

VALLEY CLEAN ENERGY ALLIANCE**Staff Report – Item 11**

TO: Board of Directors

FROM: Rebecca Boyles, Director of Customer Care and Marketing

SUBJECT: Approval of Third (3) Amendment to Automate Mailing Services Agreement

DATE: December 14, 2023

RECOMMENDATION

Adopt a resolution authorizing the Executive Officer, in consultation with VCE Legal Counsel, to execute Amendment Three (3) to VCE's existing agreement with Automate Mailing Services (Automate) extending the termination date to December 31, 2024 and replacing Exhibit D - Budget, Payment, Rates.

BACKGROUND & DISCUSSION

VCE and other CCAs print and send various mailings to customers for both regulatory and general communication purposes (e.g. Enrollment notices). Since October 2018, VCE has contracted with Automate Mailing Services for these services. After requesting informal proposals from various mailing house vendors, in October 2018, the VCE Board authorized the Executive Officer to execute a two-year agreement with Automate for a not to exceed amount of \$100,000. In November 2020 the Board approved Amendment One (1) to the agreement extending it to through June 30, 2022 and increasing the not to exceed amount to \$140,000. On June 9, 2022, the Board approved Amendment Two (2) which extended the term through December 31, 2023, increased the not to exceed amount to \$191,750, and replaced Exhibit D with updated costs.

The Automate agreement provides for printing, mailing, and processing services for VCE's notices, letters and other bulk mailings. These services are time-sensitive in nature and mission critical to the organization. Automate has provided prompt service, competitive market rates for contracted services, and has met or exceeded contract provisions. Based on the competitive rates and performance, staff is recommending an extension of the services agreement with Automate.

The recommended amendment would 1) extend the Automate agreement by one (1) year to a new expiration date of December 31, 2024; and, 2) update Exhibit D – Budget, Payment, Rates to reflect the extension and Automate's rates. There will be no change to the not to exceed amount of \$191,750 and all other provisions of the contract remain unchanged.

FISCAL IMPACT

The costs associated with providing mailing services are included in VCE's proposed CY2024 budget. The proposed Automate agreement extension is consistent with the amount budgeted for these types of services.

ATTACHMENTS

1. Amendment Three (3)
2. Amended Exhibit D – Budget, Payment, Rates
3. Resolution 2023-XXX

THIRD AMENDMENT
TO THE AGREEMENT FOR CONSULTANT SERVICES
BETWEEN
VALLEY CLEAN ENERGY ALLIANCE
AND
AUTOMATE MAILING SERVICE

1. Parties and Date.

This Amendment No. Three (3) to the Consultant Services Agreement (“3rd Amendment”), is made and entered into as of this 1st day of January 1, 2024, by and between **Valley Clean Energy Alliance**, a Joint Powers Agency, existing under the laws of the State of California with its principal place of business at 604 2nd Street, Davis, California 95616 (“VCE”) and Consultant, **Automate Mailing Service**, with its principal place of business at 3526 La Grande Boulevard, Sacramento, California 95823 (“AMS”). VCE and AMS are sometimes individually referred to as “Party” and collectively as “Parties.”

Recitals.

1. VCE and AMS entered into an “Agreement for Consultant Services,” (“Agreement”) dated October 18, 2018 and effective December 7, 2018, for the purpose of retaining AMS to provide the services described in Exhibit A of the Agreement. The Agreement was for a term of two (2) years and a total amount not to exceed \$100,000.

2. On November 12, 2020 the VCE Board of Directors approved Resolution No. 2020-030, authorizing the Executive Officer to execute the Amendment No. One (1) to the Agreement, extending the term for eighteen (18) months, for a new expiration date of June 30, 2022, and increasing the not to exceed amount by \$40,000, for a total amount not to exceed \$140,000.

3. On June 9, 2022 the VCE Board of Directors approved Resolution No. 2022-016, authorizing the Executive Officer to execute Amendment No. Two (2) to the Agreement extending the term for eighteen (18) months, for a new expiration date of December 31, 2023; increasing the not to exceed amount by \$51,750, for a total amount not to exceed of \$191,750; and, replacing Exhibit D – Budget, Payment, Rates with updated costs.

