



**COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR**



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May 30, 2002

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TO: Bobi Johnson, Health and Budget Deputy, First Supervisorial District
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FROM: Mark J. Saladino
Treasurer and Tax Collector 

SUBJECT: **AGENDA ITEM NO. 122 FOR JUNE 4, 2002 – APPROVAL OF
CONTRACT WITH ANCORA PRESORT PARTNERS FOR PRESORT
MAILING SERVICES**

This Department has filed the attached Board letter for the Board of Supervisors' meeting of June 4, 2002 recommending approval of the contract with Ancora Presort Partners (Presort Partners) for the provision of presorting services for outgoing mail. Presorting mail prior to delivery to the US Post Office qualifies for a discounted postage rate. The proposed sole source contract is for a one-year term, with four one-year renewal periods at the option of the Treasurer and Tax Collector, commencing July 1, 2002, and will not exceed \$35,000 annually.

The Treasurer and Tax Collector (TTC) bills and collects taxes on behalf of the County of Los Angeles, the County's incorporated cities, school districts and all other taxing agencies located in the County. The TTC has utilized outside mailing firms since 1987 to mail approximately 2.3 million annual property tax bills beginning the latter part of September through October to meet the November 1st deadline stipulated in Revenue and Taxation Code §2610.5. On an intermittent basis, as-needed TTC mailings and those of TTC's client departments may be processed through an outside mailing firm, depending on the scheduling and workload requirements of each job and that of TTC's in-house mailroom.

The recommended contract for presort mailing services affords the TTC a significant savings in first-class postage, i.e., a gross savings of \$.078 per piece of mail handled through the presort process, based on postage rates to be effective June 30, 2002. Presort Partners is currently performing presort mailing services for TTC under an ISD Purchase Order which will expire June 30, 2002. It is expected that Presort Partners will continue to perform successfully under this new contract.

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Presort Partners is the sole vendor with the requisite capacity and means to accomplish the task of presorting TTC's annual property tax bill mailings to meet the November 1st annual deadline. The Department made the sole source determination, with County Counsel's concurrence, based on the following:

- Presort Partners owns and operates three facilities; two of which are in Los Angeles County. In the event of a local disaster or catastrophe at one of their facilities, Presort Partners would be able to transfer TTC's mailing jobs to a branch location to meet TTC's deadlines and presort mailing requirements.
- A search of the Internet for mail service trade associations produced four (4) associations that deal exclusively with mailing services and one (1) mailing services consulting firm, all of which confirmed that Presort Partners is the only firm in Los Angeles County with the wherewithal to perform the requisite services for TTC;
- A review was made of the prior two solicitations for mailing services, one made by ISD in 1996 and a second made by TTC in 2000. Each solicitation yielded only one responding firm that performed presorting services exclusively and had the means to meet TTC's presort mailing service requirements. In both instances, that firm was Presort Partners;

If you should have any questions, please contact Tony Yakimowich, Assistant TTC, at 974-0703.

MJS:WMH:mh

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Attachment

c: Anthony Yakimowich