

Staff Summary Report

Council Meeting Date: 12-06-2007

Agenda Item Number: _____

SUBJECT: Request to award a two-year contract with three, one-year renewal options to The Market Builder for utility and tax bills inserting and delivery services.

DOCUMENT NAME: 20071206fstsl4 **PURCHASES (1004-01)**

SUPPORTING DOCS: Yes

COMMENTS: (IFB #08-037RBII) Total cost for this contract shall not exceed \$200,000 during the initial contract period.

PREPARED BY: Ted Stallings, CPPB, Procurement Officer, 480-350-8617

REVIEWED BY: Michael Greene, CPM, Central Services Administrator, 480-350-8516

**LEGAL REVIEW AS
TO CONTRACT FORM**

ONLY: N/A

FISCAL NOTE: Sufficient funds have been appropriated in various city wide cost centers

RECOMMENDATION: Award the contract.

ADDITIONAL INFO: Invitation for Bid (IFB) #08-037RBII was issued to establish a contract for utility and tax bills inserting and delivery services. Four vendors responded to the Invitation for Bid. SourceCorp Statement Solutions was found to be non-responsive as their response was outside the scope of services of the Invitation for Bid. An evaluation committee composed of Financial Services and Procurement staff reviewed the remaining responses. The committee's recommendation is to award the contract to The Market Builder, the lowest responsive and responsible bidder whose bid complies in all material respects to the Invitation for Bid.



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CITY OF TEMPE

Invitation For Bid: 08-037RBII

Procurement Description: **Utility and Tax bills inserting and
delivery services**

Commodity Code: 915-58

Bid Due Wednesday, November 21, 2007, 3:00 P.M. Local Time

ORIGINAL

Vendor's Bid Offer

It is REQUIRED that Bidder COMPLETE, SIGN and SUBMIT the original of this form to the City Procurement Office with the bid response offer. An unsigned "Vendor's Bid Offer", late bid response and/or a materially incomplete response will be considered non-responsive and rejected.

Bidder is to type or legibly write in ink all information required below.

Bidder's Company Name THE MARKET BUILDER
Company Mailing Address 40 N SUNWAY DR #2
Company Street Address 40 N SUNWAY DR #2
Bid Offeror Contact BRIAN LAWSON Title GENERAL MANAGER
Contact's Phone No. 480-707-0444 E-mail Address BRIAN@THEMARKETBUILDER.COM
Bidder's Company Tax Information:
Arizona Transaction Privilege (Sales) Tax No. 07622528-5 or
Arizona Use Tax No. _____
Federal I.D. No. 86-0854512
City & State Where Sales Tax is Paid GILBERT, AZ

THIS BID IS OFFERED BY

Authorized Bid Offeror (Type or Print in ink) BRIAN LAWSON

Bid Offeror's Title (Type or Print in ink) GENERAL MANAGER

Date _____

REQUIRED SIGNATURE OF AUTHORIZED BID OFFEROR (Must Sign in Ink)

By signing this Bid Offer, Bidder acknowledges acceptance of all terms and conditions contained herein and that prices offered were independently developed without consultation with any other bidder or potential bidder. Failure to sign and return this form with bid response will result in a non-responsive bid response.


Signature of Authorized Bid Offeror

11/16/07
Date

M | B | I

the Market Builder

The Market Builder is a local full service marketing agency and fulfillment center. Our award winning team creates campaigns that blend electronic and traditional media collectively allowing us to create the best possible marketing strategy for your target audience. The Market Builder's responsiveness, personal attention, experience and dedication allow for successful marketing campaigns every time.

The Market Builder, Inc. incorporated in Arizona in 1992, is a full-service marketing firm with 15 years of experience in working with some of the Valley's most recognizable companies such as KAET/Eight, Universal Technical Institute, *Arizona Highways* magazine, SRP, Shamrock Foods, City of Phoenix, - Election Division, among many others.

