

Lexington Fayette Urban County Government
Division of Central Purchasing
200 E. Main St., Room 338
Lexington, KY 40507
(859) 258-3320

Invitation to Bid: #67-2012

Print and Mailing Services
Sewer, Landfill, and Water Quality Fees

PROPOSAL DUE DATE:

May 23, 2012 | 2:00 p.m.

Proposal submitted by:



Level One LLC
Corporate Headquarters
3 Great Valley Parkway, Ste 100
Malvern, PA 19355-1416
610.229.9200 main
610.771.4600 fax
GoLevelOne.com

Contents

Cover Letter

Section I: Requirements Documents

- Invitation To Bid Document
- Affidavit
- Green Procurement
- Equal Opportunity Agreement
- Response to Requirements

Section II: Level One Company Description / Background

Section III. Project Management Methodology

Section IV: Proposed Processing Solutions / Procedures

Section V: Electronic Billing and Payment Services (EBPP) Description Overview (future consideration)

Section VI: Training

Section VII: Level One Quality Management Plan

Section VIII: Customer Support

Section IX: Disaster Recovery

Section X: Client References

Addendum #1. Includes Proposed Pricing

- Supplemental Pricing Sheet

Addendum #2.





Level One LLC
Three Great Valley Parkway | Suite 100
Malvern, PA 19355-1478

Main | 610.229.9200
Web | golevelone.com

May 23, 2012

Lexington Fayette Urban County Government
Division of Central Purchasing
200 E. Main St., Room 338
Lexington, KY 40507

Dear Evaluation Committee:

I want to thank you on behalf of our company for the time that you and your team will spend evaluating Level One's proposal. We look forward to the next phase of this process so that we can demonstrate our qualifications and preparedness to provide the Lexington Fayette Urban County Government (LFUCG) with a comprehensive solution.

We are excited about our future and the opportunity to provide LFUCG with best-in-class technologies that support Level One's solution and integrate seamlessly with your existing infrastructure. In the midst of a tough economy, we have a clear vision for the future and it involves continual improvement and focus on our customers.

No matter how good our offering, it is important to recognize that the core of any company is its employees. While there are many reasons why Level One is LFUCG's best choice as a partner, our project management team is perhaps the most significant reason of them all. LFUCG will benefit from our unique insight and personal attention to detail. Our industry experience and understanding of your business processes makes us uniquely qualified in knowing how to support your efforts to exceed your customer's expectations.

Level One values the relationship and reputation it continues to build with the utility industry. LFUCG will have our entire organization's commitment to strive for perfection, and always look for better ways to enhance your billing processes. As our customer, we will put your needs first, and bring value to our relationship every single day.

Again we appreciate the opportunity to work with LFUCG's project team to achieve a successful implementation.

Sincerely,

A handwritten signature in black ink, appearing to read "John Parker Boland".

John Parker Boland



Section I. Requirements Documents

- Invitation To Bid Document
- Affidavit
- Green Procurement
- Equal Opportunity Agreement
- Response to Requirements

(refer to documents on following 4 pages)



INVITATION TO BID

Bid Invitation Number: #67-2012

Date of Issue: 05/09/2012

Sealed bids will be received in the office of the Division of Central Purchasing, 200 East Main Street, Lexington, Kentucky, until **2:00 PM**, prevailing local time on **05/23/2012**. Bids must be received by the above-mentioned date and time. Mailed bids should be sent to:

**Division of Central Purchasing
200 East Main Street, Rm 338
Lexington, KY 40507, (859) 258-3320**

The Lexington-Fayette Urban County Government assumes no responsibility for bids that are not addressed and delivered as indicated above. Bids that are not delivered to the Division of Central Purchasing by the stated time and date will be rejected.

All bids must have the company name and address, bid invitation number, and the commodity/service on the outside of the envelope.

Bids are to include all shipping costs to the point of delivery located at: NONE

Bid Security Required: Yes No Performance Bond Required: Yes No
Cashier Check, Certified Check, Bid Bond (Personal checks and company checks will not be acceptable).

Commodity/Service
Print & Mailing Services – Sewer, Landfill & Water Quality Fees
See specifications

<p style="text-align: center;"><u>Check One:</u></p> <p><input checked="" type="checkbox"/> Bid Specifications Met</p> <p><input type="checkbox"/> Exceptions to Bid Specifications. <i>Exceptions shall be itemized and attached to bid proposal submitted.</i></p>	<p style="text-align: center;"><u>Proposed Delivery:</u></p> <p><u>60</u> days after acceptance of bid.</p>
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------

<u>Procurement Card Usage</u>
<p><input type="checkbox"/> Yes The Lexington-Fayette Urban County Government will be using Procurement Cards to purchase goods and services and also to make payments. Will you accept Procurement Cards?</p> <p><input checked="" type="checkbox"/> No</p>

Submitted by: Level One LLC.
 Firm
3 Great Valley Parkway, STE 100
 Address
Malvern, PA 19355
 City/State/Zip

**Bid must be signed:
(original signature)**

John Parker Boland
 Signature of Authorized Company Representative – Title
John Parker Boland
 Representative's Name (Typed or printed)
610-229-9290 610-771-4600
 Area Code - Phone – Extension Fax #
john.boland@golevelone.com
 E-Mail Address

The Affidavit in this bid must be completed before your firm can be considered for award of this contract.

AFFIDAVIT

Comes the Affiant, John Shelley, and after being first duly sworn under penalty of perjury as follows:

1. His/her name is John Shelley and he/she is the individual submitting the bid or is the authorized representative of Level One, LLC

the entity submitting the bid (hereinafter referred to as "Bidder").

2. Bidder will pay all taxes and fees, which are owed to the Lexington-Fayette Urban County Government at the time the bid is submitted, prior to award of the contract and will maintain a "current" status in regard to those taxes and fees during the life of the contract.

3. Bidder will obtain a Lexington-Fayette Urban County Government business license, if applicable, prior to award of the contract.

4. Bidder has authorized the Division of Central Purchasing to verify the above-mentioned information with the Division of Revenue and to disclose to the Urban County Council that taxes and/or fees are delinquent or that a business license has not been obtained.

5. Bidder has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky within the past five (5) years and the award of a contract to the Bidder will not violate any provision of the campaign finance laws of the Commonwealth.

6. Bidder has not knowingly violated any provision of Chapter 25 of the Lexington-Fayette Urban County Government Code of Ordinances, known as "Ethics Act."

7. Bidder acknowledges that "knowingly" for purposes of this Affidavit means, with respect to conduct or to circumstances described by a statute or ordinance defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists.

Further, Affiant sayeth naught.

John Shelley

STATE OF Washington

COUNTY OF Clark

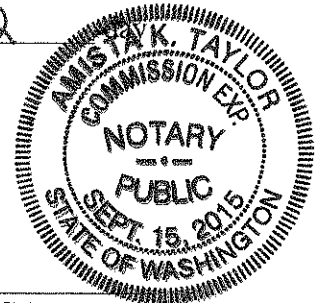
The foregoing instrument was subscribed, sworn to and acknowledged before me

by John Shelley on this the 22

of May, 2012.

My Commission expires: Sept, 15, 2015

Christine J. [Signature]
NOTARY PUBLIC, STATE AT LARGE



Please refer to Section II. Bid Conditions, Item "U" prior to completing this form.

I. GREEN PROCUREMENT

A. ENERGY

The Lexington-Fayette Urban County Government is committed to protecting our environment and being fiscally responsible to our citizens.

The Lexington-Fayette Urban County Government mandates the use of Energy Star compliant products if they are available in the marketplace (go to www.Energystar.gov). If these products are available, but not submitted in your pricing, your bid will be rejected as non-compliant.

ENERGY STAR is a government program that offers businesses and consumers energy-efficient solutions, making it easy to save money while protecting the environment for future generations.

Key Benefits

These products use 25 to 50% less energy
Reduced energy costs without compromising quality or performance
Reduced air pollution because fewer fossil fuels are burned
Significant return on investment
Extended product life and decreased maintenance

B. GREEN SEAL CERTIFIED PRODUCTS

The Lexington-Fayette Urban County Government is also committed to using other environmentally friendly products that do not negatively impact our environment. Green Seal is a non-profit organization devoted to environmental standard setting, product certification, and public education.

Go to www.Greenseal.org to find available certified products. These products will have a reduced impact on the environment and on human health. The products to be used must be pre-approved by the LFUCG prior to commencement of any work in any LFUCG facility. If a Green Seal product is not available, the LFUCG must provide a signed waiver to use an alternate product. Please provide information on the Green Seal products being used with your bid response.

C. GREEN COMMUNITY

The Lexington-Fayette Urban County Government (LFUCG) serves as a principal, along with the University of Kentucky and Fayette County Public Schools, in the Bluegrass Partnership for a Green Community. The Purchasing Team component of the Partnership collaborates on economy of scale purchasing that promotes and enhances environmental initiatives. Specifically, when applicable, each principal is interested in obtaining best value products and/or services which promote environment initiatives via solicitations and awards from the other principals.

If your company is the successful bidder on this Invitation For Bid, do you agree to extend the same product/service pricing to the other principals of the Bluegrass Partnership for a Green Community (i.e. University of Kentucky and Fayette County Schools) if requested?

Yes X No _____

EQUAL OPPORTUNITY AGREEMENT

The Law

- Title VII of the Civil Rights Act of 1964 (amended 1972) states that it is unlawful for an employer to discriminate in employment because of race, color, religion, sex, age (40-70 years) or national origin.
- Executive Order No. 11246 on Nondiscrimination under Federal contract prohibits employment discrimination by contractor and sub-contractor doing business with the Federal Government or recipients of Federal funds. This order was later amended by Executive Order No. 11375 to prohibit discrimination on the basis of sex.
- Section 503 of the Rehabilitation Act of 1973 states:

The Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap.

- Section 2012 of the Vietnam Era Veterans Readjustment Act of 1973 requires Affirmative Action on behalf of disabled veterans and veterans of the Vietnam Era by contractors having Federal contracts.
- Section 206(A) of Executive Order 12086, Consolidation of Contract Compliance Functions for Equal Employment Opportunity, states:

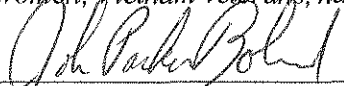
The Secretary of Labor may investigate the employment practices of any Government contractor or sub-contractor to determine whether or not the contractual provisions specified in Section 202 of this order have been violated.

The Lexington-Fayette Urban County Government practices Equal Opportunity in recruiting, hiring and promoting. It is the Government's intent to affirmatively provide employment opportunities for those individuals who have previously not been allowed to enter into the mainstream of society. Because of its importance to the local Government, this policy carries the full endorsement of the Mayor, Commissioners, Directors and all supervisory personnel. In following this commitment to Equal Employment Opportunity and because the Government is the benefactor of the Federal funds, it is both against the Urban County Government policy and illegal for the Government to let contracts to companies which knowingly or unknowingly practice discrimination in their employment practices. Violation of the above mentioned ordinances may cause a contract to be canceled and the contractors may be declared ineligible for future consideration.

Please sign this statement in the appropriate space acknowledging that you have read and understand the provisions contained herein. Return this document as part of your application packet.

Bidders

I/We agree to comply with the Civil Rights Laws listed above that govern employment rights of minorities, women, Vietnam veterans, handicapped and aged persons.



Signature

Level One, LLC.

Name of Business

Section I. Response to Requirements

PRINTING AND MAILING SERVICES – FUNCTIONAL REQUIREMENTS

The desired and mandatory functional requirements are included in the following matrix.

Req #	Requirement	Type	Response and Comments
1	Receive files via FTP. These files will come directly from the Ventyx Customer Suite billing system. Format shown in Appendix A. (The file type will be a fixed length text file and files will be processed for the selected bill print/mail Vendor on all business days at about 9:00 pm.)	Mandatory	Satisfied
2	Print, process and mail or otherwise deliver up to x pieces daily. Vendor should expect to receive one or more files for each type of document specified in section x. These files should be processed for inclusion in the late afternoon mail run following receipt of the files.	Mandatory	Satisfied
3	To provide for electronic document review and cancellation by GCWW and LFUCG between the printing and mailing processes. Please specify any software tools and requirements for electronic document review and cancellation.	Mandatory	Satisfied
4	Read barcodes and/or OMR marks to intelligently insert the appropriate materials (i.e. inserts and envelopes) for each mail piece.	Mandatory	Satisfied
5	Insertion equipment for invoices with at least 6 trays capable of handling dynamic insertion based on barcode or OMR logic.	Mandatory	Satisfied
6	Mail all pieces according to agreed upon postal specifications (i.e. first class, pre-sort, bulk mail, etc.), including achieving all available postal discounts.	Mandatory	Satisfied
7	For items to be mailed, print all invoices, past due notices, letters and inserts on paper size and weights as determined by LFUCG. Includes use of correct stationary type for a given file. For example, invoice stationary will require perforations for the remittance stub, while most letters will require standard letterhead.	Mandatory	Satisfied
8	Source print logo(s) on all stationary materials (paper, envelopes and inserts) in appropriate size(s), location(s) and color(s).	Mandatory	Satisfied
9	Print documents using spot color printing (black and one additional color at minimum)	Mandatory	Satisfied
10	Incorporate document revisions within 72 hours of receipt of revisions in the agreed upon format(s).	Mandatory	Satisfied
11	Provide CASS and NCOA certification to meet United States Postal Service minimum standards for maximum postage discounts.	Mandatory	Satisfied



12	Process all mail according to United States Postal Service rules, regulations and requirements to ensure the lowest possible postage rates.	Mandatory	Satisfied
13	Provide daily, monthly and annual reports on quantities for each of the materials as used.	Mandatory	Satisfied
14	Provide daily, monthly and annual reports on pieces processed and postage used.	Mandatory	Satisfied
15	Provide a minimum of 14 days advance notice of need to add money to postage accounts.	Mandatory	Satisfied
16	Provide the ability to allow LFUCG to make bill content and message changes. Include any requirements needed for this.	Mandatory	Satisfied
17	Provide the ability to archive bills and letters for up to one year. After that one year period, bills will be moved to a document storage location at LFUCG. The ability to deliver or release these archive bills and letters for storage at LFUCG will also be required.	Desired	Satisfied
18	Provide the ability for bill payments to be scanned by our lockbox solution using the scan line on the invoice	Mandatory	Satisfied



Section II. Level One Company Description / Background

Level One is a Limited Liability Corporation (LLC) headquartered and incorporated in the Commonwealth of Pennsylvania. Level One is also a woman-owned business entity and qualifies as a small business entity in many municipalities across the United States.

Legal Business Name:	Level One LLC
Business & Mailing Address:	3 Great Valley Parkway, Suite 100
City, State ZIP:	Malvern, PA 19355-1426
Contact Name:	John P. Boland, President
Phone:	610-229-9200
Fax:	610-771-4601
Fed. Tax ID #:	20-1040709
PA State Sales & Use Tax ID #:	83915039
DUNS#:	15-572-1975
Date Business Established:	May 2004

Our normal hours of operation are:

Monday – Friday from 8:00 AM EST/EDT to 5:00 PM EST/EDT.

However, by virtue of our communications infrastructure, LFUCG will have 24/7/365 access to a Level One support and/or primary point of contact, whenever needed. Our project management portal is always available for posting programming requests, processing inquiries, checking project status or other communication.

Level One has extensive experience in the design, development, implementation, and management of outsourced municipal utility billing applications. We provide traditional printing and mailing services as well as e-billing, managed (hosted) web based bill presentment, and electronic payment services to customers all over the country.

Our depth of expertise in the utility market is unparalleled. Level One was established in 2004, however, Level One's management / implementation team has been delivering innovative outsourced billing services for over 20 years and has developed applications for the Ventyx Customer Suite since the mid 1990's, initially with Connexus Energy. Also, prior to establishing Level One, our management team was partnered with SCT Utilities and developed customer billing applications when Customer Suite was known as Banner.

