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CLARK COUNTY
WASHINGTON

**AUDITOR
GREG KIMSEY**

STAFF REPORT

DEPARTMENT: Elections Department

DATE: Nov. 18, 2014

REQUEST: Approve the contract with Sendit Direct Mailing and Fulfillment, Inc., for Ballot Mailing Services and Envelope Storage, selected through a competitive Request for Proposal.

CHECK ONE: Consent CAO

BACKGROUND

The County Elections Office conducted Request for Proposal #677, Ballot Mailing Services and Envelope Storage, to select a mailing service firm to provide labeling, folding, inserting, addressing, metering, bar-coding, presorting, banding, traying and delivery to post office of official ballots on an as-required basis.

The County Elections Office conducts up to 5 elections per year, with an average of 4 elections per year. Quantities can be from 1,000 to 250,000 pieces with up to five individual inserts mailed at any given election. Elections staff work very closely with mailing service vendor and remain onsite at all times to oversee and ensure quality and accuracy of official ballots being mailed. All services must comply with any and all relevant U.S. Postal Service mailing and automation requirements.

The cost of this contract is broken down on a per piece per thousand cost (see Contract Exhibit A). The total annual cost of this contract would not exceed \$61,150.00. The county shall retain the ability to renew the contract annually for up to four additional years.

Evaluation matrix is also included as Appendix B.

COMMUNITY OUTREACH

Proper procedures and notices were followed for a Request for Proposal.

BUDGET AND POLICY IMPLICATIONS

Funds to cover the cost of this contract are already included within the budget needs of the Elections Office. This service is and has been an ongoing need.

FISCAL IMPACTS

Yes (see attached form)

No



man ok

ACTION REQUESTED

We ask the Board of County Commissioners to approve the mailing services contract with Sendit Direct Mailing and Fulfillment, Inc. and authorize the County Elections Supervisor to approve contract amendments and to extend the contract for ongoing services, as needed, up to four additional years.

DISTRIBUTION

Richard Cooper, Elections
Mike Westerman, Purchasing

Catherine Garber
Catherine Garber
Elections Supervisor

Approved: Tom Mielke
CLARK COUNTY
BOARD OF COMMISSIONERS

SR 255-14

Date= NOV. 18, 2014

Staff Report Attachment (RFP Selection Process)