Our services include turnkey direct marketing programs as well as individual services that consist of:

- Direct Mail Marketing
- Full letter shop services: Automation of data for best possible postage savings, Ink Jet addressing, trimming, folding & inserting equipment
- Postal Services
- Inkjet Addressing
- List research / Targeted Mailing List Rental
- High Speed Laser Printing / Variable data laser technology for print (Color & B/W) and email communications
- Creative Services
- Database Development & Analysis
- Data Enhancement/Database Management
- Custom software design, programming, implementation and training
- Interactive Web site design, programming, maintenance
- High Speed Connections / Internet Hosting / Co-location services
- Fulfillment and warehousing

In the fall of this year, the Company will move into its new 24,000 sq. ft. headquarters facility at Falcon Field in Mesa. During the next 6 months, The Market Builder is investing \$5 million in facilities, state-of-the-art production equipment and increased staffing.

The Company is active in the local community, supporting non-profit and charitable organizations. MBI Principals have been awarded the Lifetime Achievement Award by the Arizona Direct Marketing Association. The Company has been recognized as Direct Marketer of the Year and has received the prestigious Otto Award for the best direct response marketing campaign.



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The Market Builder has a high commitment to values in its employee's work habits and in relationships with customers. Six core values articulated by management and employees are ---**honesty, timeliness, enthusiasm, communication, quality and flexibility / hard work.**

MBI's Six Core Values

- 1. Honesty:
We will do what we say we are going to do, and we will say what we have actually done.
- 2. Timeliness:
We will do what we say we are going to do, when we say we are going to do it.
- 3. Enthusiasm:
We will energetically and positively approach all customers, jobs, and fellow employees.
- 4. Communication:
We will inform you of potential or actual challenges as soon as possible.
- 5. Quality:
We will meet or exceed your expectations in all that we do.
- 6. Flexibility / Hard work:
We are willing to do whatever it takes to meet

Bid Questionnaire

Must be completed and submitted with bid documents.

1. What is the address of your office from which this City of Tempe contract will be administered, from which billing will be sent to the City and to which the City will issue payment?

40 N SUNWAY DR #2
GILBERT, AZ 85233

2. Does your company have the expertise and qualifications to perform the services described in this IFB?

Yes ☒ No ☐

If yes, please provide a detailed description of your firm's qualifications and expertise to perform the services. ATTACHED

3. Who is your Customer Service contact for the City of Tempe?

Customer Service Name:

BRIAN LAWSON

Phone Number:

480-707-0444

Fax Number:

480-707-0448

E-mail Address:

BRIAN@THEMARKETBUILDER.COM

4. Provide 24 hour emergency contact notification and information:

BRIAN LAWSON

CELL: 480-861-0251

5. Does your firm have a service interruption, disaster recovery and security plan?

Yes ☒ No ☐

If yes, please provide.

6. Does your company accept all terms and conditions of the IFB?

Yes ☒ No ☐

7. Will your company perform all work for this contract in conformance with all OSHA, Federal, State, County and City safety requirements?

Yes ☒ No ☐

8. List three (3) customer references for which your firm has provided similar services (government and/or large corporation/business required).

Reference One:

Name of Firm:

ARIZONA HIGHWAYS MAGAZINE

Contact Person:

HOLLY CARNATHAN

Telephone Number:

480-899-3570

Fax Number:

480-699-6382

Reference Two:

Name of Firm:

UNIVERSAL TECHNICAL INSTITUTE

Contact Person:

MICHELLE LAWLER

Telephone Number:

445-9490

Fax Number:

623-445-9491

Reference Three:

Name of Firm:

KAET/ELGHT

Contact Person:

CADY LAHTI

Telephone Number:

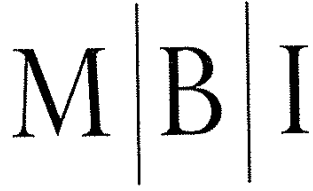
480-965-7499

Fax Number:

480-965-8045

9. Can your firm meet the delivery time frame?

Yes ☒ No ☐



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Service Interruptions, Disaster Recovery & Security

The Market Builder, Inc. (MBI) keeps the clients interests in mind when it comes to any interruptions whether it is service interruption, disaster recovery or security.