Today, we process over 8,000,000 critical customer communications for various utilities, municipalities and other entities in 21 states on a monthly basis. These communications include customer bills, reminder notices, shut off notices, and on-demand letter/booklet projects. Most importantly, we offer multiple outbound delivery channels (paper and electronic) and consolidate a wide variety of inbound payment channels that has benefits throughout the entire organization.

What really sets us apart from other companies is our deep understanding of the water utility business. We have expertise working with all major CIS and municipal management software



platforms including Ventyx, SunGard HTE, Harris, Cayenta, and many more. Our document composition engine has no limitations with regard to receiving any type of data or receiving multiple input files from disparate data streams. Level One's specific knowledge of this industry space also allows us to integrate our electronic billing platform and interfaces to work seamlessly with LFUCG's existing Ventyx CIS platform.

Level One's design environment and formatting tools are best-in-class and provide robust functionality with optimal flexibility to combine customer data, business rules, and complex conditional logic to drive unique presentment—personalized to each customer. Whether processing multiple metered and special handling accounts (exceptions, pulls), dynamic messaging, customizing a usage history graphs, or integrating the delivery of a range of document types (Bills, Notices, Permits, Licenses, etc.), no company handles the unique processing and output requirements as easily and efficiently as Level One.

On the production side, we utilize five dedicated print/mail facilities, (Pennsylvania, Indiana, Oregon, and Ohio and Reno, NV) with several additional partner facilities throughout the United States. All of our printing and mail insertion systems are less than 4 years old, and we maintain 24/7 maintenance support on all equipment. Level One has taken precautions to ensure guarding against a breach of sensitive customer data by collocating in one of the most secure physical production data center in our industry.

Clients FTP billing extract files to our production servers 24/7/365. Successful file transmissions trigger our fully automated file handling processes, which send receipt notification e-mails, and generate pre-production validation reports. Depending on our clients' requirements, it is common practice for Level One to automate data transfer and processing routines.

LFUCG customer service representatives will have access to our proprietary web based PreVIEW™ tool, which is an online document pre-production “review and disposition” module that is the most advanced and easiest to use in the industry. Combined with our archiving and customer friendly electronic bill presentment and payment services, Level One offers one of the most advanced, yet simple to use online customer communications systems available today.

As part of our integrated solution suite, Level One's eVIEW™ platform is well suited to meet LFUCG's future electronic delivery requirements. In addition, if the City chose in the future to fully integrate **all** elements of mail and electronic delivery, Level One offers LFUCG additional capability that includes SMS notifications, and mobile / smart phone functionality.

Level One is committed to being a leader in the utility industry. Level One is a member of the AWWA and NAWC and Silver Sponsor of MindShare, Ventyx Users Group Conference.

In summary, our services are efficient, accurate, and extremely cost competitive. Our experience within the water-sewer utilities industry allows for smooth implementations and will provide LFUCG with a customer management/service team that is second to none.



Level One is an equal employment opportunity employer. It is our policy that all employment, procurement and subcontracting decisions be made without regard to race, creed, color, religion, national origin, ancestry, gender, age, disability, veteran or active military status, marital status, political affiliation or any other basis prohibited by state or federal laws. Level One operates a Drug Free workplace.

Level One certifies it has no current or future interest which would conflict with the performance of services under any potential future contract; nor do any current or will any future employees have any interests that would conflict with the performance of services under this contract.

John Parker Boland, President and CEO, will be signing this response and is authorized to make decisions as to pricing quoted and has not participated, and will not participate, in any action contrary to the above-statements.

John Shelley, Director of Business Development, will be obtaining the Notary validation for the Affidavit and will be submitting the bid.

Level One certifies it is not now, nor will be in the future, associated with any parent, affiliate, or subsidiary organization of LFUCG, in supplying the products and services outlined in this response.

Level One certifies it has not been retained, nor has it retained an outside contractor, agent, or lobbyist to solicit LFUCG for any products or services we are proposing in this proposal, or any related matters as described above.



Section III. LEVEL ONE'S Project Methodology

The scope of work Level One will provide LFUCG begins with document design and includes all products and services associated with a full service bill processing outsource solution. These services include all data formatting and processing requirements; bill printing; bill inserting; postal savings maximization through manifest mailing; e-presentment and e-payment options; PDF image archiving; and a host of customized reporting options. We also manage all procurement and warehousing requirements. The volumes, attributes, and production schedules for LFUCG as defined in this RFP are considered standard requirements and well within Level One's competency.

At the core of all solutions we recommend to customers is the premise that they must improve quality, increase efficiencies, reduce costs and be easier to use than the systems and processes currently in place. With that in mind, our approach is rather simple. Find out what our customers want, and then give them more than they ask for.

Regardless of the reasons behind the decision to outsource, we scale our solutions to meet the demands of our clients, tailored to their specific needs. Our methodology can be broken down into four phases, all of which are vitally important to the success of any program. They are:

- Assess Information – Develop a plan mutually agreed upon, designed to meet Client's goals. Includes implementation schedules, role definitions, and business rules.
- Document Design
- Programming, Development, Testing – Includes data processing, file transfer procedures, and parallel testing
- Project Management / Implementation – Establish a clear schedule for commencing work, establish reporting procedures, training, procurement, project management (portal) tools

Phase 1 - Assess Information / Develop Project Plan

Listen and understand what our customers' goals are, as well as specific requirements that must be met to meet those goals. It's really just effective communication. Dealing with as many water utilities as we do in 17 different states provides us with unparalleled experience in understanding that business processes often vary among utilities. Although there are many commonalities, we realize there are always specific requirements that are unique to each customer. After fully understanding our customer's goals, we create a mutually agreed upon plan (blueprint) designed to meet those goals and requirements. This plan (commonly referred to as a statement of work) details every requirement our team must accomplish to fully meet our customers' expectations. This is a "dynamic" blueprint that may be adjusted during any phase, and will be the guideline and focus of communication between our teams throughout the critical development and implementation phases.

Soliciting applicable information and knowing what questions to ask is an essential part of achieving the best result for the client. It is not our intention to funnel our customers into a "one size fits all" solution that compromises their ultimate goal.



That is why we developed a comprehensive statement of work that is used to help us understand every need and goal of our customers. The answers form the basis we use to develop everything from bill design and delivery preferences, to specific business processing rules and reporting requirements.

Phase 2 - Document Design

Level One is fortunate to have a talented group of document design specialists that assist our customers in developing highly effective bill designs and customer communications. Our design department uses industry leading formatting tools that provide robust functionality with optimal flexibility to combine customer data, business rules, and complex conditional logic to drive unique presentment—personalized to each customer. Whether processing special handling accounts (exceptions, pulls), dynamic messaging, or customizing a usage chart (or multiple charts within a single account), no company handles the unique processing and output requirements as easily and efficiently as Level One.

In many of the applications we presently have in production, we routinely drive multiple statement or invoice presentments based on customer type (or other data elements). Our design and layout staff are experts in designing (or refining existing) bill templates that minimize page counts, and also minimize call center activity with crisp, effective, easily understood bill template designs. During the design process, everything from the type of paper and envelope selected to the page's layout and how fonts and graphics are used impact the efficiency of the document production process.

Level One has demonstrated that good information design can be achieved through the following methodology:

- Define the document's purpose and prioritize objectives
- Start the design by defining content, not appearance
- Understand what content the customers want and need
- Enforce consistency with brand identity guidelines and related marketing materials
- Involve a representative from each production process and internal departments in the design
- Include process information in prototypes
- Look for design efficiencies at each step in the process-as design efficiencies yield production efficiencies

Although most new clients have an established bill format, we often find that our experience in the utilities industry is helpful in presenting possible enhancements to the existing format that improve the presentation of information, improve branding, and reduce call center activity.

Phase 3 - Development / Programming

We utilize leading edge technology and qualified personnel to create the programs and processes necessary to meet our customer's design and processing requirements. Working closely with our clients, our developers and programmers are experts in data management and file handling and have deep knowledge of best practices for utility billing.



Level One has invested in what we feel is the most robust and comprehensive data integration software on the market in order to meet any conceivable rule request. Combined with our extensive knowledge of most major utility industry CIS platforms, we are adequately equipped to meet all customer requirements.

Familiarity with the raw data extract file becomes extremely important when designing the bill in order to provide the correct allocation of space necessary for each field to print on the bill and keep an attractive presentation. Level One's billing applications incorporate the following custom features:

Multiple form templates

Both standard and custom bill designs are available in a number of sizes both 8 ½" x 11" and 8 ½" x 14" that accommodate billing for multiple services.

Variable fonts and graphics

Level One's program code includes print controls that call for a combination of multiple font types and sizes to achieve clear communication of customer information. Variable form templates and graphics can be driven from predetermined data elements to ensure that each customer bill type is uniquely presented.

Convergent Billing

Level One can offer LFUCG the capability to combine two separate data streams if necessary. One data stream from the primary CIS and potentially another data stream from a separate system (i.e. CRM system) with a completely different file structure. Disparate data streams can be merged into one file format prior to being processed through our custom program.

Customer Service Messaging

Level One has the functional capability to provide unique messaging driven from data for each service type providing different phone numbers and hours of operation for customer service assistance unique to each service.

One-to-one marketing messages

Level One has the functional capability to provide messaging in a number of ways. Messages can be embedded in the data for all customers or referenced from a table of messages set with priority instructions. In addition, messages can be triggered from any number of data elements including, but not limited to the following:

- Zip code
- Rate code
- Bunch code

Data Manipulations

Level One has the functional capability to perform basic data manipulations from the raw XML extract file. Several examples are listed below:

- Date formatting (i.e. 01-MAY-11 presented as May 1, 2011)
- Change Rate Descriptions (i.e. SEWER SERV presented as Monthly Sewer Service)



Data Calculations

Level One has the functional capability to perform basic calculations from the standard billing extract file. For example adding various tax rates and mapping to one line on the bill or providing more sophisticated calculations and or conversions. Several examples are listed below:

- Data from the SH record as it applies to meter reading types and dates, usage conversions, etc.
- Usage data from history record as it applies to graphing consumption
- Combining rates
- Calculating discounts and /or penalties

Consumption graphs

Consumption can be graphically represented from utilizing the data found in the bill history section of the data file. Calculations can be made to show monthly, bi-monthly, quarterly or average daily usage. Graphing bars depicting consumption for the period can be shaded differently to indicate reading types.

OCR scan line

Level One has the functional capability to build the scan line based on the client's remittance processing requirements. Modular check digits can be incorporated to ensure the accuracy of the scanning equipment.

Other standard programming requirements are, but not limited to:

- Address cleansing (CASS, PAVE, NCOALink, DPV)
- Postal presorting
- House-holding
- Automated responses (file receipt confirmations, reconciliations, etc.)
- Custom Reporting
- Exceptions (pulls, defaults)
- Selective inserting
- Real-time reporting via flat file, fax, e-mail, or Internet portal
- ACH Check Conversion
- Electronic Data Interface (EDI)
- Summary Billing

Phase 4 - Implementation

Our success in the utility market to a large degree can be attributed to our ability to effectively communicate with our customers during the implementation phase of our relationship. Furthermore, Level One finds value in keeping the people that are most familiar with the client's needs engaged on a day-to-day basis and accessible throughout the process.

We assign an experienced Implementation Team to manage the integration and testing of all technologies, programs and processes that were developed to meet our customers' goals and requirements. The Level One Implementation Team will provide both the technical and project management leadership during this phase.



In consideration of our experience in developing and managing the implementation of utility billing applications, most customer billing project plans are straightforward and require a fairly small amount of effort to program and test. However, billing applications that require a more comprehensive scope for seamlessly integrating processes for electronic exceptions handling, on-line bill previewing, electronic billing, or a total reengineering of the bill print process requires a great deal of programming and testing. It is important to allow adequate time for testing to ensure a smooth transition and prevent any potential adverse effects to your customers.

Level One's business plan provides a detailed view of our proposed solution to incorporate paperless billing and electronic payments within LFUCG's existing billing application. Only Level One's solution provides true seamless integration with one single-point of accountability to ensure that your customer gets their bill on-time, every time via multiple delivery channels—paper or electronic.

By design, eVIEW™'s foundation is based in Level One's philosophy to create once and repurpose rather than to recreate an image every time it is utilized within different applications. Through Level One, LFUCG is better able to leverage its investment in its existing application without creating redundant processes, managing multiple vendors and incurring unnecessary costs.

LFUCG benefits by implementing a system that is engineered to work within your existing application and reporting structure. Level One's eVIEW™ is the next logical step in strengthening our current end-to-end service model and online toolset—which would now include preVIEW™, sureVIEW™ and eVIEW™.

Because our offering is so tightly integrated with your current processes, Level One can deliver the following benefits:

- True seamless integration into your current billing application
- Least amount of disruption to your current processes
- One process to manage...one point of accountability
- Dedicated personnel at all levels within the organization that possess deep understanding of LFUCG's business requirements
- Local representation
- Speedier implementation
- Organization with a proven track record of delivering on-time
- Lower total cost of ownership
- Full end-to-end accountability for each bill data record processed
- Consolidated reporting capabilities and quality controls throughout all delivery channels
- Our process includes the proper audit checks and has passed the scrutiny of your auditors.

Level One's image creation and print and mail production processes for the LFUCG billing program will be architected to include quality assurance checks at every stage of production. These process flows are documented in detail and signed off by our internal audit teams to verify the required audit trail.

The e-billing solution detailed in this plan further extends Level One's integrated process to include electronic presentment and payment. With regard to bill image creation, the process changes



required to integrate an e-bill presentment channel can be accomplished with minimal modifications to the existing process flows. The same quality assurance checks and verification thresholds remain intact and are now simply applied to a branch of the delivery tree.

This solution has been architected by and will be implemented by your existing Level One team that manages LFUCG's paper billing application. The Level One programming code that incorporates LFUCG's complex business rules to transform LFUCG's data into unique customer bills is proven and mature. The Level One implementation team is familiar with the current state of the application, lives with it every day, and is clear on how to meet all of LFUCG's objectives regarding electronic billing. Based on Level One's experience with LFUCG's current billing processes, we believe that resource demands on LFUCG staff will be minimal, and will most likely consist of approval and sign off (not process definition and documentation).

Level One is confident that we have the technology and expertise to deliver all of the functionality that LFUCG would like to see as part of the overall solution. Further, Level One has the experience to successfully implement each module of the full solution in an acceptable time frame for LFUCG to achieve both the operational improvements and financial results it expects.

Web Based Project Management Portal

Level One utilizes a secure, proprietary customized web-based portal for our project management and application development activities. **This portal serves as the central hub for all internal and external project communications, and ongoing account management.** It is used daily to monitor project deliverables, milestones, message threads, write boards, form templates with changes, and to-do lists.

Your Project Manager will coordinate and maintain procedures and measure performance in the following categories:

- Document design
- Programming requests
- Change requests
- Procurement
- Postal permits (if applicable)
- Quality control
- Reporting
- Performance Metrics
- Problem resolution

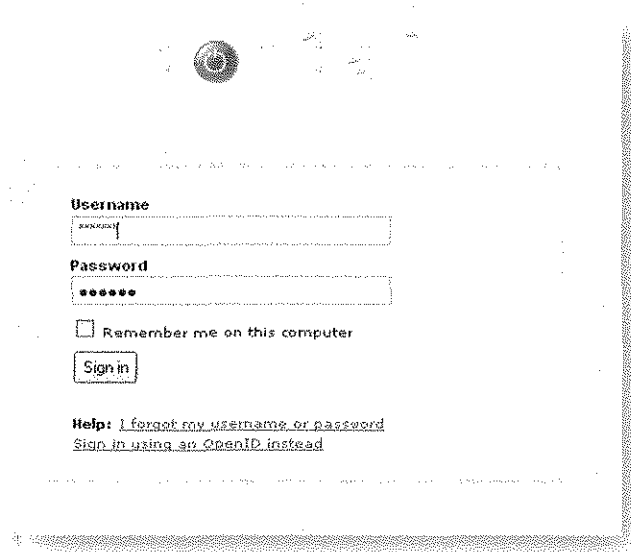
All individuals assigned to the project are assigned logins to the portal which provides full visibility into all elements of the project. This translates into 24/7 access to key project information via the Internet. The interface is very user friendly, and the tools are easy to learn and use. We would provide any training that would be needed.