4. VCE and AMS now desire to further amend the Agreement to extend the term by an additional one (1) year, through December 31, 2024 and replace Exhibit D – Budget, Payment, Rates with an updated Exhibit D. The not to exceed amount of the Agreement will remain at \$191,750.

Now therefore, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, the Parties agree as follows:

4.1 Amendment. Section 1.4 of the Agreement is hereby amended in its entirety to read as follows:

1.4 Term The term of this Agreement, as amended, shall begin on December 7, 2018, and shall end on December 31, 2024, unless amended as provided in this Agreement, or when terminated as provided in Article 5.

4.2 Amendment. Exhibit D of the Agreement are hereby replaced in its entirety by Exhibit D attached hereto.

5. Except as amended by this Third Amendment, all other provisions of the Agreement will remain in full force and effect.

6. If any portion of this Third Amendment is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

[Signatures on Next Page]

**SIGNATURE PAGE FOR AMENDMENT NO. THREE (3)
TO THE AGREEMENT FOR CONSULTANT SERVICES
BETWEEN VALLEY CLEAN ENERGY ALLIANCE
AND AUTOMATE MAILING SERVICE**

IN WITNESS WHEREOF, the Parties have entered into this Amendment No. Three (3) as of the 1st day of January 2024.

VALLEY CLEAN ENERGY ALLIANCE

AUTOMATE MAILING SERVICE

By: _____
Mitch Sears
Executive Officer

By: _____
Its: President

Printed Name: Phillip Keely

APPROVED AS TO FORM:

By: _____
Inder Khalsa
VCE Attorney

EXHIBIT D

BUDGET, PAYMENT, RATES

BUDGET: \$191,750 total not to exceed for mailing and/or printing needs covering through December 31, 2024.

The following rates can be used as guidelines for costs for future mailings and/or printing needs. Please note that these rates are subject to change.

STANDARD PRINT COSTS

8.5X5.5" POSTCARDS 4/4 ON 100# VELVET COVER 10% PCW

QTY 5,000 - \$1000

QTY 10,000 - \$1250

QTY 25,000 - \$1750

QTY 50,000 - \$2650

QTY 75,000 - \$3450

6 X11" POSTCARDS 4/4 ON 100# VELVET COVER 10% PCW

QTY 5,000 - \$1125

QTY 10,000 - \$1450

QTY 25,000 - \$2050

QTY 50,000 - \$3350

QTY 75,000 - \$4350

2 PMS COLOR #10 REGULAR ENVELOPES ON 24# WHITE WOVE

QTY 5,000 - \$600

QTY 10,000 - \$900

QTY 25,000 - \$1650

QTY 50,000 - \$3200

QTY 75,000 - \$4600

FULL COLOR #10 REGULAR ENVELOPES ON 24# WHITE WOVE

QTY 5,000 - \$700

QTY 10,000 - \$1125

QTY 25,000 - \$2750

QTY 50,000 - \$4750

QTY 75,000 - \$6750

8.5X11 LETTERS 4/4 ON 60 OR 70 LB OFFSET

QTY 5,000 - \$625

QTY 10,000 - \$1025

QTY 25,000 - \$2225

QTY 50,000 - \$4125

QTY 75,000 - \$6125

STANDARD MAILING COSTS:

MINIMUMS SET AT 1,000

SETUP PRODUCTION - \$25

SETUP DATA - \$25

NCOA - \$55

LETTER FOLDING - \$15/THOUSAND

VARIABLE LETTER FOLDING - \$20/THOUSAND

MACHINE INSERTING - \$32/THOUSAND

APPLYING LIVE STAMPS - \$10/THOUSAND

ADDRESS AND DELIVER LESS THAN 5000 PIECES - \$35/THOUSAND

ADDRESS AND DELIVER MORE THAN 5000 PIECES - \$25/THOUSAND

STANDARD POSTAGE RATES:

FIRST CLASS LETTERS - \$.50-\$.56 PER PIECE (IF WEIGHS 1 OZ. OR LESS)

THIRD CLASS LETTERS - \$.29-\$.38 PER PIECE

FIRST CLASS FLATS - \$.83-\$.1.27 PER PIECE (IF WEIGHS 1 OZ. OR LESS)