Date:	September 26, 2014														
RFP Description:	RFP# 677 Title: Ballot Mailing Services & Envelope Storage Description: Locate a vendor who can provide ballot mailing and envelope storage services. The vendor shall be able to successfully and accurately inkjet and assemble 250,000 ballot packets that contain 4-6 inserts for up to 5 elections per year. The vendor shall be able to produce a consistent quality product free of any fading or skewing. The vendor shall be able to sort, tray and palletize all completed ballot packets according to postal standards. The vendor must have security procedures in place to insure the integrity of the elections process. The vendor shall also be able to store 15 - 25 pallets of surplus ballot materials including #9, #10, and #11 envelopes for extended amounts of time until the next election.														
Evaluation Process	Project Team: Scored based on experience, ability, permanent staff vs temporary staff, long term planning including service contracts. Experience: Scored based on having multiple years of experience with multiple counties assembling and mailing ballot materials. Capabilities and Abilities: Scored based on amount of space, conditions inside work space (temperature, cleanliness, noise, etc.), age and condition of equipment, security procedures, storage capabilities, long-term planning for equipment, quality of materials (use samples and or past history). Approach and Understanding: Scored based on quality (using samples provided and obtained from on-site evaluations), procedures for assembling ballot materials, security that will be used, ability to meet all deadlines. Cost: Scored based on current contract: (\$11,225, scoring is done with a 2 point deduction per \$1,000 over current amount rounded to the nearest point) Example: A Proposal of \$13,225 would receive a score of 16.														
Evaluation Matrix	Evaluation Scores - RFP #677 - Ballot Mailing Services & Envelope Storage														
		Signature Graphics, Inc.							Sendit Direct Mail & Fulfillment						
		Panel Member				Average	Average Group Score for on-site visit (100 points)	Total Score (200 points)	Panel Member				Average	Average Group Score for on-site visit (100 points)	Total Score (200 points possible)
Evaluation Criteria	Max Pts.	1	2	3	4				1	2	3	4			
Project Team (Experience, Ability, long-term planning)	20	18	16	20	20	18.5	18.5	37	18	20	20	20	19.5	19.5	39
Experience in Election Mailings	20	20	20	20	20	20	20	40	20	20	20	20	20	20	40
Capabilities and Abilities (Space, equipment, security, storage, long-term planning)	20	15	14	14	20	15.75	14.5	30.25	17	18	18	18	17.75	17.75	35.5
Approach and Understanding	20	18	18	16	20	18	17	35	18	18	14	20	17.5	17	34.5
Cost	20	12	12	12	12	12	12	24	18	18	18	18	18	18	36
Total Average Score		83.00	80.00	82.00	92.00	84.25	82	166.25	91.00	94.00	90.00	96.00	92.75	92.25	185
Recommended Proposer:	After comparing the scores of both proposers it was determined by a unanimous decision to proceed into contract negotiations with Sendit Direct Mail & Fulfillment. Each proposals scores started with a perfect score. Based on the Proposals received and the on-site evaluations deductions if necessary were made. The deductions made are broken down as follows: Project Team: Both Signature graphics and Sendit Direct received deductions based on not providing a clear long-term plan for staffing and/or maintenance of machines. Experience: Both Proposers provided adequate support for having experience in election mailing and ballot assembly, no point deductions were made. Capabilities and Abilities: Signature Graphics deductions were based on: conditions inside work space (temperatures in winter can not be maintained at comfortable temperature) and inserting equipment is outdated. Sendit Directs deductions were based on inserting equipment being outdated. Approach and Understanding: Signature Graphics deductions were based on: quality of samples provided with proposal compared to the samples provided during on-site interview were faded and skewed. Sendit Direct deduction were based on the inability to guarantee our preferred schedule, ability to meet deadlines with increased workload. Cost: Deductions were made based on a 2 point deduction per \$1,000 over current amount rounded to the nearest point.														
Comments: <i>Include the total cost of the contract for E-Verify requirements</i>	All four evaluators and a representative from purchasing were present during the meeting to discuss the proposals, on-site interviews and decision making process. Original panel member scores were based on a combination of past experiences and the provided proposals. Average group score was determined by giving each panel member an opportunity to adjust their scores after discussing on-site evaluations. Total Cost of this contract is \$61,150 annually.														

Professional Services Contract

EL 14-57

Ballot Mailing Services & Envelope Storage RFP #677

THIS CONTRACT, entered this 18th day of NOV 2014, by and between CLARK COUNTY, after this called "County," a political subdivision of the State of Washington, and Sendit Direct Mailing & Fulfillment Inc., after this called "Contractor."

WITNESSETH

WHEREAS, the Contractor has been chosen through a competitive bid process by the County RFP # 677 and has the expertise to provide professional services for Clark County and to perform those services more particularly set out in the proposal attached hereto and incorporated herein by this reference as Exhibit A.

WHEREAS, Clark County does not have available staff to provide such services for the benefit of the services of Clark County, NOW, THEREFORE,

THE COUNTY AND THE CONTRACTOR MUTUALLY AGREE AS FOLLOWS:

1. Services. The Contractor shall perform services as set forth in Exhibit A.
2. Time. The contract shall be effective beginning February 1, 2015 and ending January 31, 2016. Clark County reserves the right to extend the contract for a period of four (4), one (1) year periods, with mutually agreeable terms and conditions, by service of a written notice of its intention to do so prior to the contract termination date.
3. Compensation. County shall pay the Contractor for performing said services upon receipt of a written invoice according to the proposal set forth in Exhibit A, which is

attached hereto and incorporated herein by this reference. The parties mutually agree that in no event shall the amount billing exceed the dollar amount in Exhibit A without prior approval of the County.