The Level One portal has an integrated email capability that provides automated updates to project team members when key events are triggered (e.g., the completion of a Milestone.) Team members as well as top management sponsors can choose their level of email notifications, based on their desired level of contact. The key is that all aspects of the project are available online at any time.

The screenshots on the following pages illustrate some of the functionality of this tool:



Password-Protected Secure Login



Username
administ

Password
•••••••

Remember me on this computer

Help: [I forgot my username or password](#)
[Sign in using an OpenID instead](#)

Each Project team member will have their own unique password. An Administrator will be assigned that will have authorization controls to access the portal.



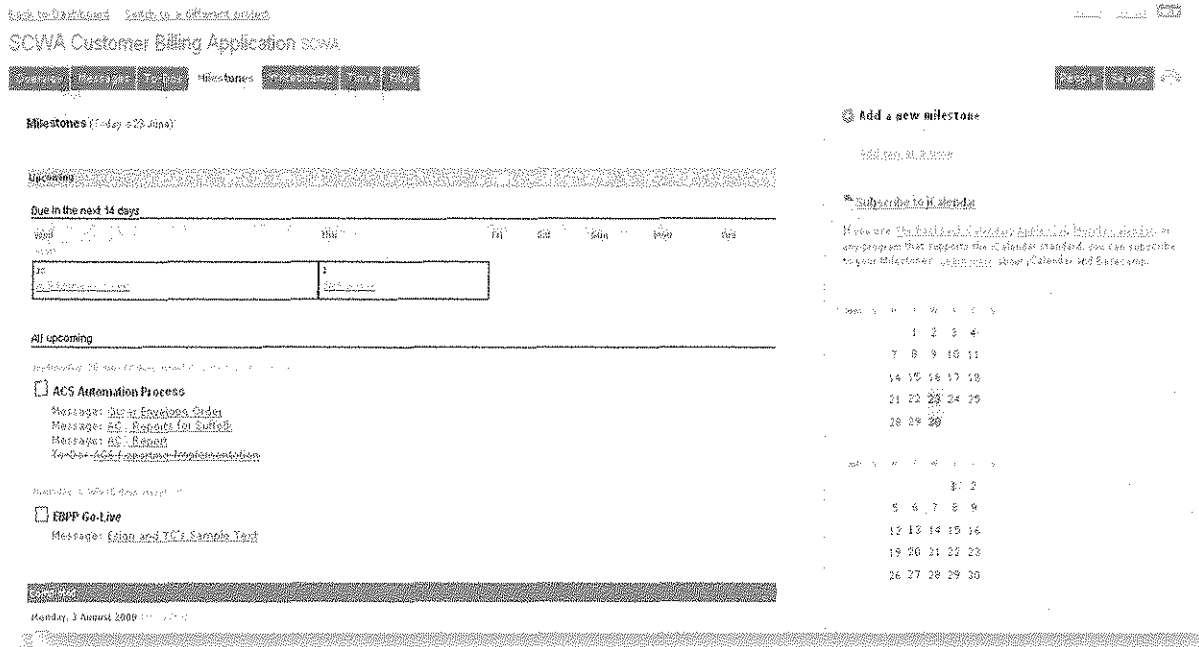
View of Project Dashboard (Proposal task timeline shown as an example...)

The screenshot displays a project dashboard for 'COT Utility Billing Implementation' in the City of Topeka. The dashboard includes a navigation bar with 'Overview', 'Messages', 'To Do', 'Milestones', 'Attachments', 'Team', and 'Files'. A 'Project overview & activity' section features links for 'New discussion', 'New to-do item', 'New milestones', and 'New files'. The 'Upcoming Milestones' section shows a calendar for the next 14 days, with a highlighted 'Proposal Submission Due' on Friday, February 26. A 'Tasks' section lists several tasks with their due dates: 'Implementation' (Due 3 May), 'Contract Negotiations' (Due 9 Apr), 'COT Awards Contract to Level One' (Due 25 May), 'L1 Presentation to COT' (Due 19 Mar), 'Response Evaluation Completed' (Due 12 Mar), and 'Proposal Submission Due' (Due 26 Feb). The 'Assigned to' column lists assignees: Charlie L., City of Topeka, Level One LLC, and John B. On the right, a 'Stay up to date on this project' section offers an email update option. Below that, the 'People on this project' section lists team members: Charlie Lockhead, Dennis Hopson, John Shelley, and John Boland, along with their departments: Programming Dept - Peterson and Programming Dept - Raper. The 'City of Topeka' section identifies the 'COT Project Manager'.

The screenshot above illustrates examples of a few tasks assigned as during the initial implementation of a new project. These tasks are monitored daily/weekly by the Project Manager. Any project team member has the ability to assign a task as a milestone deemed relevant to the project.



View of Project Milestones (Example)



Our experience has shown that this portal is an effective and efficient tool with which to manage bill design changes. It provides a clearly presented project plan view, tracks the sequence of events and message threads, and helps the team maintain focus while managing multiple rounds of design changes and multiple proofs. It also serves as an easy to reference repository of historical proof sign-offs.

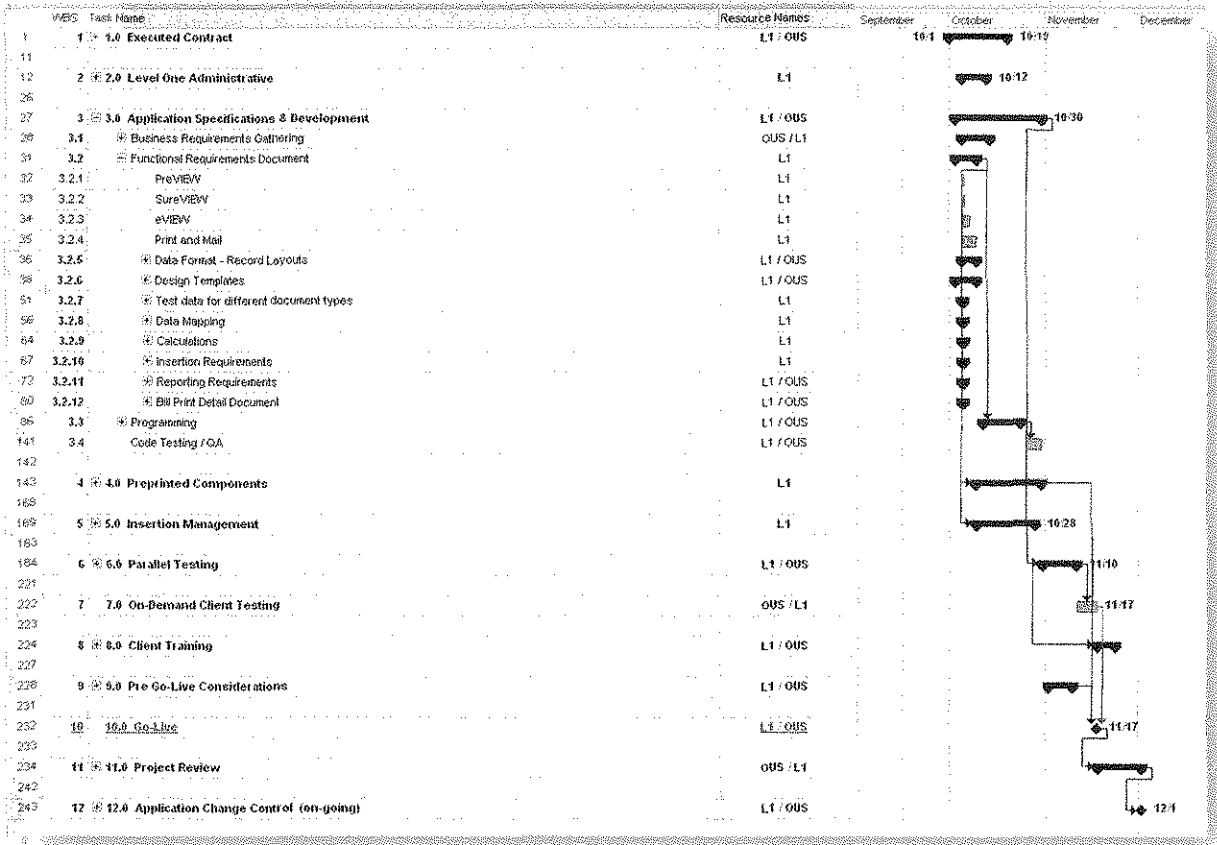
We developed our implementation project template (below) over several years. It encompasses a comprehensive basic task list covering all elements of the implementation, while remaining flexible enough to customize for each client’s specific requirements and specifications.

The Project Plan Diagram includes over 240 individual tasks organized within a WBS (work breakdown structure) that covers each of the major elements of the implementation. We have exploded one of the summary tasks (for a previous project implementation) as a demonstration of the level of detail behind each of the summary tasks.

In conjunction with LFUCG’ implementation project team, Level One will finalize specific timeframe commitments and define any task interdependencies not identified previously. We estimate that setting up this application would take between 60 to 90 days maximum.



Sample Project Plan Gantt Chart



Our project plan is quite extensive and proprietary. Level One can share a more detailed plan with LFUCG in person if picked as a finalist.

Ongoing Project Management and Support

Level One provides the following ongoing support:

- 24X7 access to support staff for problem resolution, including verbal response within 30 minutes of first call.
- Level One will provide LFUCG expert invoice, insert, correspondence, and envelope design services.
- Working with LFUCG and all associated support and software vendors to ensure that printing and distribution requirements, as well as electronic billing and payment and reporting requirements are being met.
- Providing backup and recovery procedures.



Section IV: Proposed Processing Solutions / Procedures

FILE TRANSFER

Raw billing extract data files may be transferred (24/7) between LFUCG and Level One via secure FTP transmission. Each transmission includes verifications to assure successful uploads and integrated error messaging in the rare case when a transmission is unsuccessful. Automated emails are used to validate record counts, A/R Totals, or any other parameters as defined by LFUCG.

Level One's FTP file transfer environment is highly automated, and involves several levels of exception and failure reporting. Level One's report notifications are set to initiate a file transfer failure report with text message or email contact after (4) hours have elapsed from the planned transfer time. This reporting mechanism will also trigger immediately upon any error that causes the FTP file transfer to abort a file for any other reason.

Successful file transmissions will be automatically uploaded to our production server and processed according to the pre-established business rules. After preprocessing is completed, automated emails will be sent back to LFUCG with a summary reporting on vital statistics pertaining to that days billing cycle, including, but not limited to the following:

- File Name
- Transaction Time
- Total Files Received
- Total Files Processed
- Cycle Code
- Document Type
- Date Received
- Statement Count
- Total Page Count
- A/R Totals (i.e. - Broken down by category or region if required)
- Disposition of Records (e.g. Pull and do not print)

PreVIEW™

Level One allows our clients the ability to review and either "approve or delete" the processed file(s) online prior to printing or presenting bills electronically to LFUCG's customers. Our unique PreVIEW™ tool is a query-based web portal for reviewing bills prior to printing that streamlines the review process for better quality assurance. During this preview process - bills, notices, or other applications are made available for viewing on-line prior to printing and mailing.

Essentially, once a data file has been processed and a PDF bill image file has been created, this image file would be posted to their customized PreVIEW™ site for LFUCG to review. Through custom queries, LFUCG's staff will be able to select a file and view any subset of bills from that file that meet selected criteria. (If needed, all bills could be reviewed.)

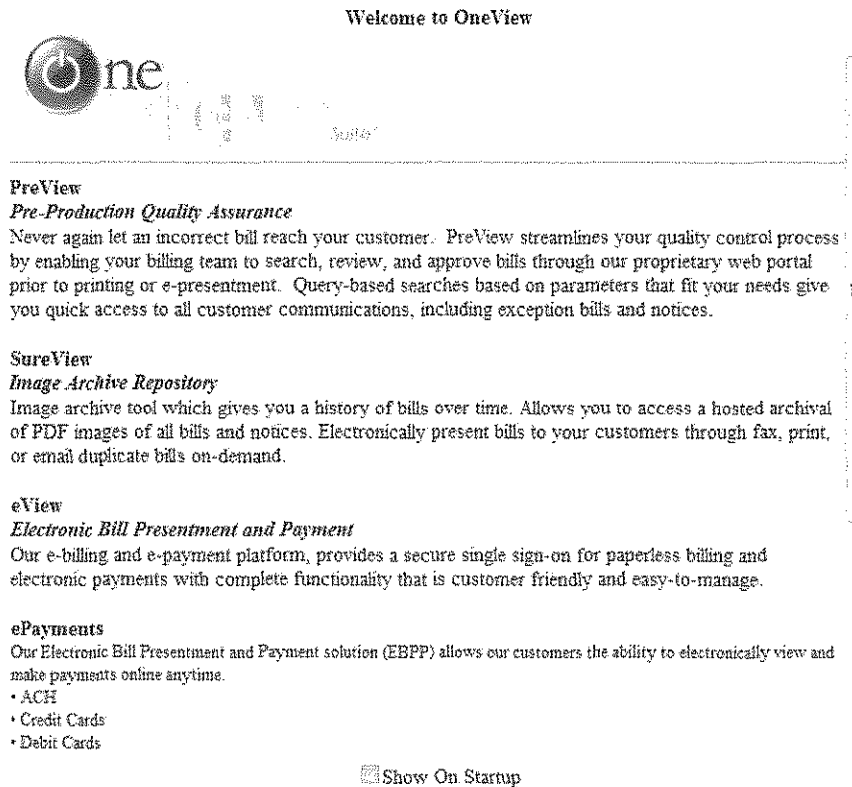
Level One's query building screen can be customized to include any criteria. Searches can be specific or provide a range (high – low) to capture all possible bills meeting those parameters. Level One has built this tool to be dynamic. Although most companies offer some sort of "bill file review" process, few, if any, allow client's to change the disposition of bills **online** with the touch of a mouse pad, eliminating other time consuming forms of correspondence typically required for changes.



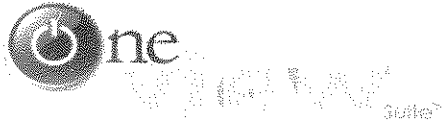
PreVIEW™ provides great functionality, is simple to use and is easy to customize to LFUCG's requirements. This is a competitive differentiator.



The following screens may be displayed on start-up to the end-user



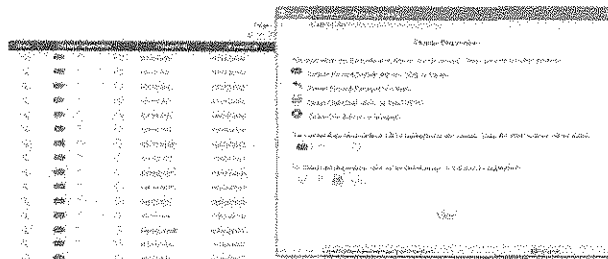
Help



You can now find help with most of the functionality on OneView Suite. Just look for the ? symbol on our web pages.