MBI has a comprehensive maintenance program to keep the equipment in top mechanical order but should there be an equipment glitch, we have multiple pieces of similar equipment as backup so little or no downtime is ever anticipated. We have also built working relationships with other similar production facilities as well as trade shops which also perform similar functions.

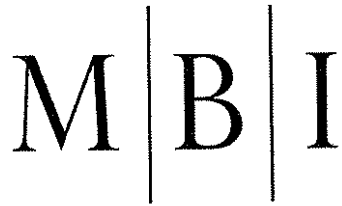
MBI has a comprehensive training program to train employees to run multiple pieces of equipment within their departments as well as cross training programs between departments.

MBI has their own delivery truck & van for transportation to the post office &/or clients & we are contracted with a local delivery service for trucking services when required.

MBI's facility is secure with a digital alarm system with motion detectors & 24/7/365 monitoring center service & video monitoring cameras around the building.

MBI handles all data with security in mind.

- Secure uploads - FTP, Secure FTP, or SSL HTTP file upload. (We can also accept data that is PGP hash encrypted if necessary.)
- Data is stored on our off-site secure servers at Level 3 communications. Physical access to the data servers is limited to authorized personal. Servers are in a secure room with 24/7/365 video security, power, and N+1 fire protection. Access to room is through RFID card swipe and requires a bio-metric hand scan to enter.
- Data work access to the servers is available only to authorized "data" personal and is restricted by password, enterprise level firewall, antivirus, and intrusion detection systems. We also limit access to the servers by IP restriction.



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Quality Control

The Market Builder is dedicated to providing the best possible service to our clients, and in order to do that, strict guidelines are upheld regarding our quality control processes. We follow and maintain extensive quality control measures throughout all sales and production departments. This is essential to uphold the standards expected by our clients and partners in business to preserve standards throughout the various industries in which we operate.

In addition to customer approved proofs, the Market Builder has a “double check” system in place. Before running an entire job, the initial “live” piece is checked by multiple production staff, and finally the production manager to ensure that all the correct information is on the piece and positioned properly. The address block and barcode are tested against the USPS provided postal template prior to using the most recent and up-to-date USPS postal software to ensure that all aspects of the piece are qualified and will pass all postal regulations.

In addition, The Market Builder uses streamlined, electronic processes. This makes extracting information for Variable Digital Printing unproblematic. Electronic processes used by MBI significantly reduce any type of human error. Team leaders and supervisors consistently examine, review and assess all ongoing projects to make certain that the final product is of excellent quality.