4. Termination. The County may terminate this contract immediately upon any breach by Contractor in the duties of Contractor as set forth in Contract. The waiver by the County of one or more breaches shall not be construed as a waiver of any subsequent breach or breaches. Further, County may terminate this Contract upon immediate notice to Contractor in the event that the funding for the project ceases or is reduced in amount. The Contractor will be reimbursed for services expended up to the date of termination.

5. Independent Contractor. The Contractor shall always be an independent Contractor and not an employee of the County, and shall not be entitled to compensation or benefits of any kind except as specifically provided herein.

6. Indemnification. The Contractor does release, indemnify and promise to defend and save harmless the County, its officers, officials, employees and agents from and against any and all liability, loss, damages, expenses, actions and claims, including costs and reasonable attorney's fees incurred by the County, its officials, officers, employees and agents in defense thereof, asserted or arising directly or indirectly on account of or out of the performance of service pursuant to this Contract. In making these assurances, the Contractor specifically agrees to indemnify and hold harmless the County from any and all bodily injury claims brought by employees of the Contractor and expressly waives its immunity under the Industrial Insurance Act as to those claims which are brought against the County; provided, however, this paragraph does not

purport to indemnify the County against the liability for damages arising out of bodily injuries to person or damages caused by or resulting from the sole negligence of the County, its elected officials, officers, employees and agents.

7. Wage and hour compliance. Contractor shall comply with all applicable provisions of the Fair Labor Standards Act and any other legislation affecting its employees and the rules and regulations issued thereunder insofar as applicable to its employees and shall always save County free, clear and harmless from all actions, claims, demands and expenses arising out of said act and the rules and regulations that are or may be promulgated in connection therewith.

8. Social Security and Other Taxes. The Contractor assumes full responsibility for the payment of all payroll taxes, use, sales, income or other form of taxes, fees, licenses, excises, or payments required by any city, federal or state legislation that is now or may during the term of this agreement be enacted as to all persons employed by the Contractor in performance of the work pursuant to this Contract and shall assume exclusive liability therefore, and meet all requirements thereunder pursuant to any rules and regulations that are now and may be promulgated in connection therewith.

9. Contract Documents: Contract documents consist of this Agreement, Exhibit A, a scope of work which consists of a proposal based on RFP #677, and Exhibit A budget documents.

10. Equal Employment Opportunity: The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, gender, sexual orientation, age, disability, marital status or national origin.

11. Changes: County may, from time to time, require changes in the scope of the services to be performed hereunder. Such changes, including any increase or decrease in the amount of the Contractor's compensation, which are mutually agreed upon by and between County and the Contractor, shall be in writing, signed by both parties and incorporated in the written amendments to the Contract.

12. Public records act: Notwithstanding the provisions of this Contract to the contrary, to the extent any record, including any electronic, audio, paper or other media, is required to be kept or indexed as a public record in accordance with the Washington Public Records Act, RCW Chapter 42.56, as may hereafter be amended, Contractor agrees to maintain all records constituting public records and to produce or assist Clark County in producing such records, within the time frames and parameters set forth in state law. Contractor further agrees that upon receipt of any written public record request, Contractor shall, within two business days, notify Clark County by providing a copy of the request to the Clark County Public Records Officer/Department of Public Works.

13. Governing Law. This agreement shall be governed by the laws of the State of Washington. Venue for any litigation shall be in Superior Court for the State of Washington in Clark County, Washington.

14. Confidentiality. With respect to all information relating to County that is confidential and clearly so designated, the Contractor agrees to keep such information confidential.

15. Conflict of Interest. The Contractor covenants that it has had no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or

Vendor/Contractor:

Have you or any of your employees who will be directly compensated retired from a Washington State Retirement System using the 2008 Early Retirement Factor?