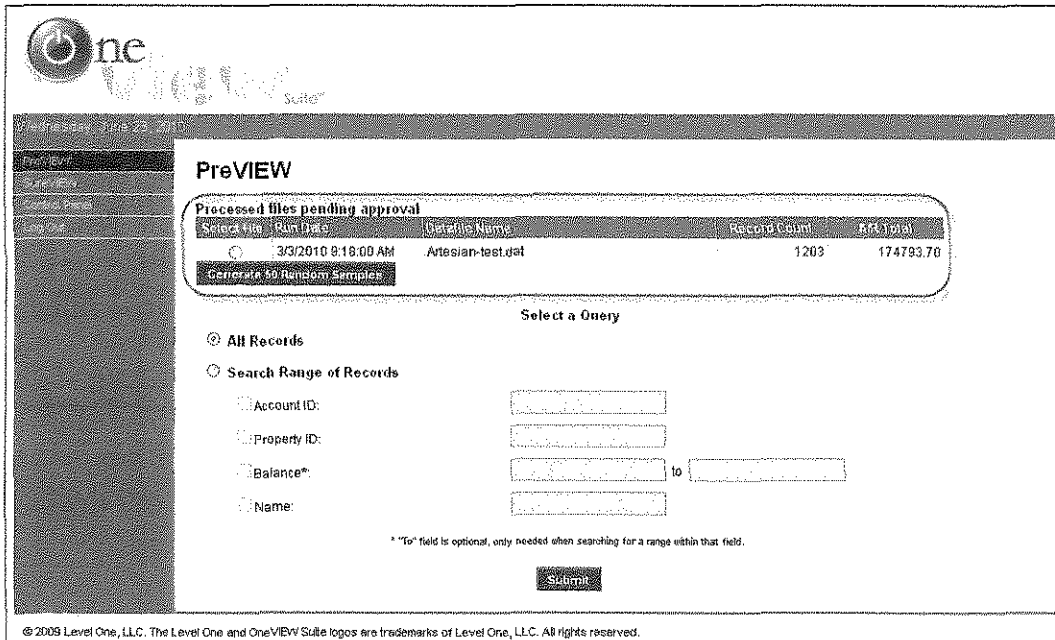


When you click on the ? a help box will popup and give you tips.



Show On Startup

The graphic below depicts Level One's PreVIEW™ functionality, which would allow the CITY to view all bills, a range of bills (as shown below based on Account Number, Balance or Name), or individually selected bills. These index fields were selected as relevant for this particular utility.



The resulting set of bills meeting these criteria is shown in the graphic on the next page. Bills can be assigned default dispositions, and then CITY staff is able to view the bill PDF's, change the dispositions of certain bills, and release the file to print. Dispositions could be defined as "Image Only", "Suppress" (Do Not Print), "Print & Return", "E-bill Only", etc.

View	Account ID	Property ID	Name	Balance	Disposition	Change Disposition
	00000	084 02	Reynolds, Alan L	147.52	Image Only	
	00000	090 18	Madison, Claude	149.73	Image Only	
	00000	085 02	Eaton, G	100.55	Image Only	
	00000	085 05	Hoxter, L	142.05	Deliver	
	00000	085 12	Derrickson, Julie	138.91	Deliver	
	71484	088 01	Hughes, Beverly	108.94	Deliver	
	62268	075 08	Hart, Wonnell	115.10	Deliver	
	00000	091 04	Gibbs, Carmen	101.51	Deliver	

As depicted on the previous screen shot, different pull codes can trigger a different path through production. It is even possible to sort and send bills directly to the individual who requested the pull. This type of reporting provides rich information to managers regarding the volume of work being handled and understanding the reason behind why certain bills are pulled for review. Once the file is approved, (with or without changes) a print file is created and transmitted through SFTP to the designated print facility.

LASER PRINTING

Level One utilizes multiple high-speed laser printers, both cut-sheet and continuous, in order to meet our large volume of daily printing. Our facilities have achieved **SAS 70 Type II certifications** and have comprehensive, documented, and proven quality assurance programs that address specific production phases of production, starting with Quality Control in Laser Printing.

During the electronic printing process, the following checks are in place to ensure that LFUCG's output meets the following requirements:

- Every application is assigned a unique job code to ensure correct specification set-ups
- The code is used to call in the correct electronic forms, assign fonts and logos, and account for insert splits
- Print samples are gathered every 15 minutes throughout the run to check for visible quality and numerical integrity, OCR scan line accuracy, 2D barcodes integrity



- Any discrepancies found are reported immediately to a supervisor, who will contact the responsible parties to decide on further action
- Counts generated are checked against counts provided on production and reconciliation reports
- When printing is completed, output is sent to the Production Mail Center.

Boxed output will be counted and compared to LFUCG's count provided in their transmittal, and to the associated Production reports. Any disparity will be reported immediately to a supervisor for action and resolution.

ON-DEMAND INSERT PRINTING

In addition, Level One has the unique capability to reduce the cost associated with custom inserts with our print on-demand solutions. Level One provides a portal to allow customers to create inserts that are printed on the fly as part of the print steam. This functionality has been highly successful in reducing the costs associated with printing, inventorying, shipping and managing the insert process.

Level One has the advantage of complete flexibility to respond to LFUCG's requirements, regardless of the volume or distribution of the inserts. We estimate that the our solution could potentially save LFUCG up to tens of thousands of dollars annually in printing and mailing costs with utilizing our ability to print inserts on the fly. Level One requires only as little as 24-48 hours' notice to add or change inserts that are included within the print-ready file.

INSERTING / MAILING OPERATIONS

Our production mail centers utilize multiple high-speed intelligent insertion systems to meet our large volume of daily mail. To guarantee accuracy in the inserting, sorting and mailing of LFUCG's bills, the following quality control measures are in place:

- A Quality Control Coordinator assigned to the project will oversee and check all aspects of the insertion and mailing process
- The number of pieces generated for mailing is matched against counts provided on the production and reconciliation reports
- Material codes are verified and supply counts checked
- Inserts are matched against the samples in the job ticket and must be signed off by a supervisor before the job begins
- Samples are gathered at regular intervals throughout the run to check for quality and count accuracy
- Bills are not released for mailing unless the weight of every 2,500 bills reconciles to the postage amount used during insertion
- Any numerical discrepancies will stop processing, which will not resume until the Quality Control Coordinator is certain that counts and quality of the output meet acceptable standards
- Sample mail pieces are weighed to verify postage rates
- Envelopes are inspected for proper sealing and appearance, and the correct positioning of addresses and postal meter stamps



- Postnet or IMB barcodes are checked for correct positioning in the envelope to qualify for postal discounts
- Any damaged bills are retained for recovery and a report is produced for tracking
- An inventory of remaining materials is made and confirmed by the Quality Control Coordinator
- All remaining materials are labeled, sealed and stored on-site for future use

RECONCILIATION

Following the completion of each run, the job tracking report is reconciled by the Production Supervisor for completeness and accuracy. It includes number of units mailed, number of forms used in printing, amount of postage used on completed units, number of international units and international postage. After the Completion Report is finished and reconciled, a Production Report is posted to the customer portal. Level One has very few limitations on the format and content presented in Production Reports. Some of the standard items found in the report are:

- Day and date mailing was processed
- File Receipt Processing Summary
- Qty of Active, Pull Suppressed
- Insert/Hopper Detail
- Number of bills / notices submitted from customer
- Number of bills / notices mailed
- Pulls by Code (“Exceptions”)

One of the benefits to our proposed solutions is that there are limited integration requirements or costs (if any). We’ve developed our tools to be accessible through any internet browser and be compatible with all core systems. All our reports and processed files can be seamlessly uploaded into your system.

SureVIEW™ IMAGE ARCHIVE REPOSITORY

Level One’s SureVIEW™ provides instant internet browser access to bill images immediately after your billing files are processed through our application code, prior to bill printing. Images are available for a period of 13 months. Longer archive periods are available and can be negotiated later if necessary.

Level One’s SureVIEW™ product literally puts the ‘so CSR’s on the same page as the customer giving them the ability to view, print, email, fax, or send a hard copy duplicate bill on-demand right from their desktop. Level One has also had success further integrating this product with many clients CSR desktops by placing a button on the CIS screen that provides a link to the Level One’s SureVIEW™ site. The criteria available allow the selection of a particular bill for a certain cycle or a range of bills meeting multiple criteria. This is another way that Level One can act as an extension of your billing department.

The graphic below indicates how a CSR might initiate a search of bill images that met the criteria shown. The criteria available allow the CSR to perform very narrow searches (for a specific customer) or broader searches (for a range of customers or statements). LFUCG has the flexibility to define these data elements, based on the data available in the extract file.



In the graphic on the next page, the search shown is for a specific Account Number.

Wednesday, June 23, 2010

Home SureVIEW Control Panel Log Out

SureVIEW

Select a Query

All Records

Search Range of Records

Statement Date: [] to []

Account Number: 30004

Security Code: []

Balance: [] to []

Name: []

* "to" field is optional, only needed when searching for a range within that field.

Submit

© 2009 Level One, LLC. The Level One and OneVIEW Suite logos are trademarks of Level One, LLC. All rights reserved.

Wednesday, June 23, 2010

Home SureVIEW Control Panel Log Out

SureVIEW

Show Query Choices

Page: 1 / 1

View	Statement Date	Account #	Security Code	Name	Balance	Original Datafilename
	Jun 22, 2010	30004	1792	PAUL	12.02	06232010-scwad56A.dat
	Mar 25, 2010	30004	1792	PAUL	31.33	03262010-scwad56A.dat
	Mar 24, 2010	30004	1792	PAUL	-8.74	03262010-scwad55A.dat
	Dec 23, 2009	30004	1792	PAUL	48.81	scwad56A.dat

Records Per Page: 20 Change

© 2009 Level One, LLC. The Level One and OneVIEW Suite logos are trademarks of Level One, LLC. All rights reserved.



The graphic above shows the results of this query. To view a particular view in PDF format, the CSR would simply click on the PDF icon or the word "View". This will open the document in a PDF viewer/reader and the CSR can print locally, email or fax (if a fax server is available) the bill.

Searching and displaying an individual customer's bill is very easy – simply type in the account number on the query screen and all of the customers' bills (current and all archived history) are available for viewing and reproduction. Level One's SureVIEW™ application is highly configurable, depending on our customers' data structure and their query needs. The highlighted fields above are only a few of the many available dimensions on which to query the bill database.



Section V. Electronic Billing and Payment Services (EBPP) Description Overview (future consideration)

LEVEL ONE'S - eVIEW™

Level One's online billing and payment platform, eVIEW™, is a highly flexible and scalable web-based enterprise biller direct solution that enables utilities to consolidate electronic billing and payment operations and deliver a consistent experience to consumers across multiple channels.

With eVIEW™, LFUCG is able to present bills electronically to their customers and provide a method for them to pay their bills online.

Essentially, customers that choose this option enroll online. They authenticate their initial login by providing their account number and zip code. Additionally customers are asked to provide their email address for email notifications and confirmations. During processing, bills that are coded to be presented electronically generate an automatic email notification, or an optional SMS text to these customers where they can securely login to our hosted repository and view their current bill, and any history of bills stored on our hosted site.

After viewing their bills, your customers will be able to pay them via the web, IVR systems, through a customer service agent portal (walk-in), and mobile devices with an ACH, Check, personal or corporate credit card, or debit card. Our payment platform enables biller's to collect, aggregate, manage and process payments from multiple departments, systems, and channels through a centralized payment platform.

eVIEW™ can also be configured to include an anonymous "pay-only" site, where enrollment is not required and customers can simply pay their bills, permit fees or license fees via ACH or credit card.

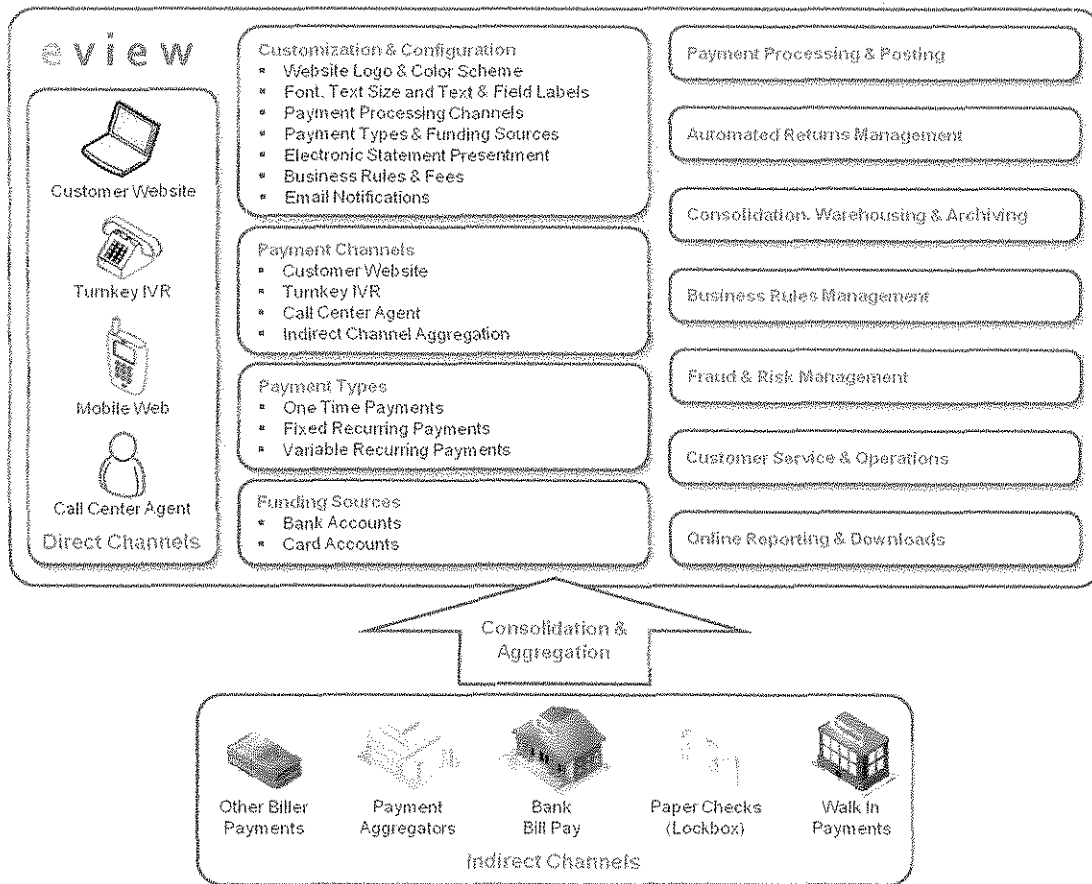
The platform provides a secure web based tool with features and functions that provide customer support from enrollment all the way through payment processing, as well as management tools for reporting and overall payment management.

eVIEW™ can also meet the requirements of individual departments with custom branding, fraud controls, risk criteria and business rules.

The following pages offer an overview of the functionality of Level One's electronic billing and payment solutions. A more detailed description and presentation of the functionality of our system is available at the request of LFUCG.



Overview – Level One’s eVIEW™ Biller-Direct Model



eVIEW™ includes a Customer Care website so your customer service and operations staff can lookup bill payment profiles, review historical and pending payments, manage payments on behalf of customers and perform other day-to-day customer service tasks.

In addition to capturing and processing payments through the Automated Clearing House (ACH) and credit card networks, eVIEW™ produces daily activity, payment posting and return information that seamlessly integrates with your CIS and accounting systems for settlement control and reconciliation. The result is a faster collection of funds, simplified operational processes, and greater customer satisfaction.

eVIEW™ is secure, cost-effective and easy to deploy, supplying a fast return on your investment.



eVIEW™ Biller-Direct Model Key Components

- EBPP Website (LFUCG's Website)
- Payment Center
- Biller Management Tool (Enables Customization for Managed Contracts)

eVIEW™ LFUCG's Website

eVIEW™ offers a self-service EBPP website, that still gives you control over the look and feel to give a consistent customer experience with your own website. The site also allows you to choose the payment functionality offered to your customers.

eVIEW™ Integration Options

- **Single Sign On (SSO).** With this option, your customer's data (name, address, amounts owed etc.) is securely passed to eVIEW™ from your website every time your customer accesses the service. The customer always sees the most up to date information about their account with you, and there is no need for them to sign into eVIEW™.
- **Web Direct.** With this option, you provide Level One with details of your customers accounts on a periodic basis. The customer must then authenticate themselves to access eVIEW™.
- **XML / Web Services.** If you'd prefer to integrate eVIEW™'s functionality into your own website you can. Level One offers a fully featured XML based Web Services API layer that allows you to embed payment functionality into your website.

