



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Treasurer-Tax Collector



Date: January 21, 2016
Board Meeting Date: February 23, 2016
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Sandie Arnott, Treasurer-Tax Collector

Subject: Agreement with RevQ - A Columbia Ultimate Company to Provide Bill/Invoice Printing and Mailing Services

RECOMMENDATION:

Adopt a resolution authorizing an agreement with RevQ to provide bill/invoice printing and mailing services for the term beginning March 1, 2016 through February 28, 2019 in an amount not to exceed \$800,000.

BACKGROUND:

The Revenue Services Division of the Treasurer-Tax Collector's office recovers funds due to the County from various County Agencies. As part of the collection effort, Revenue Services sends out approximately 400,000 collection notices annually on outstanding debts owed to the County.

DISCUSSION:

This agreement with RevQ will provide bill/invoice printing and mailing services for accounts identified by the County. RevQ will also provide an in-house technical service department which is available 8:00 AM to 5:00 PM, Monday through Friday, with turnaround times that must be 24 hours or less. We are recommending that this agreement be approved for the time period March 1, 2016 through February 28, 2019 with an amount not to exceed \$800,000.

The Immedia Software is a feature of the RevQ proprietary collection software that is being used by our Revenue Services Division. The use of this feature has shown that it is more cost-effective and efficient to utilize RevQ for revenue collection mailing services than other contractors due to the ability to transmit data electronically between the County's database and the vendor's mailing system. The material costs for envelopes, paper, printing, folding, inserting, and sorting are competitive with other agencies. This feature enables us to obtain postage discounts while meeting all postal

requirements. In addition, the integration of this feature with our existing collection software allows us to maintain a history of all outgoing correspondence.

Based upon the responses received from five (5) printing and mailing service providers, the reviewing committee chose to remain with RevQ- A Columbia Ultimate Company for printing and mailing collection notices.

It is estimated that the collections ratio within Revenue Services will be impacted due to the Statewide amnesty program that runs from October 1, 2015 through March 31, 2017; staff reductions due to vacated positions and unexpected LOA's; and the appearance of increased expenditures from transferring fund balance to the new property tax system trust account.

County Counsel has reviewed and approved the agreement and resolution as to form. The contractor meets the County's insurance requirements, but a waiver of the Contractor Employee Jury Service Ordinance is requested since the contractor is located in Vancouver, Washington and they have no employees that live in San Mateo County.

Approval of this resolution will contribute to the Shared Vision 2025 outcome of a Collaborative Community by allowing Revenue Services to continue using cost-effective and efficient mailing services to support County departments in their effort to recover revenues due to the County.

The resolution contains the County's standard provisions allowing amendment of the County's fiscal obligations by a maximum of \$25,000.00 (in aggregate).

PERFORMANCE MEASURE:

Measure	FY 2014-15 Actual	FY 2015-16 Target
Cost of Collections Ratio (admin costs/net revenue)	.17	.20

FISCAL IMPACT:

Funds for these services have been included in the Treasurer-Tax Collector's FY 2015-16 and 2016-17 Recommended Budget. Similar arrangements will be made for future budget years.