature Confirmation (Parcels Only) - Electronic
- Delivery Confirmation (Parcels Only) - Retail
- Delivery Confirmation (Parcels Only) - Electronic

Confirm Delivery Products (includes 1 ounce postage)

- Certified Letter
- Delivery Confirmation
- Signature Confirmation

USPS additional services are subject to change with USPS rate increases

Kyle D. Brack

From: Keely Golden <Keely.Golden@kcmo.org>
Sent: Monday, June 06, 2016 11:09 AM
To: Kyle D. Brack
Subject: FW: EV2181- Notification of Selection for Tentative Partial Award

Importance: High

From: Keely Golden
Sent: Friday, May 06, 2016 7:43 AM
To: 'kim.tarpley@strahm.com'
Subject: EV2181- Notification of Selection for Tentative Partial Award
Importance: High

The City of Kansas City, Missouri, Procurement Services Division is hereby notifying you that your company has been selected by the City to move forward in contract negotiations for the mail portion of the scope of services outlined in the RFP No. EV2181- Mail and Duplicating Services RFP.

- 1- As part of this process, we will need your company to start compiling the following documentation.
 - Your firms' submission and subsequent City approval of a Certificate of Insurance, as required in the contract. Please be certain that the insurance certificate names the City as an additional insured and includes a provision for written notice of cancellation. Please also be certain to include your professional liability insurance coverage, as it is required under this contract.
 - Missouri Secretary of State Business Entity Registration.
 - Employee Eligibility Verification. You submitted the affidavit, now please register with DHS and submit the 1st and last page of your electronically signed MOU.
 - Revenue Clearance Letter. Submit an approved letter from KCMO Treasury dated within the last 12 months.
- 2- We are making a tentative partial award to your company for the mail portion of this RFP, including variable printing. Please notify us when you will be able to start these services for the City.
- 3- We are in the process of reviewing your proposal and will be in touch in the next few days with any negotiation items that need to be discussed.
- 4- I will work up the new contract for your review. Please email a word version of your proposal for me to insert sections of your proposal as attachments to the contract.

To confirm your receipt of this notification, please send me an e-mail. In the e-mail, also indicate your estimated time frame for assembling and submitting the required documents listed above. All documents must be submitted to me before the final contract can be completed.

We look forward to working with you on this. Let me know if you have any questions. We would like to have this new contract in place by June 1, 2016 and must present this contract to our City Council for approval.

Thanks,

We also did not re-score at the end of the evaluations. I have provided a screen shot below of the overall scoring from the initial proposals: KC Blueprint 61.3, Lane Blueprint 61.5, Promail 51.7, Strahm 64.1 and OfficeMax was non-responsive. Any score shown for OfficeMax was prior to the non-responsive marking or the system automatic scoring and should be dis-regarded. I have completed the letter of recommendation for our print award and will have the letter of recommendation for our mail award completed today (probably). Once completed, I can send over to you if you like. It lists out our timeline for the decision making process for the evaluation team. Does that help? The rest of the determination were made by evaluation team group decisions and a final recommendation of award.

Let me know.