Your customers receive a seamless experience, without you needing to build your own bill payment system.

Phone Payments

In addition to the customer facing web options, eVIEW™ can also support phone initiated payments, with two options available.

Level One offers a Hosted turn-key solutions for IVR payments

This can be accessed one of two ways:

- A warm hand off from your current IVR, accessed via the SSO process outlined above.
- A standalone IVR, accessed in a similar way to the Web Direct option outlined above.

IVR Integration

If LFUCG has an existing payments function within its current IVR system, or if LFUCG prefers to offer a truly seamless customer IVR experience, Level One can offer an IVR integration option, similar to the website integration option.



Funding Options Overview

eVIEW™ offers you two options for the funding sources the customers can use to pay their bills, configurable by channel, but then offers flexibility in how payments are subsequently processed.

- ACH from Bank Accounts
- Credit / Debit cards (Optional)

ACH from Bank Accounts

Bank accounts offer the most economical way to accept payments from customers.

eVIEW™ offers bank account payments as standard, with transactions being processed as electronic ACH transactions. If you are already accepting paper checks for payment (or have an automated paper check offering) conversion to ACH is a logical next step.

eVIEW™ securely stores the bank account details provided by your customers for subsequent re-use, and offers a range of tools to manage those accounts.

Banking Validation

When a customer supplies details of the bank account they want to use for a payment eVIEW™ performs two validation checks:

- Details of the ABA/Routing number are checked against a master file of ABA numbers to check the validity of the supplied number.
- Details of the ABA and Account number are checked against a master file of bad bank accounts, to prevent known bad accounts being re-used within eVIEW™.

Account Management

Once a customer supplies a bank account, it is securely stored within eVIEW™, linked to the customer's eVIEW™ profile. The status & details of the bank account can then be managed, either automatically or manually.

Automatic status and detail updates result from returns and Notices of Change (NOCs) arising from the processing of payments. A number of different returned payment rules can be put into place in order to accommodate a variety of return codes/types.

Transaction Processing

Through Level One's banking relationship, eVIEW™ offers turnkey ACH processing. Your ACH files are processed through our ODFI, but you do not need to switch your banking relationship, and you can receive your settlement funds into your existing corporate bank accounts.

Credit / Debit Cards (Optional)

Level One offers card accounts as an additional funding option. The main advantage of cards is the funds availability check that is undertaken when the payment is processed, but this comes with a higher per transaction cost. LFUCG, being classified as a utility, would indeed qualify for the lower merchant processing fee.



Similarly as with Bank account, eVIEW™ can be configured to accept payments from Credit / Debit cards, or can be restricted to Debit Card payments only and securely stores the card account details provided by your customers for subsequent re-use, and offers a range of tools to manage those accounts.

Credit Card Validation

When a customer supplies details of the card account they want to use for a payment eVIEW™ runs two validation checks:

- Details of the BIN number are checked against a master file of BIN numbers to check the validity of the supplied number, and the format of the card number is checked to ensure it is a valid format.
- Details of the Card Account are checked against a master file of bad card accounts, to prevent known bad accounts being re-used within eVIEW™.

Account Management

Once a customer supplies a card account, it is securely stored within eVIEW™, linked to the customer's eVIEW™ profile. The status & details of the card account can then be managed, either automatically or manually.

Automatic status updates result from returns (Chargebacks) arising from the processing of payments. A number of different returned payment rules can be put into place in order to accommodate a variety of return codes/types.

Transaction Processing

Level One currently offers the following merchant acquiring companies that provide turnkey card transaction processing:

- Chase Paymentech

Your card transactions are processed though these acquirers, but you do not need to switch banks. You can receive your settlement funds into your existing corporate bank accounts.

Alternately, if LFUCG prefers to use a different Merchant Acquirer, this can also be supported.



Payment Scheduling & Processing Overview

eVIEW™ allows you to choose the types of payments that can be scheduled by your customers, by channel, and also offers a range of further options within those payment types. Level One will then produce correctly formatted payment posting files (for input into your Accounts Receivable system) as well as any supplemental reporting needed to manage your settlement process.

Payment Types

The following types of payments are supported by eVIEW™:

- One-time standard payments
- Expedited payments
- Recurring payments
- Recurring auto-debit payments

One-time standard payments

This option allows customers to schedule payments with an effective date in the future (tomorrow and beyond). eVIEW™ provides the flexibility to configure the system to set the furthest effective date that LFUCG will allow its customers to schedule payments.

Expedited Payments

This option allows customers to schedule payments with an effective date of the same day they are scheduled.

Recurring Payments

The customer specifies the amount and the dates (or periodicity) for payment processing. They also specify the number of payments to be processed or the date of the final payment. As with One-time payments, eVIEW™ provides the flexibility to configure the system to set the furthest effective date that LFUCG will allow its customers to schedule payments.

Recurring Auto-Debit Payments

The customer specifies the amount and the dates (or periodicity) for payment processing. Once scheduled, the payments continue to be processed until they are cancelled by the customer or a member of staff, or by the system.

Payment Scheduling Rules

A number of payment scheduling rules are available within eVIEW™, configurable by payment type.

Effective Date

eVIEW™ can be configured to allow every date to be an effective date (even weekends and public holidays). However, if you'd prefer to restrict the dates, either due to your internal processes or set up of your Accounts Receivable system this can be supported.

A "SmartCalendar" option within the User Interface (which shows valid payment dates) can help customers and LFUCG Call Center staff to select valid dates.



Convenience Fees

If the payment type being scheduled is such that a convenience fee can be charged (primarily call center payments), eVIEW™ can be configured to automatically assess the fee.

If a fee is to be charged, it can either be added onto the principal of the payment submitted for processing, or the payment can be applied to the appropriate underlying account.

Payment Processing

Once a payment has been scheduled eVIEW™ automatically manages the payments.

- 1) **Payment Status** -eVIEW™ moves a payment through several status steps as it is processed.
 - a) **Scheduled:** All payments have this status from the moment they are successfully scheduled. They retain this status until they are Processed or Cancelled.
 - b) **Cancelled:** Payments with a scheduled status can be cancelled, either by the action of the customer or staff (at the customer's direction).
 - c) **Processing:** Once a scheduled payment reaches the payment capture time, it is captured and the status is set to Processing
 - d) **Settled:** Once a payment moves beyond the automated returns window its status is set to Settled.
 - e) **Returned:** If a payment is returned by the customer's bank, it is set to this status.

Payment Capture

Scheduled payments are usually captured once a day. This event triggers both the production of ACH Files and the production of the Payment Posting Files that are sent to LFUCG's A/R System. Payments are posted to your customer's account. As the final part of this process, Level One will provide any settlement reports as required by LFUCG. LFUCG can select a payment cut-off time that best suits its needs.

Returned Payments

eVIEW™ seeks to minimize the inconvenience of managing returned payments by automating the handling of returns. A number of options can be configured:

- **Automated Re-presentation.** If an ACH payment is returned due to insufficient funds (R01 or R09) eVIEW™ can be configured to automatically re-present the payment for collection on the next business day. Details of these returns and re-presentments are included in your payment posting files, allowing you to track these and/or take action on the customer's account with you.
- **Automated Status Updates.** Certain return codes indicate that the bank account should not be used for payments under any circumstance. eVIEW™ will automatically update the status of that bank account to "Disabled" and cancel any payments scheduled to be processed against that account.

If the return code indicates that the customer is attempting fraud, the account details will be automatically added to the bad account files. Additionally, the customer's status can also be updated to prevent any further payments being scheduled.



e-Correspondence Overview

eVIEW™ includes an e-Correspondence service that supports outbound email communications to customers based on various notification events within the system such as sending an email notification to customer after he/she has scheduled a payment or cancelled a payment, when a payment has been returned etc.

e-Correspondence service supports the following features:

- Email templates
- Outbound customer email notifications

Email Templates

eVIEW™ supports generation of outbound emails based on pre-defined templates. Email templates are configurable supporting both text and HTML based emails.

Outbound Customer Email Notification Options

- Direct email notifications to customers based on pre-defined email templates
(Recommended)
- XML based interface to integrate with LFUCG's internal email systems

eVIEW™ Payment Center Overview

The eVIEW™ Payment Center (EPC) allows you to take customers payments over the phone. EPC provides an intuitive, browser based user interface containing all of the functions your staff need to be able to take payments from customers. It also provides you with the tools you need to be able to answer customer queries about the payments they have made, regardless of channel.

Customer Support

The following options are available to you to process customer payments and provide customer support to your customers.

Channel Based Rules	EPC can be configured to support a different rule set to the customer website, for example to restrict scheduling of immediate payments to the staff channel.
Call Center Integration	EPC can be integrated into your existing call center applications using Single Sign On (SSO) in the same way customers access it from your website.
Customer Lookup	Several options are available to locate your customers. Full Entry Criteria (i.e. Account Number, Email Address, Payment Confirmation Number) Partial Entry Search Criteria (i.e. First or Last Name)
Funding Source Management	Staff can add, update and manage funding sources on



	behalf of customers.
Payment Scheduling & Maintenance	Staff can schedule payments (One-time standard, Recurring and Expedited) as well as cancel scheduled payments that have not yet been captured.
Consolidated Payment View	Staff can see and manage all payments, regardless of how they were scheduled or integrated into eVIEW™.

Management & Administration

The following functions are available to you to manage eVIEW™

Staff Access	User ID & Password controls access to EPC. User profile and privileges control the features and functions that are accessible to the user.
Controlled Internet Access	EPC validates the IP Address of the incoming request, and blocks access from unknown originators.
User Administration	Full access to tools to create and manage users, including ability to customize privileges assigned to users.
Case Management	EPC provides a case management tool to raise queries about bank and card accounts as well as specific payments.
Management Information	Range of standard web based reports are available (payments processed, enrolments, returned payments received etc.). All reports can be downloaded in PDF, XLS and CSV format.

Fraud & Risk Management Overview

eVIEW™ provides two functions to help LFUCG manage fraud and risk associated with accepting payments:

- Fraud & Velocity Rules
- Negative Files

Fraud & Velocity Rules

eVIEW™ offers a number of standard Fraud & Velocity Rules (FVR) to control the value and volume of payments being scheduled. These basic rules are as follows:



- No more than 'X' payments can be scheduled within a +/- rolling 'Y' day window.
- No more than 'X' payments can be scheduled within a fixed 'Y' day period.
- A single payment amount cannot exceed '\$X'.
- A single payment amount cannot be less than '\$X'.

Not all of these rules will apply to every type of business accepting payments, and the applicable rules will need to be determined during the eVIEW™ set up process.

Additionally, if it is determined that further FVR are needed (for example, limits based in amounts owed by customers) these can be supported.

Negative File Management (Fraud / Risk)

EPC includes comprehensive fraud / risk management tools that enable your staff to manage risk in real-time. Negative file management features include:

- Ability to add, edit and delete records from various negative file databases (Credit / Debit and Bank Accounts)
- Comprehensive audit trail support
- Global / Local negative file support based on a defined hierarchy

Reporting & Analytics Overview

eVIEW™ provides you with a range of standard reports to help you track and manage your bill payment processing.

Reporting

A range of standard web-based reports is available (payments processed, enrollments, returned payments received etc.). All reports can be downloaded in PDF, XLS and CSV format. Some of the standard reports offered include:

Payments Detail Report	This report shows the payments that have been processed at the individual transaction level.
Payments Summary Report	This report gives a summary of the payments processed for the selected period.
Returns Detail Report	This report shows the payments that have been returned at the individual transaction level.
Returns Summary Report	This report gives a summary of the returns received for the selected period.
Summary Returns by Return Code	This report shows the returns in a different way, as they are sorted by the Return Code received.



Summary Enrollment Report

This report shows details of the enrollment (and un-enrollment) activity of your customers.

This list is not intended to be exhaustive, and additional standard reports are available. If you have a specific reporting requirements not covered by the standard reports, these can also be supported.

The information provided in the preceding pages is only an overview of Level One's electronic billing and payment solutions. At the appropriate time, Level One recommends providing LFCUG a web demonstration of our services to illustrate just how easy our eVIEW system is to use and implement.



Section VI: Training

One of the important benefits to our proposed solutions is that there are no integration costs and requirements, (if any at all) are limited. We've developed our tools to be accessible through any internet browser and be compatible with all of our utility customers using Ventyx Customer Suite CIS. All our reports and processed files are seamlessly uploaded into your Accounts Receivable /CIS system in the format defined by customer. Level One uploads standard apply file formats as defined by Ventyx clients.

As part of the implementation plan, Level One personnel will conduct training for LFUCG personnel. This training is typically scheduled during Phase Two of the implementation and can be conducted either onsite or online based on clients' preference.

Our typical training session covers both familiarization with the customer facing web pages, enrollment, setting up a funding source, and scheduling a payment, as well as the Payment Center, which is the online tool for LFUCG used to monitor and report on the customer activity on the online payment website.

Two or more training sessions are scheduled to allow for scheduling flexibility with the LFUCG personnel for both Operators and Administrators. LFUCG personnel attending training would include CSRs, Call Center Supervisors and representative from the billing department.

The material covered during training sessions will cover the following key areas:

- Payment Center Access
- Customer Lookup & Overview
- Funding Source Management
- Payment Management
- Customer Status Management & Activity Logs
- Fraud Management Tools
- Online Reporting
- User Administration
- For more details on all of these please see the Payment Center User Manual

Training sessions are normally scheduled for an hour, but could vary depending on the number of attendees. Onsite training can be scheduled at LFUCG's discretion.



Section VII. Level One Quality Management Plan

Overview

Level One's total quality initiative and plan employs Customer Satisfaction Surveys in formulating its company-wide practices and processes. Level One tracks and analyzes customer satisfaction data to drive system improvements, streamline the ordering process, improve response times, drive innovation, and speed delivery times.

At Level One, quality is everyone's job. That applies to individuals and teams, as appropriate. We believe in empowering our people to continuously strive for new and better ways to serve the customer. Employees participate in setting quality and productivity goals and are involved in the weekly operations review process.

Communication of Our Company Objectives to Partners

All of our partners have been introduced to the quality philosophy of Level One through their involvement with our client services team to identify and implement solutions that improve our processes and ultimately improve customer satisfaction.

Processing Facility Quality Process

We verify our process at all stages of production. Our processing centers are responsible for verifying the material that is sent into inventory and staged for production questioning anything that does not seem correct. Not only does each employee have the authority to stop work in process if a potential quality problem is identified; it is expected of the employee to do so.

Quality Assurance Methodology by Category

- Maintain quality assurance through reporting performance requirements
- Problem resolution procedures
- Capture and reprint / correction of bad bills
- On-site technical personnel for major hardware and Post office employees

Code validation and Final Testing Procedures

Prior to the execution of a "final test", Level One emulates actual production run conditions, so that LFUCG may review and approve output generated in a production mode prior to the application's first scheduled live production run.

LFUCG's installation plan, customized to meet their requirements, would follow a 60-day installation guideline depicted below. This delivery model can be accelerated to meet LFUCG's go-live requirement. Level One will commit the required resources to guarantee a go-live date for paper billing prior to September 1, 2003. Our commitment is obviously contingent upon the prompt receipt of the required information from LFUCG. Typically we ask for a Letter of Intent (LOI) from the client. This letter authorizes Level One to proceed with the installation process and schedule meetings while finalizing the contractual agreement.



