

BOARD MEETING DATE: October 2, 2020

AGENDA NO. 7

PROPOSAL: Execute Lease Contract for Mailing Equipment

SYNOPSIS: On June 6, 2020, the Board approved the release of an RFQ to solicit lease proposals to replace the mailroom's United States Postal Service-compliant mailing system and to lease additional equipment for folding, inserting, and addressing mail. This action is to execute a five-year lease agreement with Pitney Bowes, Inc. for the proposed mailing equipment in an amount not to exceed \$156,851.

COMMITTEE: Administrative, September 11, 2020; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Executive Officer to execute a five-year lease agreement with Pitney Bowes Inc., for mailing and shipping, folding, inserting, and addressing equipment, at a five-year lease and maintenance cost of \$156,851.

Wayne Nastri
Executive Officer

AJO:VMR:KM:vl

Background

South Coast AQMD's current lease for high-volume United States Postal Service (USPS) compliant postage and shipping equipment expires October 31, 2020. The lease also includes equipment that folds, inserts and addresses outgoing mail.

The Mail/Subscription Services staff processes all incoming and outgoing mail, including public hearing and workshop notices, and Title V permit notices. In 2019, staff processed 228,710 pieces of outgoing mail using the postage and shipping machine, and 184,223 pieces of mail utilizing the folding, inserting and/or addressing equipment.

In an effort to continue to save costs and increase flexibility and productivity, South Coast AQMD's RFQ solicitation included replacement of the existing postage and

shipping system, including the folding, inserting and addressing equipment. This action is to obtain a new lease agreement for a comprehensive mailing system.

Outreach

In accordance with SCAQMD's Procurement Policy and Procedure, a public notice advertising the RFQ and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin.

Additionally, potential bidders may have been notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the RFQ has been emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at South Coast AQMD's website (<http://www.aqmd.gov>).

Bid Evaluation

Nineteen copies of the RFQ were mailed out and three proposals, responding to one or more of the three categories included in the RFQ, were received by close of bidding at 2:00 p.m., July 8, 2020. Of the three responsive proposals, two self-certified for Most Favored Customer Pricing Status, and one for Local Business for additional percentage points. The Attachment summarizes the costs and scores of the responsive proposals.

Panel Composition

The evaluation panel consisted of a Facilities Services Technician, a Mail/Subscription Services Supervisor, and a Print Shop Supervisor. Of the three panelists, one is African-American and two are Caucasian; all are male.

Proposal

This action is to execute a five-year lease agreement with Pitney Bowes, Inc. for all three categories of mailing equipment solicited in the RFQ: high-production mailing and shipping; folding and inserting; and addressing. Pitney Bowes, Inc. was the bidder with the highest average evaluation score and lowest overall cost proposal for the three categories.

Resource Impacts

The annual lease and maintenance cost for the high-production mailing and shipping system is \$8,306.40 per year, the folding and inserting system is \$16,654.44, and the addressing system is \$6,409.20, for a total annual cost of \$31,370.04. Sufficient funds have been requested in the FY 2020-2021 budget for the first year, and funds will be requested in subsequent budgets for the remaining four years of the lease.

Attachment

Evaluation Summary

ATTACHMENT

EVALUATION SUMMARY

RFQ# 2020-17

Mailing Equipment – Five-Year Lease

Bidder	Total Five-Year Cost	Evaluation Score*
CBE Office Solutions	\$203,796.86	57.4
Neopost/Quadient	\$168,559.61	84.65
Pitney Bowes, Inc.	\$156,850.20	87.77

*Average score for Categories I-III, including preference percentage points.