Yes

No

If yes, please provide the name and social security number for each retiree to Clark County Purchasing.

EXHIBIT "A"



Sendit Direct *Mail & Fulfillment*

PROPOSAL QUESTIONS 2-5

2.) Project Team:

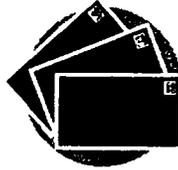
Sendit Direct will dedicate approximately 8 staff to meet Clark County elections needs. (2) Inkjet operators, (2) inserter operators, (2) sorters, (1) data processor and (1) Warehouse/driver employee to stage material and to deliver to USPS.

Senior Staff Experience:

President – Mark Furlong – involved with elections mailing since 1995.
Operations Mgr – Matt Stahl-involved with election mailings since 1995.
Data Mgr – Mark Furlong II-involved with election mailings since 2001.
Customer Svc. Mgr – Mike Vanhorn-involved with election mailings since 1995.
Lead Inkjet Operator – John Sittenthaler – inkjet experience since 1993.
Lead Inserter Operator – Ken Hill-involved with election mailings since 1999.
Sorting and Logistics – Rob Irish-involved with election mailings since 1995.

Our inkjet and inserter operators are highly trained in both the operation and servicing of the equipment they run.

Sendit direct has had virtually no turnover of senior staff. All except John listed above have been with the company since it began operation in 2001. Because ownership and senior management has vast knowledge of the election process we are able to train and build production staff to meet election processes and deadlines.



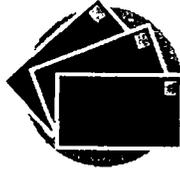
Sendit Direct

Mail & Fulfillment

3.) Management Approach:

My experience in the mailing business began in 1970 when I worked with my father for his company in California. I have a total of 44 years of experience in addressing and inserting processes. Sendit direct is capable of moving several thousand or several million pieces of mail. We have full knowledge of postal regulations and keep up to date on changes. Our tight controls, experience and commitment to quality guarantee the accuracy and timeliness of your mailing.

My experience with Vote by Mail began in 1995 when I worked for FCC Mail as the Production Manager. From 1995 to 1999, we successfully processed Vote by Mail elections for Multnomah, Clackamas, Lane, Washington, Clatsop, Deschutes, Cowlitz & Clark County. I purchased the assets and customer list of FCC in March of 2001 and have successfully processed Vote by Mail elections for Clackamas, Cowlitz, Clark, Polk and Yamhill Counties. Sendit's area of expertise is data processing of lists, inkjet addressing, inserting, laser printing and fulfillment. Sendit Direct has never missed a target drop date for all elections processed.



Sendit Direct

Mail & Fulfillment

4.) Respondent's Capabilities:

Sendit Direct has over 16,000 square feet and more than adequate space to store election material and processed mail ready for delivery. All mail will be stored in the building under 24/7 security camera surveillance until the requested drop date when it will be loaded on trucks and taken to the US Postal facility.

Sendit has a 2005 Kodak Versamark 5122 Inkjet with a Scitex 5120 slave inkjet head. Sendit also has a 2007 MCS 6600 Array inkjet system capable of printing up to 3" of text. Sendit Direct has three (3) Phillipsburg 6 station inserters, model years 1979, 1992 and 2005. All of our equipment is maintained by staff and licensed service technicians. We have backup heads for our inkjet systems. The only supplies needed is ink for inkjets. Postal equipment (Trays, tags, sleeves, ballot markers) is supplied by the post office and Sendit maintains more than adequate supplies on hand.