Upper Management's On-going Involvement in Quality Programs

At the corporate level, Level One's Vice President of Operations is responsible for Customer Quality Assurance. This individual works with our production facilities to conduct quality reviews, recommend quality tools and strategies, develop policies and procedures, provide training, and assist us in reaching our common goals. Additionally, at each facility, a member of the plant management team is designated as our on-site quality manager and acts as a single-point of accountability for quality initiatives and resolutions.

The following is a short list of the items to improve our quality and achieve total customer satisfaction:

- Monthly meetings are conducted internally and if required with the involvement of key personnel at either our production and/or distribution facilities to address any issues and uncover better ways to turn around customer requests.
- Establish manufacturing quality measurement standards (Plan).
- Policies and procedures from order entry to shipping ensuring accuracy checks and balances.
- Process management for streamlining change control, coding, testing, proofing utilizing our OneView™ Application Portal.
- Continuous product reviews and improvements to ensure our product and service offering meets – or exceeds – our customers' expectations.
- Strengthen the lines of communication between Sales, Client Services, Information Services, Imaging and Mailing teams with an emphasis on quality and focus on customers and meeting SLAs.
- Customer satisfaction surveys as a way to measure whether our products and service have achieved our customers' satisfaction.
- Vision planning to provide us with a challenge for the future and keep us focused in the direction of continual improvement.
- Vendor Partnerships to ensure top-quality products from start to finish.
- Benchmarking to find the best practices and fold them into the way we do business.

Weekly Operational Review Meeting (WORM)

A key management tool that we use to drive quality improvement is the Weekly Operational Review Meeting ("WORM"). This process reviews every operational aspect of the mission critical operations, including a thorough review of our quality system performance. What are the type and number of errors that have occurred? And what is the corrective action plan(s) to address the root cause of the errors? The WORM also addresses improvements to enhance customer value and satisfaction.

Quality System Reviews

As part of Level One's process, Quality System Reviews (QSRs) are conducted annually at each of our key manufacturing facilities by our Vice President of Operations. All partner facilities are expected to operate and comply with the QSR requirements and associated Customer Assurance Procedures.



The QSR addresses these major areas:

- | | |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------|
| 1. Quality Assurance Plan | 11. Involvement Teams |
| 2. Internal Quality Reviews | 12. Training |
| 3. Process Flowcharts. | 13. Cycle Time |
| 4. Preventative Maintenance | 14. Reward/Incentive Programs |
| 5. Measuring and Test Equipment | 15. Product Review |
| 6. Product Sampling | 16. Waste Performance |
| 7. Customer/Quality Procedures Administration | 17. Spoilage and Credit Dollars |
| 8. Customer/Quality Procedures – Compliance (Compliance to ten selected procedures) | 18. Spoilage Occurrences |
| 9. Error Measurement and Reporting | 19. Credit Occurrences |
| 10. Error Analysis and Corrective Action Follow-up | 20. Service Levels |
| | 21. Implementation and Documentation of Corrective Action |

Reports of audit findings are documented and communicated to senior level executives, production facility managers, and all production facility employees. Any areas rated “Poor” or “Needs Improvement” must be addressed and implementation plans developed to obtain ratings of “Qualified” or “Outstanding.” These implementation plans must be communicated in writing to Level One within pre-established time frames. In addition, our manufacturing facilities are required to perform quarterly reviews of their quality assurance system. These quarterly reviews are documented and retained for review during semi-annual audits.

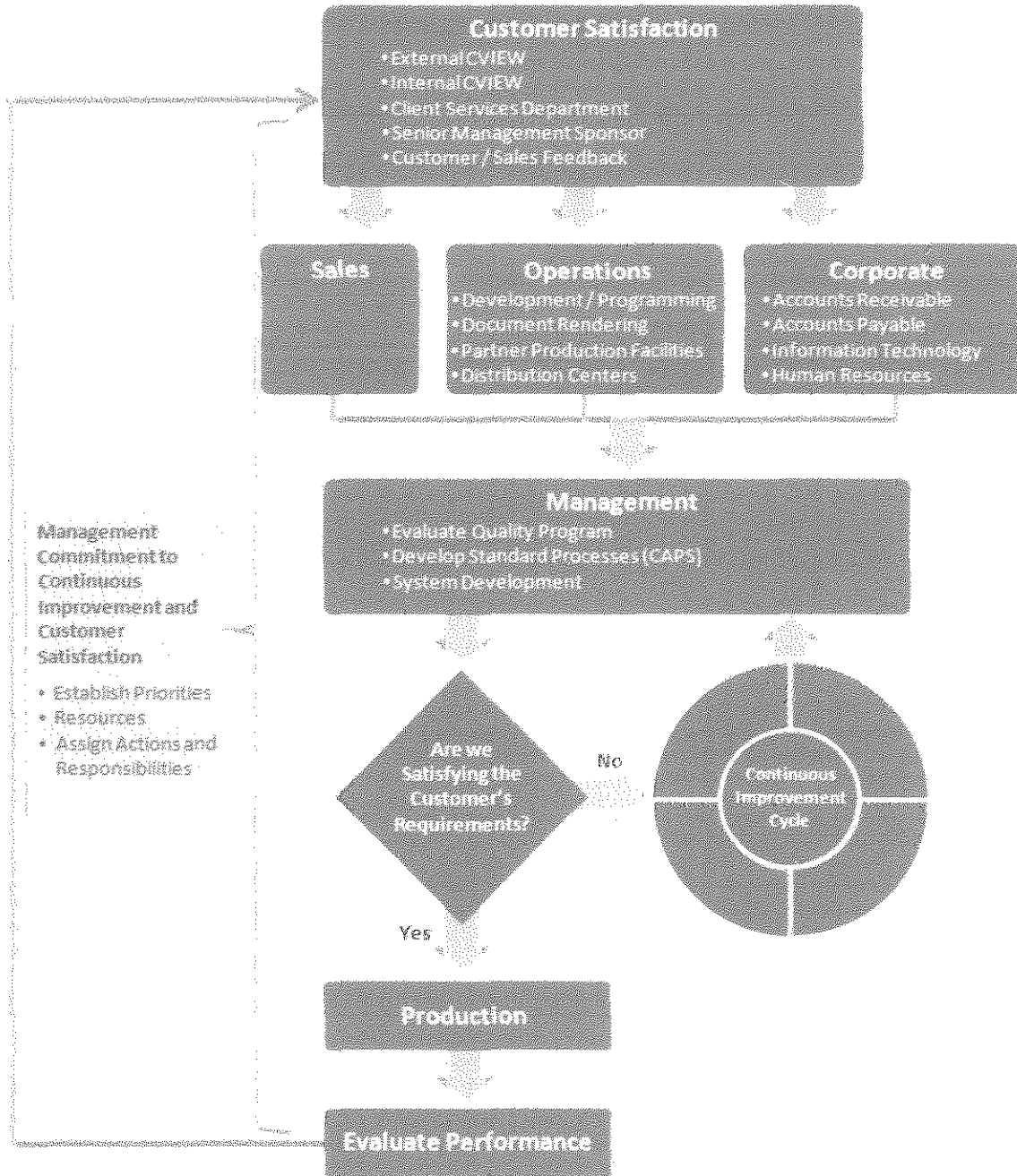
Quality Manual & Training

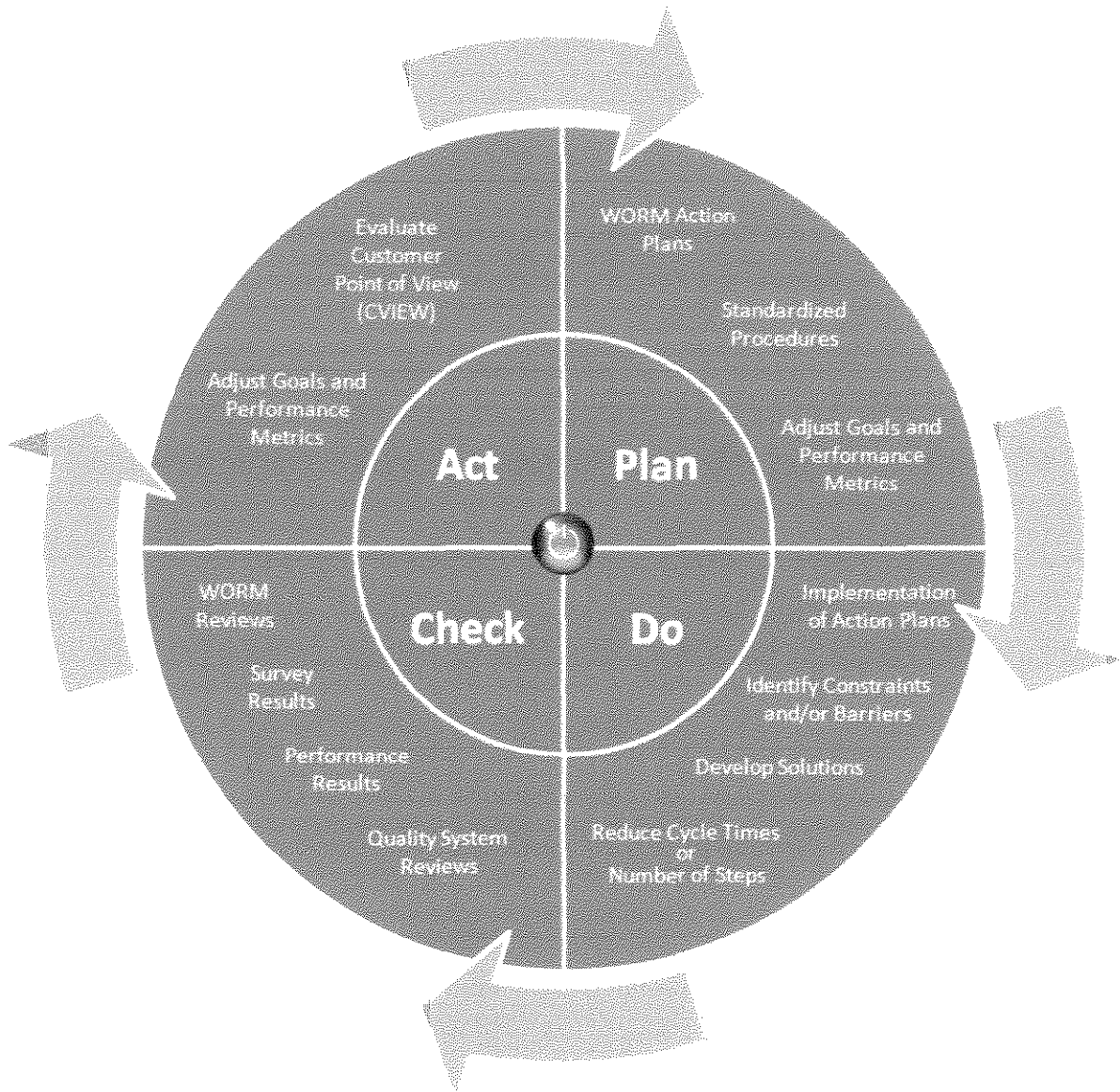
- **Level One maintains written quality procedures on two different levels.** These procedures vary from corporate procedures that identify consistent guidelines for all of our manufacturing partners.
- **Customer Assurance Procedures (CAPs)** are to be in the approved format for issuing controlled procedures. This format has been designed to meet the requirements of industry-accepted standards and allow for ease of update and tracking.
- **Controlled Document** simply means that if a revision is made, a copy will be sent to everyone that received a controlled copy. A list of all controlled copies is kept at Corporate for all Corporate issued procedures. [A photocopy of a controlled copy would not be controlled and may be out of date.]

When a CAP is initially developed, it is usually sent out in draft format for comment and review. There will be instances where a CAP is mandatory and released without review. After responses are received, another draft may be distributed or if approved with minor modifications, the final version will be released. All procedures are subject to change via a revision date and all controlled copies will be replaced with the new revision.



Quality Monitoring, Planning and Improvement





Section VIII: Customer Support

Level One has established the following service level goals when responding to customer issues and/or requests:

- Be accessible to customer at all times during and after normal business hours.
- Return phone calls within 30 minutes.
- Reply to all emails before leaving office for the day.
- Comply of all SLAs associated with contracted services.
- Formatting requests proofed and completed within 24-48 hours.

Customer Support is available from Level One via email, telephone or OneView™ Application Portal:

- Within 20 minutes via email.
- Within 15 minutes via voice message
- Within 10 minutes via OneView™ Application portal

Options to report problems/issues

1. Via telephone to notify an individual team member
2. Via phone to report a more urgent problem or request
3. Via OneView™ Application portal to post problem or make request so all team members have visibility to ongoing issues until resolved.

Any LFUCG request or issue will be acted on immediately and forwarded to a Level One client services team member assigned to your account. The client services team manager is required as part of his or her goals to respond within a specified timeframe depending on the request. If the anticipated satisfaction goals are still not reached, the issue is reopened and sent to the next highest level of management. This “escalation process” is logged and tracked at our WORM (weekly operational review meeting). The issue must be resolved within one week by the responsible party or it is automatically sent up to the next level of management. From there, the issue is escalated every day to the succeeding level of management until a resolution is implemented. Very few issues ever go beyond the account manager level.

Level One’s OneVIEW™ Suite of services including web-based applications preVIEW™ and sureVIEW™ require very little support and carry no costly maintenance agreements. That is one of the advantages of our system. As long as you have access to an Internet connection, you will have 24/7/365 access to our hosted applications that support LFUCG’s billing operations. Our IT staff is available during normal business hours Monday through Friday, 8:00 a.m. EST – 8:00 p.m. EST. In an emergency, you will have access to your designated project manager 24/7 as necessary. If LFUCG chooses to restrict employee access to its custom web tools by IP address, authorized personnel will only login via a company computer. However, if LFUCG prefers its employees to have access outside the company, via a secure login and password employees can access our applications from any computer anywhere in the world.



Section IX. Disaster Recovery (Overview)

Level One has designed and implemented a corporate network infrastructure around business continuity and disaster recovery. Virtually every aspect of our infrastructure contains various levels of redundancy and backup using “state-of-the-art” technology. Level One refers to our model as one of *disaster avoidance* rather than recovery.

Level One has made substantial investments in our technological and automation infrastructure and has likewise made investments to protect this infrastructure and our customers’ data and applications. We have contracted with DBSI, Inc. to provide full operational redundancy to support Level One’s disaster recovery requirements. Level One’s Data Center is located at:

DBSI, Inc.
1000 Adams Avenue
Norristown, PA 19403

DBSI is a technological leader in its industry that provides innovative IT solutions for financial service companies, hospitals, medical insurance companies, and others that require exceptional IT solutions for business critical environments. They are a leader in energy efficient “green” data centers utilizing high density power and cooling systems. DBSI also owns and manages all of its five (5) facilities. The facilities are outfitted with mantraps and iris scanners at critical locations, and maintain multiple fiber providers with diverse entrances.

In the event of a natural or other disaster, print & mail workflows are immediately shifted from one facility to the other with virtually no downtime. In addition should there be a loss of electrical power at any production facility, we have a 500 kW diesel fuel backup generator that will automatically start up, run and power the entire facility without interruption of any aspect of our operation.

The regional positioning of our facilities means that local disasters can be easily dealt with since each plant is in a different area of the country. Some companies use DR sites that are in the same region of the country. This does not cover them in case of a regional disaster.

This total coverage gives our clients the business continuity that is required. Our disaster recovery processes are tested daily, monthly semi-annually and annually depending upon the client’s service level requirements.

