THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: February 8, 2022

Subject: Mail Management Services, LLC Contract Amendment

Staff Resource(s): David Melton, Director of Water Resources; Elise Ayers, Water Resources Revenue Manager

Action Requested: Adoption of a resolution authorizing the City Manager to amend the contract with Mail Management Services, LLC for postage and mail services.

Background:

- The City provides municipal services to more than 60,000 accounts, which primarily encompasses the following: water meters, business licenses, permits and general correspondence to residents and visitors.
- The customer base is divided into multiple billing cycles and by general correspondence each month.
- The City and Mail Management Services, LLC have been under contract since 2017 for postage and mail services.
- Mail Management Services, LLC was selected through a Request for Proposals in 2017.
- In the 2017-18 adopted budget, a total of $317,000 was appropriated across department accounts to provide city-wide postage and mail services.
- At that time the allocation for Water Resources was $225,000.
- The initial contract term was for one-year with the option upon approval by the City for up to four one-year renewals.
- The contract contains a fixed cost for Mail Management Services, LLC. There is also a variable USPS postage cost.
- At the time of the initial contract, the USPS postage cost per piece was $0.41.
- The current USPS fee is $0.58.
- In an effort to ensure that funds will be available for total services in Fiscal Year 2022, additional funds are requested for this contract in the amount of $50,000.

Vendor Outreach Efforts:

- No additional outreach was conducted as this is an amendment for a current contract.

Council Goal(s):

- Connected and Engaged Community
- Well planned and livable community

Committee(s):

- None

Pro(s):

- Allows performance of mandatory activity (mail services) necessary for the operation of municipal services including billing.
- Facilitates key communication mechanism (written correspondence) to and from citizens, businesses, visitors and stakeholders.
- Provides long-term cost containment while maintaining verifiable high level of service delivery.

Con(s):

- None

Fiscal Impact:

- $50,000, to be funded through the existing Water Resources Fund budget.

Suggested Motion:

- Motion to adopt a resolution authorizing the City Manager to amend the contract between the city of Asheville and Mail Management Services, LLC by increasing the contract total by $50,000 not to exceed $367,000.

Attachment(s):

- Resolution

RESOLUTION NO. 22-____

RESOLUTION AUTHORIZING THE CITY MANAGER TO AMEND THE CONTRACT BETWEEN THE CITY OF ASHEVILLE AND MAIL MANAGEMENT SERVICES, LLC, FOR POSTAGE AND MAIL SERVICES

WHEREAS, the City of Asheville has authority pursuant to Article 3 of Chapter 160A of the North Carolina General Statutes to enter into contracts for services with other entities; and

WHEREAS, the City of Asheville and Mail Management Services, LLC have been under contract since 2017 for postage and mail service, for the Water Resources Department; and

WHEREAS, the contract amount for the current fiscal year is $317,000. USPS fees have increased from $0.40 to $0.58 for first-class postage since the original contract signed in 2017; and

WHEREAS, the increased funds are needed in order for the City continue providing postage and mail service in connection with the provided municipal responsibilities, in response to the increased USPS fees; and

WHEREAS, this action furthers city council goals of a connected and engaged community and well planned and livable community;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The City Manager is hereby authorized to amend the contract between the City of Asheville and Mail Management Services, LLC, to increase the contract total by $50,000 not to exceed $367,000.

Read, approved and adopted this the 8th day of February, 2022.

_____ _____

City Clerk Mayor

Approved as to form:

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City Attorney