THIRD CLASS FLATS - \$.52-\$.89 PER PIECE

LETTER DIMENSIONS	MINIMUM	MAXIMUM
HEIGHT	3 ½ INCHES	6 1/8 INCHES
LENGTH	5 INCHES	11 ½ INCHES

FLAT DIMENSIONS	MINIMUM	MAXIMUM
HEIGHT	6 1/8 INCHES	12 INCHES
LENGTH	11 ½ INCHES	15 INCHES

NOTES:

- **PRESORTED (“BULK”) 1ST CLASS MAILINGS NEED MINIMUM OF 500 RECORDS/ADDRESSES**
- **PRESORTED 3RD CLASS NEEDS MINIMUM OF 200 RECORDS/ADDRESSES**

VALLEY CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2023 - ____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE VALLEY CLEAN ENERGY ALLIANCE APPROVING AMENDMENT THREE (3) TO THE AUTOMATE MAILING SERVICE FOR PRINTING, MAILING AND PROCESSING SERVICES AND AUTHORIZING THE EXECUTIVE OFFICER TO EXECUTE AMENDMENT THREE

WHEREAS, The Valley Clean Energy Alliance (“VCE”) was formed as a community choice aggregation agency (“CCA”) on November 16, 2016, under the Joint Exercise of Power Act, California Government Code sections 6500 et seq., among the County of Yolo, and the Cities of Davis and Woodland, to reduce greenhouse gas emissions, provide electricity, carry out programs to reduce energy consumption, develop local jobs in renewable energy, and promote energy security and rate stability in all of the member jurisdictions. The City of Winters, located in Yolo County, was added as a member of VCE and a party to the JPA in December of 2019; and,

WHEREAS, on December 7, 2018 via Resolution 2018-027 between VCE and Automate Mailing Service (AMS), both parties executed an agreement for printing, mailing and processing services for VCE’s notices, letters and other bulk mailings, said agreement was set to expire on December 7, 2020; and

WHEREAS, on November 10, 2020 via Resolution 2020-030, the Board approved Amendment One (1) extending the contract through June 30, 2022, increasing the not to exceed amount by \$40,000.00 to the original \$100,000 for a not to exceed amount of \$140,000, and updating Exhibits A, C and D; and,

WHEREAS, on June 9, 2022 the VCE Board of Directors approved Resolution No. 2022-016, authorizing the Executive Officer to execute Amendment No. Two (2) to the Agreement extending the term for eighteen (18) months, for a new expiration date of December 31, 2023; increasing the not to exceed amount by \$51,750, for a total amount not to exceed of \$191,750; and, replacing Exhibit D – Budget, Payment, Rates with updated costs.

WHEREAS, both parties have agreed to extend the contract one (1) year through December 31, 2024 and, update Exhibit D – Budget, Payment, Rates – without increasing the not to exceed amount of \$191,750.

WHEREAS, the not to exceed amount of \$191,750 will remain and costs associated with providing mailing services are included within VCE’s proposed calendar year budget for 2024.

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NOW, THEREFORE, the Board of Directors of the Valley Clean Energy Alliance resolves as follows:

1. The Executive Officer is hereby authorized on behalf of VCE to execute Amendment Three (3) to the AMS Agreement for printing, mailing and processing services; which Amendment Three (3) is attached hereto as Exhibit A; and,
2. Amendment No. Three (3) makes the following changes to the Agreement:
 - a. the termination date is extended to December 31, 2024; and,
 - b. Exhibit D – Budget, Payment, Rates, is updated and replaced as set forth in the attached Amendment Three (3) to AMS’ Agreement.
3. The Executive Officer is authorized to execute the agreement amendment substantially in the form attached hereto as Exhibit A on behalf of VCE, and, in consultation with legal counsel, is authorized to approve minor changes to the agreement so long as the term and price are not changed.

PASSED, APPROVED AND ADOPTED, at a regular meeting of the Valley Clean Energy Alliance, held on the ____ day of _____, 2023, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Tom Stallard, VCE Chair

Alisa M. Lembke, VCE Board Secretary

EXHIBIT A: Amendment Three (3) to Automate Mailing Service Agreement

EXHIBIT A

**AMENDMENT THREE (3) TO
AUTOMATE MAILING SERVICE AGREEMENT**