Level One has made significant investments in technology to achieve the most redundant network for a company of this size. Expanding on the infrastructure, the production facilities utilize several T1 lines for voice and data communications, with additional T1 lines at the co-location facility. In the event of a disaster at one facility, network and voice connectivity is re-routed to the “hot site” cabinet where a telephone PBX and system servers continue processing traffic. With this point-to-point connectivity and BGP4 routing, communication outages in our data processing facility are effectively limited. The co-location “hot site” becomes the processing center continuing its day-to-day operations, and one of our other printing partners becomes the primary printing facility.



Section X: Client References

The following are just a few examples of customer applications that most closely resemble LFUCG's requirements, along with contact information for referral purposes. Pricing for these contracts are covered under confidentiality agreements and are not made public. We are able to confirm that are pricing does not exceed our estimates.



Aqua America, Inc.

Located in Bryn Mawr, PA is the nation's largest U.S. based, publicly-traded water utility, providing water and wastewater services to approximately 2.5 million residents in Pennsylvania, Ohio, Illinois, Texas, New Jersey, Indiana, Virginia, Florida, North Carolina, Maine, Missouri, New Jersey and South Carolina. Aqua America is also one of the largest Ventyx Customer Suite installations in the country.

Offeror Name	Level One
Reference Utility	Aqua America (11 States)
Address	762 W. Lancaster Ave, Bryn Mawr, PA 19010
Active Customer Size of Utility	2.5 million customers (Water and Wastewater)
Annual Number of Documents Produced	Over 12,000,000 (Average of 50,000-60,000 bills per daily cycle)
Type of Utility Company	Water and Wastewater
Reference Contact Name	Daniel Callahan
Contact Person Position	National Billing Manager
Contact Person Telephone	610-520-6370
Applications Installations	e-Billing, e-Payments, paper billing, reminder letters, shut off notices, water quality reports, welcome kits
Major Modifications Made	Level One was able to modify the application code to fill gaps with deficiencies found in Banner/Customer Suite
Equipment Installed	No equipment necessary
Professional Services Performed	Document design, Business intelligence, data analytics, web development, SSO,
Primary Offeror or Sub Offeror	Primary
Original Cost Estimates	Confidential
Actual Final Costs	Confidential
Comments	Level One's management has been doing business with Aqua since 1999

Customer bills cycle daily (21x) per month

Volume: 850,000 customer bills (11 different states); Avg. 50,000-60,000 bills per daily cycle
120,000 postcard bills;
55,000 customer letters

Services include:

Customer billing using both postcards and bill stock & envelopes; PreVIEW™ SureVIEW™ – bill image archival and retrieval, reminder and disconnect notices; periodic mailings; insert printing; inventory and supply-chain management program. Aqua also utilizes Level One's Print-on-the-Run capabilities for the distribution of various inserted materials, including Annual Water Quality Reports.

Service Level Commitment

(Turnaround time) – EBPP (Same business day) Print/mail - next business day





Suffolk County (NY) Water Authority

New York State's first public benefits corporation for water service
SCWA services 352,763 residential and business customers.

Offeror Name	Level One
Reference Utility	Suffolk County Water Authority
Address	4060 Sunrise Highway, Oakdale, NY 17769
Active Customer Size of Utility	Approximately 360,000 quarterly customers (Water and Wastewater)
Annual Number of Documents Produced	2,000,000 (Average of 8,000 bills per daily cycle)
Type of Utility Company	Water and Wastewater
Reference Contact Name	Mike Litka
Contact Person Position	Director, IT
Contact Person Telephone	631-563-0304
Applications Installations	e-Billing, e-Payments, paper billing, reminder letters, shut off notices
Major Modifications Made	No modifications necessary
Equipment Installed	No equipment necessary
Professional Services Performed	Document redesign, Business intelligence, data analytics, web development, SSO
Primary Offeror or Sub Offeror	Primary
Original Cost Estimates	Level One was the lowest bidder
Actual Final Costs	As quoted in original bid
Comments	

Monthly volume

Customer bills cycle daily
165,000 customer bills per month

Services include:

Customer billing for SCWA accounts and managed accounts, reminder notices; insert printing; inventory and supply-chain management program.
This is an active contract.

Service Level Commitment

(Turnaround time) – EBPP – same day; Print/Mail – Next business day





Pittsburgh Water & Sewer Authority

Offeror Name	Level One
Reference Utility	The Pittsburgh Water & Sewer Authority
Address	Penn Liberty Plaza I, 1200 Penn Avenue, Pittsburgh, PA 15222
Active Customer Size of Utility	Approximately 360,000 quarterly customers (Water and Wastewater)
Annual Number of Documents Produced	1,600,000 (Average of 6,500 bills per daily cycle)
Type of Utility Company	Water and Wastewater
Reference Contact Name	Antoinette Shaw
Contact Person Position	Customer Service Manager
Contact Person Telephone	(412) 255-8800
Applications Installations	e-Billing, e-Payments, paper billing, reminder letters, shut off notices, welcome kits
Major Modifications Made	No modifications necessary
Equipment Installed	No equipment necessary
Professional Services Performed	Document redesign, web design, commercial printing and insert design
Primary Offeror or Sub Offeror	Primary
Original Cost Estimates	Level One was the lowest bidder
Actual Final Costs	As quoted in original bid
Comments	

Monthly volume

Customer bills cycle daily

140,000 customer bills per month

Services include:

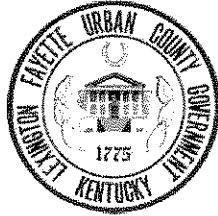
Customer billing for SCWA accounts and managed accounts, reminder notices; insert printing; inventory and supply-chain management program.

This is an active contract.

Service Level Commitment

(Turnaround time) – EBPP – same day; Print/Mail – Next business day





Lexington-Fayette Urban County Government
DEPARTMENT OF FINANCE & ADMINISTRATION

Jim Gray
Mayor

Jane C. Driskell
Commissioner

ADDENDUM #1

Bid Number: **#67-2012**

Date: May 15, 2012

Subject: Print & Mailing Services --
Sewer, Landfill, & Water Quality Fees

Address inquiries to:
Theresa Maynard
(859) 258-3320

TO ALL PROSPECTIVE BIDDERS:

Please be advised of the following three clarifications to the above referenced bid, including a new pricing sheet, starting on page two of this document. The new pricing sheet, which includes two new lines, must be included with the bid.

A handwritten signature in black ink that reads "Todd Slatin".

Todd Slatin, Acting Director
Division of Central Purchasing

All other terms and conditions of the Bid and specifications are unchanged.
This letter should be signed, attached to and become a part of your Bid.

BID OF: Level One LLC

ADDRESS: 3 Great Valley Parkway, STE 100, Malvern, PA 19355

SIGNATURE OF BIDDER: John Shelby

PRICING:

Please detail the following items in the price quotation, to cover all cost components of your proposal. Please provide per piece price for each type of document separately as requested, i.e. invoices, past due notices, and letters. All rates are assumed to be for the term of the proposed agreement unless specifically noted otherwise. Pricing should include the cost of paper stock and envelope conversion if applicable.

	Printing and mailing services (designate in Per Item Cost):		Cost
1	Printing of invoices	<i>per item</i>	<i>\$ 0.0425</i>
2	Printing of past due notices	<i>per item</i>	<i>\$ 0.0425</i>
3	Printing of letters	<i>per item</i>	<i>\$ 0.0425</i>
4	Printing of window mailing envelope, including one 2-color logo	<i>per item</i>	<i>\$ 0.01575</i>
5	Printing of invoice paper with two 2-color logos and a remittance stub perforation	<i>per item</i>	<i>\$ 0.010</i>
6	Printing of letterhead paper with one 2-color logo	<i>per item</i>	<i>\$ 0.011</i>
7	Printing of the window business return envelope (BRE), including one 2-color logo	<i>per item</i>	<i>\$ 0.0125</i>
8	Folding and inserting single page documents	<i>per item</i>	<i>\$ Included</i>
9	Folding and inserting multiple page documents	<i>per item</i>	<i>\$ 0.03</i>
10	Inserting multiple pieces per envelope	<i>per item</i>	<i>\$ Included</i>
11	Sealing, posting, sorting and shipping completed pieces, not including postage	<i>per item</i>	<i>\$ Included</i>
12	Maintaining valid CASS certification	<i>per item</i>	<i>\$ N/C</i>
13	Maintaining and/or increasing postal discounts	<i>per item</i>	<i>\$ N/C</i>
14	Printing of bill envelope message on back of envelope	<i>per item</i>	<i>\$ 0.002</i>
15	Expected Modification Costs (based on requirements answered as "Satisfied with Modification")	<i>total</i>	<i>\$ N/A</i>
16	Training (provided details on hours and trainers in the your response)	<i>total</i>	<i>\$ N/C</i>
17	Any other "typical" line item, one time costs, or other costs anticipated for the proposed services.	<i>total</i>	<i>\$ see attached supplement pricing</i>
	Investments for Project Management & Implementation Services		
18	a) Total of Vendor and Sub-Vendor expenses. (In your response, identify each project team member with hourly rate, estimated hours, and expenses if applicable. Note that travel hours are not billable.)	<i>total</i>	<i>\$ N/A</i>
19	b) Estimated incidental costs (e.g.. telephone, administrative, etc.).	<i>total</i>	<i>\$ N/A</i>
20	c) All other costs	<i>total</i>	<i>\$ N/A</i>

21	Applicable fees to incorporate document changes (i.e. a letterhead change).	<i>total</i>	<i>\$90.00/hr.</i>
22	Hourly rates for document design services (envisioned for inserts).	<i>hourly</i>	<i>\$75.00/hr.</i>
23	Ongoing annual support and maintenance costs, if any. In your response, include various options (i.e. 24x7, 5x9, others) if applicable.	<i>annually</i>	<i>\$ NONE 24/7/365 Included</i>
Optional Add-Ons to Price:			
24	Hourly rates for document design services upon request for all materials, including, but not limited to, billing inserts. This should also include estimations for time and cost related to the initial bill design portion of the implementation project.	<i>hourly</i>	<i>\$90.00/hr.</i>
25	Proposed pricing structure, including one-time implementation costs, annual fees and per transaction fees for both LFUCG and LFUCG's customers for electronic billing and payment services. (Provide details in your response.)	<i>total</i>	<i>\$ See attached supplemental Pricing</i>
26	12 DIFFERENT ENVELOPE MESSAGES, message changes monthly		<i>See attached supplemental Pricing</i>
27	4 DIFFERENT ENVELOPE MESSAGES		<i>"</i>

Questions on Bid #67-2012:

Are you able to provide color samples of your current documents and envelopes?

There are no current documents, this is all new billing processes, and so we have no samples.
And as it is a new process there are no former vendors or bidders or bid tabulations.

I see that the Invoices, Past Due Notices and Other Letters are noted as duplex items. Is there variable information on the back of these documents, or does the back contain static information that could be pre-printed? If so, does the pre-printed information vary by document type (Invoice, Past Due Notice, Other Letter)?

Vendors should base their bids on the following, but understand that these parameters may change since these documents have not been designed yet: The back is static and the information can change according to the type of document. Yes, it could be preprinted. No variable information on the back.

In the Functional Requirements section, item #2 references the number of mail pieces we should expect to process each day, but the number of pieces is noted as "x" – could you please indicate how many pieces will be submitted for mailing on a daily basis?

Given the quoted monthly estimate, a rough estimated daily average would be around 5200. But bidders should understand that this daily estimated average may vary greatly up or down, depending on billing cycles which have not yet been finalized.

Will you consider bids from out-of-state vendors?

Yes

Volumes? Page 1 states an annual volume of 284,000 & then states a monthly volume of 115,000??

LFUCG bills approximately 108,000 sewer accounts, 79,000 landfill accounts and 97,000 water quality management fee accounts annually. Some customers receive one or a mix of all services on one bill, which translates into LFUCG issuing approximately 115,000 bills per month.

Spot color

a. 2-Color Logo - can it be a PrePrinted shell?

Yes

b. Is the spot color in the document a box color or is it in the variable information ?

The spot color is not in the variable information. It will be a box border or a screened fill color.

c. Is the color in the logo the same color that is printed in the document?

If they are asking about the logo in the bid document, no

How often does the message change on the back of the envelope?

LFUCG may choose to use, or not use, this option. Please itemize the costs for this separately as an optional "add on" and break out that optional Add-on price as follows:

26) 12 SEPARATE ENVELOPE MESSAGES

27) 4 DIFFERENT MESSAGES

What are the 'other' inserts

"Other Inserts" could include messages containing information on LFUCG programs, events, environmental tips, etc., and directing people to a Web site.

Envelopes # 10 and #9

How many are ordered at one time? 6 mos or one year?

One year

We would like to know the specifications for all of the preprinted forms, envelopes and inserts you are requesting. These specs should include paper type, size, # colors on front and back, and whether there is variable information to be printed on one side or two. If you have any questions, please call or email me at your convenience.

THIS IS TOTALLY DEPENDENT UPON BILL AND INSERT DESIGN, WHICH ARE NOT FINALIZED AS OF YET:

2 color and 4 color; if information warrants, inserts will be 2 sided.

RECOMMENDATIONS ARE AS FOLLOWS:

#10 MAILING ENVELOPE COLOR 1/1: LFUCG RETURN ADDRESS ON FRONT, BILL MESSAGE ON BACK. 20# WHITE WOVE SINGLE WINDOW

#9 BRE COLOR 0/1: STANDARD NON-VARIABLE MESSAGE ON BACK OF BRE. 20# WHITE WOVE SINGLE WINDOW.

BILL INSERT: 4.25 X 7.5 FINAL SIZE WITH BLEED. NO VARIABLE INFORMATION. 2/2

OTHER INSERT: 4.25 X 3.75 FINAL SIZE WITH BLEED. NO VARIABLE INFORMATION. 2/2

LETTERHEAD: 8.5 X 11 FINAL SIZE. NO VARIABLE INFORMATION. 2/2

Supplemental Pricing

17. Any other “typical” line item, one-time costs, or other costs anticipated for the proposed services.
- PreVIEW™ - First 3 months are free; \$150.00 per month thereafter (if required)
 - SureVIEW™ - \$0.005 per bill image (archived 6 months)- \$0.0075 per bill image (archived 12 months)
25. Proposed pricing structure, including one-time implementation costs, annual fees and per transaction fees for both LFUCG and your customers for electronic billing and payment services.

One-Time Set Up & Development Costs

eVIEW™ Set Up is Negotiable **\$ 3,500.00 / Flat**

Application Development Includes the following:

- Single Sign On (SSO)
- Enrollment/Validation
- eNotification/Messaging
- Presentment/Account Management
- Customer Care
- Suppressing Paper Bills
- eVIEW® Image Archive - *Consolidated PDF includes the following:*
 - Letter-size or postcard-size bill (with backer image included)
 - Additional (*Print-on-the-Run*) pages
 - Additional Marketing Inserts for the period

Custom Apply File Set-Up and Testing **\$ Waived**
LFUCG Defined Format

Technical Services/Programming/Development **\$ 90.00 per hour**

RECURRING MONTHLY COSTS

Monthly Charge for eVIEW **\$ 400.00 per mo.**

Includes the following:

- Single Sign On (SSO)
- Enrollment/Validation
- eNotification/Messaging
- Presentment/Account Management
- Customer Care
- Suppressing Paper Bills

- eVIEW Image Archive - *Consolidated PDF includes the following:*
 - Additional Marketing Inserts for the period
- Immediate access to e-bills upon enrollment
- Transmission of Custom Apply Files
- Integration of e-Bill transactions within LFUCG's existing reporting structure

TRANSACTIONAL COSTS

Presentment Fees

<i>e-Bills</i>	\$ 0.07 per bill
Additional electronic bill page images*	\$ 0.01 per addl. image
<i>Charge applies to enrolled customers ONLY*</i>	
Emailing bills as an attachment to Commercial customers	
<i>Emailing of Bills (with PDF attachment)</i>	\$ 0.07 per email
<i>Page images (for any additional images)*</i>	\$ 0.01 per addl. image
ACH Transaction Payment fee	
<i>e-Payments (First 50,000)</i>	\$ 0.14 per payment
<i>e-Payments (Next up to 100,000)</i>	\$ 0.13 per payment

26. 12 Different Envelope messages, message changes monthly.

