



North Beach Water District

Office Manager's Report to Board of Commissioners

Date: 10/30/2013

Re: Bill Processing & Mailing

This is a report on the research I have conducted into the possibility of outsourcing our monthly billing and mailing. The District currently prints, folds, stuffs and mails roughly 2,600 bills monthly at a cost of \$0.66 per piece or approximately \$1,720 per month. The current process takes between 5-6 hours if every step of the process goes smoothly and much longer for any issue that arises (i.e. jammed folding machine).

Outsourcing the monthly billing would have several benefits to both the District and the ratepayers. First and foremost it would save the District at least \$2,500 per year. Second it would greatly reduce overhead and the need for the storing of statements, envelopes and the folding machine. Third it would give the job to professionals who are far better equipped to deal with any malfunctions in the process and free up District personnel to provide assistance to customers.



Proposal for
North Beach Water District

Overview – Preparation and Mailing of Water Billing

Databar will process the data and prepare the Water Bills which will be sent out to North Beach Water District's customers. The bills will be processed and mailed within 48 hours of receipt and approval of data.

Statement Preparation Costs

Our processes, which includes managing the data, printing, folding and stuffing bills (and return envelopes) into outgoing envelopes will be billed out at the following rate:

- 29 cents per bill mailed.
- Price includes Billing sheet, outgoing envelope, return envelope and processing.
- Postage will be billed at 43.3 cents per individual bill (Subject to higher rates based on weight in the case of multiple bills in one envelope. Also subject to possible discounts when mailing meets 'discount criteria' dictated by USPS).

Inserts and Monthly Messages

- Monthly messages are offered at no additional charge and can be provided at the time of your data transmission. These messages are printed right on the water bill in space provided for smaller messages.
- Inserts can be included with your water bills. These can be printed onsite at our in-house print shop with no delay or freight costs. The price for the actual insert will vary depending on size, quantity, and printing specifications (i.e., print in one color or multiple colors, printing on front side only or front and back, etc.). Databar will insert machineable pieces at 2 cents each.



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Confidential Proposal for:

North Beach Water District

Statement Imaging and Mail Processing

Description: CASS Certify, validate addresses through NCOA and presort customer data file. Laser print variable statement data in black to 8 1/2" x 11". Letter fold statement and insert into #10 window along with #9 reply. Seal and tray for best automation postage rates. Deliver to USPS bulk mail facility along with all necessary paperwork. Mail first class at barcode automation rates.

Quantity 2,600/Month Price: \$.09 each + Automation Postage*

Preprinted stock - Approximate 6 month supply

- #10 Window envelope, printed black on face on 24# White
 - 16,000 – Normal Black ink - Price = \$.029 cents each
- #9 regular envelope printed black ink on 24# white wove
 - 16,000 - Price = \$.025 cents each
- 8 1/2" x 11" laser statement printing up to 2 colors face and black back with one right angle micro-perf on 60# white bond.
 - 16,000 Regular bills - Price – \$.028 cents each

Inserts

- 8 1/2 x 11 Water Quality printed black face on 60# white offset
 - 2,600 –\$.035 each
- 8 1/2 x 11 Flush schedule printed 4/4 on 60# white offset
 - 2,600 –\$.07 each

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Option #1: PDF Images of every statement mailed - one master file
Price - \$.005 cent each

* Automation postage of 36 to 40.5 cents each, depends on zip sort.
*** One time programming fee is \$1000.00 – Waived!
**** Paper prices guaranteed for at least 90 days.

Jim Cote'
President

Accepted _____

October 12, 2013 Date _____

	The Masters's Touch	Databar	North Beach Water
#10 Envelope	\$0.029	N/A	\$0.036
#9 Envelope	\$0.025	N/A	\$0.054
Folding Machine	N/A	N/A	\$0.120
Ink	N/A	N/A	\$0.013
Statement	\$0.028	N/A	\$0.004
Processing	\$0.090	\$0.290	N/A
PDF	\$0.005	N/A	N/A
Sub-total	\$0.177	\$0.290	\$0.227
Postage	\$0.405	\$0.433	\$0.433
Sum	\$0.582	\$0.723	\$0.660
Yearly Total	\$18,158.40	\$22,557.600	\$20,582.640