Sendit Direct Mail & Fulfillment, Inc has 7 security cameras installed and located in the offices, warehouse areas and near each of the 4 exits of the building. These cameras are monitored 24 hours a day. Bay doors in the rear of the building are locked with padlocks and only unlocked when the Operations Manager is present. We have a locked area for the ballots located at the top of the stairs above the office. A secondary area designated for locked storage will be located in a locked office located at the front of the building. Sendit Direct Mail & Fulfillment, Inc employees will not handle any ballot material without a Clark County Election Division employee present and will only move them as instructed by the election division employee. Inkjet and inserter operators will proceed with ballot processing only after an election division employee has given approval. Inserter operators will setup each precinct and wait for approval of all inserted contents



Sendit Direct

Mail & Fulfillment

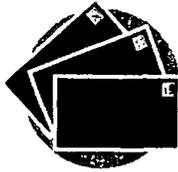
before proceeding. Once the ballots have been inserted, a Sendit Direct employee will stage the completed mail in a designated area as directed by the election division employee. No one shall be permitted near the staged mail until the Post Office comes to weigh verify the mail in preparation for delivering to the Post Office.

Sendit Direct has successfully completed every election we've processed since starting operation in 2001. Sendit currently has on going contracts with Clackamas County, Polk County, Yamhill County and Cowlitz County and have the staff and equipment to meet county needs over the next 5 years.

5.) Project Approach and Understanding:

Clark County Elections employees arrive in the morning at the beginning of the inkjetting process. We produce one sample through the inkjet and have the elections employee approve the sample structure and data. Once approval has been given, the inkjet operators run the inkjet making sure to follow the lead of the election employee, checking the quality of inkjetted address and traying the addressed envelopes. A barcode reader is periodically used to verify readability of barcode as its being inkjetted. Once the inkjet process starts, the operator continues only at discretion of the election employee.

Once the addressed envelopes are trayed and marked, an election employee will direct an assigned Sendit employee to stage the material to specific inserters or holding areas.



Sendit Direct

Mail & Fulfillment

Sendit inserter operators will begin the process of setting up the inserters using ballots selected by an election employee. An assigned Sendit employee will assist in providing all material for the election employees but the election employees will direct the movement of the inserts to the designated inserters. The inserter operators will run a live sample without sealing the flaps and bring the live samples to an assigned election employee's for verification of proper inserts. Once approval is given, the inserter operator will proceed with the designated precinct until fully complete. A second Sendit employee will remove completed mail from the inserter watching for quality and place sealed envelopes into trays, insert a tray tag into the tray, sleeve the tray affix a green pallot marker and place the tray on the appropriate pallet. Once a pallet is complete, the Sendit employee will then mark and wrap the pallet and place in the designated staging area. The process begins again for each precinct until all precincts are inserted.

Sendit will not process any similar mailings during the time Clark County Elections are being processed. The Sendit warehouseman will not bring any other election material on to the production floor during the processing of the Clark County elections.

During the entire process of the Clark County elections mailing, Sendit employees are dedicated to the completion of the mailing with no interruptions. The completed ballots are marked, wrapped and located in the designated staging area and will not be combined with any other mailing project. The space designated for the staging of the completed ballots consists of an area of 1000 square feet and located in view of security cameras. Our cameras are set to record motion 24/7.

On the day of mailing, the Post Office schedules a clerk to watch over the weighing of the ballots and once weights are verified and approved, the clerk will stamp the paperwork. The mail will then be loaded into a Sendit truck for delivery to the designated Post Office.

Request for Proposal # 677
Ballot Mailing Services & Envelope Storage

Attachment C PRICING WORKSHEET (PAGE 1 of 2)