Company Name THE MARKET BUILDER

PRICE SHEET

ITEM NO.	DESCRIPTION OF REQUIRED MATERIAL, SERVICE OR CONSTRUCTION	QTY	UNIT	TOTAL COST PER WEEK	TOTAL COST PER PIECE
Pricing for item shall include all setup, labor, equipment, pickup and delivery of materials.					
1.	<u>Utility Billings:</u> Standard 8½ x 11 pre-printed document, must be folded and inserted and sealed into a # 10 window business envelope with one #9 business envelope, Tempe Today (community newsletter), and one additional insert.	8,000 – 10,000	Week	\$ <u>292.00-350.00</u>	\$ <u>.0365- .035</u>
		10,001 - 11,000	Week	\$ <u>350.03-379.00</u>	\$ <u>.035- .0345</u>
		11,001 – 13,000	Week	\$ <u>379.03- 497.00</u>	\$ <u>.0345- .03362</u>
		13,001 – 15,000	Week	\$ <u>437.03- 495.00</u>	\$ <u>.03362- .033</u>
2.	<u>Utility Bill Notices:</u> Standard 8½ x 11 pre-printed document, must be folded and inserted and sealed into a # 10 window business envelope with one #9 business envelope.	200 - 300	Week	\$ <u>65.60- 68.40</u>	\$ <u>.328- .228</u>
		301 - 400	Week	\$ <u>68.43- 71.20</u>	\$ <u>.228- .178</u>
		401 - 500	Week	\$ <u>71.23- 74.00</u>	\$ <u>.178- .148</u>
		501 - Up	Week	\$ <u>74.03- +</u>	\$ <u>.148- +</u>
				TOTAL COST PER MONTH	TOTAL COST PER PIECE
3.	<u>Tax Reports:</u> Standard 8½ x 11 pre-printed document, must be folded and inserted and sealed into a # 10 window business envelope with one #9 business envelope	8,000 – 12,000	Month	\$ <u>284.00- 396.00</u>	\$ <u>.0355- .033</u>
		12,001 – 16,000	Month	\$ <u>396.03- 508.00</u>	\$ <u>.033- .0318</u>
		16,001 – 20,000	Month	\$ <u>508.03- 620.00</u>	\$ <u>.0318- .031</u>

Company Name THE MARKET BUILDER

PRICE SHEET

ITEM NO.	DESCRIPTION OF REQUIRED MATERIAL, SERVICE OR CONSTRUCTION	QTY	UNIT	TOTAL COST PER MONTH	TOTAL COST PER PIECE
4.	<u>Account Statements:</u> Standard 8½ x 11 pre-printed document, must be folded and inserted and sealed into a # 10 window business envelope with one #9 business envelope	3,500 – 5,500	Month	\$ <u>158.00 - 214.00</u>	\$ <u>.045 - .039</u>
5.	<u>License Certificates:</u> Standard 8½ x 11 pre-printed document, must be folded and inserted and sealed into a # 10 window business envelope	100 – 1000 1001 – 3000 3001 – 5000	Month Month Month	\$ <u>62.45 - 84.50</u> \$ <u>84.53 - 133.50</u> \$ <u>133.53 - 182.50</u>	\$ <u>.6245 - .0845</u> \$ <u>.0845 - .0445</u> \$ <u>.0445 - .0365</u>
				TOTAL COST PER YEAR	TOTAL COST PER PIECE
6.	<u>License Renewals:</u> Standard 8½ x 11 pre-printed document, must be folded and inserted and sealed into a # 10 window business envelope with one #9 business envelope	15,000 – 20,000 20,001 – 23,000 23,001 – 25,000	Year Year Year	\$ <u>480.00 - 620.00</u> \$ <u>620.03 - 704.00</u> \$ <u>704.03 - 760.00</u>	\$ <u>.032 - .031</u> \$ <u>.031 - .0306</u> \$ <u>.0306 - .0301</u>
Total				\$ <u>5168.01 - 6097.10 +</u>	

Company Name THE MARKET BUILDERS

PRICE SHEET

7. Optional Services

A.	Additional pre-folded insert	1	Each	\$ <u>0.0035</u>
B.	Additional insert, size 8 1/2" x 11"	1	Each	\$ <u>0.009</u>
C.	Additional insert, size 8 1/2" x 14"	1	Each	\$ <u>0.009</u>
D.	Additional #9 envelope	1	Each	\$ <u>0.0035</u>
E.	8 1/2" x 11" Printed paper folding in half and tabs placed as per USPS requirements.	1	Each	\$ <u>0.0155</u>
F.	Cost per mail piece to meter.	1	Each	\$ <u>0.015</u>

Please provide on a separate piece of paper any additional services that your firm can provide. Including receiving data files from City of Tempe and Printing of bills and notices.

