



Lake Havasu City

Lake Havasu City
Municipal Courthouse
Council Chambers
92 Acoma Boulevard
Lake Havasu City, Arizona
86403
www.lhcaz.gov

Legislation Details (With Text)

File #: ID 16-0906 **Version:** 1 **Name:**
Type: Action Item **Status:** Agenda Ready
File created: 9/9/2016 **In control:** City Council
On agenda: 9/27/2016 **Final action:**
Title: Ratify Execution of First Amendment to the Production Agreement for Utility Bill Printing, Inserting, and Mailing Services with DataProse, Inc., with all Rights and Interest Assigned and Transferred to CSG Systems, Inc.
Sponsors: Administrative Services Department, Tabatha Miller
Indexes:
Code sections:
Attachments: 1. Production Agreement and First Amendment

Date	Ver.	Action By	Action	Result
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COUNCIL COMMUNICATION

TO: Honorable Mayor and Council
FROM: Tabatha Miller, Administrative Services Director

SUBJECT:

Ratify Execution of First Amendment to the Production Agreement for Utility Bill Printing, Inserting, and Mailing Services with DataProse, Inc., with all Rights and Interest Assigned and Transferred to CSG Systems, Inc.

FUNDING SOURCE:

Various Departments

PURPOSE:

To ratify the execution of the First Amendment to Production Agreement for printing and mailing of City utility bills and other accounts receivable bills and statements.

BACKGROUND:

In FY 2007-08, the Finance Department initiated a Production Agreement with DataProse, Inc., (Agreement) to outsource printing, inserting, and mailing of the City's utility bills and other miscellaneous accounts receivable statements and invoices. In 2008, DataProse was acquired by CSG Systems. In 2010, the Agreement was

amended (First Amendment) to assign all rights and interest in the contract to CSG.

The First Amendment also extended the Agreement for three years and provided for annual automatic renewal, unless either party provided written notice of termination. The Agreement has been annually renewed since July of 2013. The Agreement was reviewed by the Administrative Services Department in April of 2016, which determined that the Agreement should be renewed another year. Through the review process, it was discovered that the First Amendment was not approved by the City Council. It is important at this time that the Agreement continue, but it is anticipated that procurement of these services will be analyzed in the near future. The Administrative Services Department is in the process of reviewing new computer systems for accounting and utility billing. It is prudent to wait until a system was selected before procuring a new bill printing and mailing provider.

COMMUNITY IMPACT:

Outsourcing the bill printing and mailing allows the City to process statements in a more timely and cost effective manner.

FISCAL IMPACT:

The annual expenditure for these services ranges from \$205,000 to \$240,000. The City budgeted \$209,186 for printing and mailing billing statements in FY 2017.

ATTACHMENTS:

Production Agreement between Lake Havasu City and DataProse, Inc.
First Amendment to the Production Agreement

SUGGESTED MOTION:

I move to ratify the execution of the First Amendment to the Production Agreement with DataProse, Inc., with all Rights and Interest Assigned and Transferred to CSG Systems, Inc.