Mailing List Preparation		Mailing List Preparation Cost	
a. Setup		\$ <u>5.00</u>	/1,000 for an election with less than 5,000 voters
b. CASS Certification & Zip+4 Standardization (Delivery Point Barcode Printing)		\$ <u>5.00</u>	/1,000 for an election with 5,001 to 30,000 voters
c. Presort		\$ <u>5.00</u>	/1,000 for an election with 30,001 to 100,000 voters
d. Election Preparation Processing (Append 3 of 9 barcode and address isolation)		\$ <u>5.00</u>	/1,000 for an election with 100,000 to 260,000 voters
Address Application		Address Application Cost	
a. Setup		\$ <u>7.00</u>	/1,000 for an election with less than 5,000 voters
b. Inkjet Application (Single pass)		\$ <u>7.00</u>	/1,000 for an election with 5,001 to 30,000 voters
		\$ <u>7.00</u>	/1,000 for an election with 30,001 to 100,000 voters
		\$ <u>7.00</u>	/1,000 for an election with 100,000 to 260,000 voters
Inserting		Inserting Cost	
a. Setup		\$ <u>30.00</u>	/1,000 for an election with less than 5,000 voters
b. Machine Insert (6 pieces)		\$ <u>30.00</u>	/1,000 for an election with 5,001 to 30,000 voters
		\$ <u>30.00</u>	/1,000 for an election with 30,001 to 100,000 voters
		\$ <u>30.00</u>	/1,000 for an election with 100,000 to 260,000 voters
Folding		Folding Cost	
a. Setup		\$ <u>22.00</u>	/1,000 pieces
b. Machine fold up to 11" x 17"			
Sorting		Sorting Cost	
a. Sort, tray, tag		\$ <u>5.00</u>	/1,000 pieces
b. Hand sort, tray, tag		\$ <u>10.00</u>	/1,000 pieces
Pick up or delivery		Pick up or delivery Cost	
a. Main Post Office/ Postal Sorting Facility		\$ <u>30.00</u>	/ one-way trip
b. Vancouver Main Post Office		\$ <u>30.00</u>	/ one-way trip
c. Clark County Elections Office		\$ <u>30.00</u>	/ one-way trip
Storage		Storage Cost	
a. Storage of unused outgoing envelopes		\$ <u>15.00</u>	/ pallet/month
Other Services		Other Services Cost	
Copying		\$ <u>.25</u>	/ 1,000
Envelope Sealing & Postage Metering (Off-Line)		\$ <u>9.00</u>	/ 1,000
Envelope Sealing (Off-Line ONLY)		\$ <u>6.00</u>	/ 1,000
Tabbing of mailer		\$ <u>6.00</u>	/ 1,000
Rush/expedite		\$ <u>100.00</u>	/ job
Band & Tray jobs sent to Presort bureau only		\$ <u>5.00</u>	/ 1,000

Request for Proposal # 677
 Ballot Mailing Services & Envelope Storage

Attachment C PRICING WORKSHEET (PAGE 2 of 2)

The pricing will be evaluated by applying the submitted pricing to a typical job. Proposer shall fill in the pricing evaluation as a required part of the proposal submission, using the costs quoted on the pricing worksheet. It is mandatory that this section be completed. Failure to complete this section shall cause your proposal to be rejected. (If the evaluation price is different than the pricing sheet, explain in detail.)

Vote-By-Mail Election

Compute on a mailing to 250,000 registered voters with 5 inserts

	Unit Cost	Total
1. List Preparation: a. Setup b. CASS Certification & ZIP+4 Standardization (Delivery Point Barcode Printing) c. Election Preparation Processing (Append 3 of 9 barcode and address isolation)	\$ <u>.005</u>	\$ <u>1,250.00</u>
2. Address Application a. Setup b. Inkjet Application (Single spray head)	\$ <u>.007</u>	\$ <u>1,750.00</u>
3. Inserting: a. Setup b. Machine insert 5 pieces	\$ <u>.03</u>	\$ <u>7,500.00</u>
4. Sorting: a. Sort, tray, tag	\$ <u>.005</u>	\$ <u>1,250.00</u>
5. Delivery: a. Main Post Office	\$ <u>30.00</u>	\$ <u>30.00</u>
6. Storage: Compute on 6 pallets for 5 months a. Storage of unused envelopes and supplies between elections	\$ <u>15.00</u>	\$ <u>450.00</u>
Vote-By-Mail Election Total	\$ <u>12,230.00</u>	