SEE ATTACHED - OPTION: VARIABLE LABOR PRICING
* OPTIONAL PRICE SHEET

* Applicable Tax 7.8 %

*** State correct jurisdiction to receive sales tax on the Vendor's Bid Offer, form CS-P201 (B) included in this Invitation for Bid document.**

Less prompt payments discount terms of 0 % 0 days/ or Net 30 days. (To apply after receipt and acceptance of an itemized monthly statement.) For bid evaluation purposes, the City cannot utilize pricing discounts based upon payments being made in less than 30 days from receipt of statement.



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Option: Variable Laser Printing

The Market Builder, Inc. (MBI) has the capability to variable laser print as one of their many client offerings. MBI has the capability to laser print variable data Black or 4-Color, as well as 1 or 2 sides all at the same time.

As an option to the City of Tempe, MBI has worked out an optional Price Sheet. This optional price sheet is based on the quantities in the original inserting RFP & also based on an 8.5 x 11 document shell is supplied pre-printed & pre-perfed. The price is also based on a standard database supplied electronically with the variable data document for laser printing.

MBI has two options, one if the database is set –up to just laser print (I.e. PDF or if we are unable to process the data) & the second would be if the database was a true database where we could sort & automate the address to get the best possible postage savings. The second option would allow not only a postage savings but the document could be mailed directly into the mail stream without having to be sent to a pre-sort house to co-mingle with other mail.

The optional price pages attached are based on **Laser printing only** but if we are able to sort & automate the addresses for best postage savings then the additional costs would be \$12.00 per thousand to sort, CASS certify & generate the USPS documentation. A charge to deliver the mailing to the post office of \$75.00 per delivery.

The estimated postage for 1st Class presort less than 1 oz. is about 37.3¢ each & if we automated the address then the 1st Class **auto** range under 1 oz. is 31.2¢ to 37.3¢ each. (Budget about 33.5¢ each) An approximate savings of about 3.8¢ each or \$38.00 per thousand.

Company Name - The Market Builder

Optional PRICE SHEET

ITEM NO.	DESCRIPTION OF REQUIRED MATERIAL, SERVICE OR CONSTRUCTION	QTY	UNIT	YEAR 1 UNIT PRICE
Pricing for item shall include Black, Variable Laser Printing on pre-printed shell.				
1.	<u>Utility Billings:</u> Standard 8½ x 11 pre-printed shell, Variable Laser Printing, Black, 1-side	42,000	Month \$0.0265/each year 1	\$13,356.00 \$0.0265/each year 1
2.	<u>Utility Bill Notices:</u> Standard 8½ x 11 pre-printed shell, Variable Laser Printing, Black, 1-side	350	Week \$0.111/each year 1	\$2,020.20 \$0.111/each year 1
3.	<u>Tax Reports:</u> Standard 8½ x 11 pre-printed shell, Variable Laser Printing, Black, 1-side	9,000	Month \$0.0366/each year 1	\$3,952.80 \$0.0366/each year 1
4.	<u>Account Statements:</u> Standard 8½ x 11 pre-printed shell, Variable Laser Printing, Black, 1-side	4,000	Month \$0.0533/each year 1	\$2,558.40 \$0.0533/each year 1

IFB 08-037 *RBT*

Company Name - The Market Builder

Optional PRICE SHEET

ITEM NO.	DESCRIPTION OF REQUIRED MATERIAL, SERVICE OR CONSTRUCTION	QTY	UNIT	YEAR 1 UNIT PRICE
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5. License Certificates: Standard 8½ x 11 pre-printed
shell, Variable Laser Printing, Black, 1-side

A. January –June and December	8,000	Month	\$2,144.80 - \$0.0383/each year 1 (7 total months)
B. November	4,000	Month	\$213.20 \$0.0533/each year1 (1-mailing)

6. License Renewals: Standard 8½ x 11 pre-printed
shell, Variable Laser Printing, Black, 1-side

	20,000	Year	\$586.00 \$0.0293/each year1 (1-mailing)
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Grand Total of Year 1 **\$24,831.40**