Option 1. If the 12 messages are determined at the beginning of the contract, then Level One is able to combine these in an initial order with our envelope manufacturer.

Envelope pricing (12 backer changes): **\$0.016 per envelope**

Option 2. Changing the message on the back of the envelope, to be determined each month will reduce the volume discount pricing significantly: **\$0.023 per envelope**

27. 4 Different Envelope messages (changes quarterly): **\$0.013 per envelope**



Lexington-Fayette Urban County Government
DEPARTMENT OF FINANCE & ADMINISTRATION

Jim Gray
Mayor

Jane C. Driskell
Commissioner

ADDENDUM #2

Bid Number: **#67-2012**

Date: May 17, 2012

Subject: Print & Mailing Services --
Sewer, Landfill, & Water Quality Fees

Address inquiries to:
Theresa Maynard
(859) 258-3320

TO ALL PROSPECTIVE BIDDERS:

Please be advised of the following clarifications to the above referenced bid.

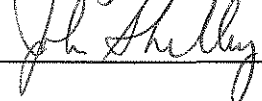

Todd Slatin, Acting Director

Division of Central Purchasing

All other terms and conditions of the Bid and specifications are unchanged.
This letter should be signed, attached to and become a part of your Bid.

BID OF: Level One LLC

ADDRESS: 3 Great Valley Parkway, STE 100, Malvern, PA 19355

SIGNATURE OF BIDDER: 

More Questions on Bid #167-2012

General:

1. Please provide samples of your Invoices, Past Due Notices, Other Letters and envelopes.
Not yet developed, we have no samples.

2. Is the same #10 mailing envelope used for all invoices, notices and letters? If not, please identify which documents require separate #10 envelopes.

Yes.

3. For the Invoices, Past Due Notices and Letters that are specified as Duplex, is the back side static information or is variable printing required on the back side?

Back is static.

4. Do the Past Due Notices share the same layout as the regular bills with additional text or color, or is the notice a completely different layout?

Not yet designed.

5. Do the simplex and duplex letters use the same letterhead?

Unknown at this time.

6. Please provide estimated monthly or annual quantities for:

- Past Due Notices
- Other Letters (duplex)
- Other Letters (simplex)
- Flats

Unknown at this time.

7. Are the flats mailed in 9 x 12 envelopes? If so, are they also pre-printed or double window with an address coversheet.

We do not expect flats to mail in 9 x 12 envelopes.

8. Are 6 x 9 envelopes leveraged for multi-page bills with 6 - 13 pages?

This is not anticipated.

9. Are all bidders required to use Green Seal certified papers?

Yes, where available.

10. Who is your current vendor?

Kentucky American Water has been sending out these bills for LFUCG, as part of the overall utility billing contract.

11. If possible, please provide the vendors current cost per bill to LFUCG.

It was part of the overall contract with the utility.

In the requirements table that begins on page 2 of the specifications:

12. Item 2 - will all files required to be included in the late afternoon mail be sent around 9:00 pm the previous night and no later than 8:00 am the day of mailing?

Yes.

13. Item 9 - which documents require laser printed spot color (Black+1 color), as this affects the cost.

Unknown until documents are designed.

14. Item 17 - does the 12 month bill archive need to be accessible online to business office staff, customers, or both, or is this just for backup and retention purposes? If online, who will need access?

As this will be a new service for LFUCG, please recommend and quote your suggested approach. LFUCG is interested in all ways to leverage bill archives, especially providing online access to this information to call center staff.

Pricing:

15. Item 7 - A 2 color logo is specified for the #9 business reply envelopes. These are usually generic as the customer fills in their own return address in the upper left corner and the address on the bill stub appears in the envelope window. Where would the logo be printed?

This is unknown since the bill and documents have not been designed yet. For bidding purposes, bid assuming no printing on the front, 1 color on the back; the logo could go on the back; and it could be a single color to keep costs down.

For electronic billing and payment services:

1. Will the customer enrollment process for online billing and payments be handled by the Ventyx system or will we need to provide the customer facing enrollment module?

LFUCG's new billing agent, GCWW, will develop, implement & maintain the customer facing enrollment process & integrate the backend with Customer Suite.

2. What electronic delivery methods are desired? (online presentment, e-mail delivery, fax, etc.)

LFUCG is open to many options. Please make your recommendation based on industry best practices.

3. For online payments, will the cost of the service and transaction fees be absorbed by LFUCG or paid for by a convenience fee charged to the end customer?

Paid by convenience fee charged to end user.



**Response to Bid #67-2012
Prepared Exclusively For**

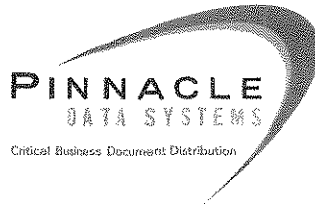


Response Prepared By:

Jen Van Parys
Sales Executive
Phone: 614-551-2686
jen.vanparys@pinnacledatasystems.com

May 23, 2012

This page intentionally left blank.



May 23, 2012

Lexington Fayette Urban County Government
200 East Main Street
3rd Floor, Room 338
Lexington, KY 40507

Dear LFUCG Representative:

Thank you for inviting Pinnacle Data Systems (PDS) to respond to LFUCG's Bid # 67-2012 for Print & Mailing Services – Sewer, Landfill & Water Quality Fees. We believe PDS is well positioned to best meet LFUCG's desired business needs with a complete solution that includes printing, mailing, and electronic presentment of your customer invoices and letters. We are confident our proposal meets all stated requirements and more.

At Pinnacle Data Systems, our service, equipment and technology collaborate to transform simple to complex data steams into highly effective paper and electronic business communications. With a revolutionary business model, expert professionals, the latest technologies and a customer-centric focus, we've devised the most secure, effective and affordable method for creating and distributing business critical transactional documents.

Our focus on a positive experience for our clients and support goes beyond traditional expectations; we partner with our clients and tailor our offerings to meet each their individual needs. This proposal response was crafted with the goal of adding LFUCG to the PDS family. On behalf of the entire PDS team, thanks again for the opportunity to participate, and I look forward to speaking with you in the days to come.

Sincerely,

A handwritten signature in cursive script that reads "Jen Van Parys". The signature is written in a dark ink and is positioned above the printed name and contact information.

Jen Van Parys
Sales Executive
Phone: 614-551-2686
jen.vanparys@pinnacledatasystems.com

This page intentionally left blank.



Table of Contents

Statement of Confidentiality	7
Invitation to Bid	9
Affidavit	11
Executive Summary	13
Printing and Mailing Services – Functional Requirements	15
Pinnacle Data Systems (PDS) Overview	17
Disaster Recovery.....	19
Project Methodology and Approach.....	19
Quality Assurance and Performance Capabilities	25
One2One Marketing.....	33
Electronic Billing & Payment Solution	35
Green Community.....	37
Equal Opportunity Agreement.....	37
Pricing.....	39
Exhibits	41
Exhibit A – References.....	41



This page intentionally left blank.



Statement of Confidentiality

This document has been prepared by Pinnacle Data Systems (PDS) and is provided to Lexington Fayette Urban County Government (LFUCG) with the understanding that the information provided and any ensuing business related discussions will be treated as confidential.

This document and the information provided within shall only be shared with those individuals or external third parties who have a role in the evaluation of the response and the subsequent selection process. The information contained within this document is proprietary to PDS.



This page intentionally left blank.



Invitation to Bid

Bid Invitation Number: #67-2012

Date of Issue: 05/09/2012

Sealed bids will be received in the office of the Division of Central Purchasing, 200 East Main Street, Lexington, Kentucky, until 2:00 PM, prevailing local time on 05/23/2012. Bids must be received by the above-mentioned date and time. Mailed bids should be sent to:

Division of Central Purchasing
200 East Main Street, Rm 338
Lexington, KY 40507, (859) 258-3320

The Lexington-Fayette Urban County Government assumes no responsibility for bids that are not addressed and delivered as indicated above. Bids that are not delivered to the Division of Central Purchasing by the stated time and date will be rejected.

All bids must have the company name and address, bid invitation number, and the commodity/service on the outside of the envelope. Bids are to include all shipping costs to the point of delivery located at: NONE

Bid Security Required: ___ Yes X No Performance Bond Required: ___ Yes X No
No Cashier Check, Certified Check, Bid Bond (Personal checks and company checks will not be acceptable).

Commodity/Service
Print & Mailing Services – Sewer, Landfill & Water Quality Fees

See specifications

<p style="text-align: center;"><u>Check One:</u></p> <p><input type="checkbox"/> Bid Specifications Met</p> <p><input type="checkbox"/> Exceptions to Bid Specifications. <i>Exceptions shall be itemized and attached to bid proposal submitted.</i></p>	<p style="text-align: center;"><u>Proposed Delivery:</u></p> <p>_____ days after acceptance of bid.</p>
<p style="text-align: center;"><u>Procurement Card Usage</u></p> <p><input type="checkbox"/> Yes The Lexington-Fayette Urban County Government will be using Procurement Cards to purchase goods and services and also to make payments. Will you accept Procurement Cards?</p> <p><input type="checkbox"/> No</p>	

Submitted by:
Firm

Pinnacle Data Systems L.L.C.

Address

350 Automation Way

City, State & Zip

Birmingham, AL 35210

Bid must be signed:

Mitch Anderson

Representative's Name (Typed or printed)

205-307-6879 205-307-6834

Area Code - Phone - Extension

Fax #

mitch.anderson@pinnacledatasystems.com

E-Mail Address



This page intentionally left blank.



Affidavit

Comes the Affiant, Mitch Anderson, and after being first duly sworn under penalty of perjury as follows:

1. His/her name is Mitch Anderson and he/she is the individual submitting the bid or is the authorized representative of Vice President of Business Development, the entity submitting the bid (hereinafter referred to as "Bidder").

2. Bidder will pay all taxes and fees, which are owed to the Lexington-Fayette Urban County Government at the time the bid is submitted, prior to award of the contract and will maintain a "current" status in regard to those taxes and fees during the life of the contract.

3. Bidder will obtain a Lexington-Fayette Urban County Government business license, if applicable, prior to award of the contract.

4. Bidder has authorized the Division of Central Purchasing to verify the above-mentioned information with the Division of Revenue and to disclose to the Urban County Council that taxes and/or fees are delinquent or that a business license has not been obtained.

5. Bidder has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky within the past five (5) years and the award of a contract to the Bidder will not violate any provision of the campaign finance laws of the Commonwealth.

6. Bidder has not knowingly violated any provision of Chapter 25 of the Lexington-Fayette Urban County Government Code of Ordinances, known as "Ethics Act."

7. Bidder acknowledges that "knowingly" for purposes of this Affidavit means, with respect to conduct or to circumstances described by a statute or ordinance defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists.

Further, Affiant sayeth naught.

[Signature]

STATE OF Alabama

COUNTY OF Jefferson

The foregoing instrument was subscribed, sworn to and acknowledged before me by Mitch Anderson on this the 21st day of May, 2012.

My Commission expires: 5/15/14

[Signature]
NOTARY PUBLIC, STATE AT LARGE



This page intentionally left blank.



Executive Summary

Pinnacle Data Systems (PDS) understands that LFUCG seeking an optimal solution that will provide for Print & Mailing Services for Sewer, Landfill & Water Quality Fees with electronic billing and payment options. We'll also provide customized invoices, reports, and other statistics for program management. PDS is confident that we can meet the requirements stated in the RFP while exceeding all service expectations.

Why choose Pinnacle Data Systems?

- PDS has over 20 years of experience in printing & mailing services. We currently service 400+ clients with 95 clients in the utility market.
- PDS prints 45 million pages and mails 14 million pieces per month.
- PDS offers a complete suite of services in addition to Printing & Mailing Services that include Document imaging, Electronic Bill Presentment, Graphics Services (inserts, bill stuffers, flyers), and specialized mailings. PDS can provide a complete array of products that allow LFUCG to capture, manage, present, and store its data.
- PDS operates two (2) redundant facilities located in Norcross, GA and Birmingham, AL. By operating two facilities, LFUCG has peace of mind knowing that your invoices and letters will be in the mail regardless of power outages, ice storms, hurricanes or any natural or manmade disasters.

The remainder of this document details our understanding of your requirements as well as the scope and cost of the services offered.

On behalf of the entire Pinnacle Data Systems team, we thank you for the opportunity to participate and look forward to becoming your trusted partner.



This page intentionally left blank.



Printing and Mailing Services – Functional Requirements

Req. #	Requirement	Type	Response and Comments
1	Receive files via FTP. These files will come directly from the Ventyx Customer Suite billing system. Format shown in Appendix A. (The file type will be a fixed length text file and files will be processed for the selected bill print/mail Vendor on all business days at about 9:00 pm.)	Mandatory	Satisfied
2	Print, process and mail or otherwise deliver up to x pieces daily. Vendor should expect to receive one or more files for each type of document specified in section x. These files should be processed for inclusion in the late afternoon mail run following receipt of the files.	Mandatory	Satisfied
3	To provide for electronic document review and cancellation by GCWW and LFUCG between the printing and mailing	Mandatory	Satisfied
4	Read barcodes and/or OMR marks to intelligently insert the appropriate materials (i.e. inserts and envelopes) for each mail piece.	Mandatory	Satisfied
5	Insertion equipment for invoices with at least 6 trays capable of handling dynamic insertion based on barcode or OMR logic.	Mandatory	Satisfied
6	Mail all pieces according to agreed upon postal specifications (i.e. first class, pre-sort, bulk mail, etc.), including achieving all available postal discounts.	Mandatory	Satisfied
7	For items to be mailed, print all invoices, past due notices, letters and inserts on paper size and weights as determined by LFUCG. Includes use of correct stationary type for a given	Mandatory	Satisfied
8	Source print logo(s) on all stationary materials (paper, envelopes and inserts) in appropriate size(s), location(s) and color(s).	Mandatory	Satisfied
9	Print documents using spot color printing (black and one additional color at minimum)	Mandatory	Satisfied
10	Incorporate document revisions within 72 hours of receipt of revisions in the agreed upon format(s).	Mandatory	Satisfied
11	Provide CASS and NCOA certification to meet United States Postal Service minimum standards for maximum postage discounts.	Mandatory	Satisfied
12	Process all mail according to United States Postal Service rules, regulations and requirements to ensure the lowest possible postage rates.	Mandatory	Satisfied
13	Provide daily, monthly and annual reports on quantities for each of the materials as used.	Mandatory	Satisfied
14	Provide daily, monthly and annual reports on pieces processed and postage used.	Mandatory	Satisfied



Req. #	Requirement	Type	Response and Comments
15	Provide a minimum of 14 days advance notice of need to add money to postage accounts.	Mandatory	Satisfied
16	Provide the ability to allow LFUCG to make bill content and message changes. Include any requirements needed for this.	Mandatory	Satisfied with Modification
17	Provide the ability to archive bills and letters for up to one year. After that one year period, bills will be moved to a document storage location at LFUCG. The ability to	Desired	Satisfied
18	Provide the ability for bill payments to be scanned by our lockbox solution using the scanline on the invoice	Mandatory	Satisfied



Pinnacle Data Systems (PDS) Overview

- Years in Print & Mail: 20+ years
- Years of experience in:
 - ✓ Utility Industry: 20+ years
 - ✓ Document Printing, inserting and mailing: 20+ years
 - ✓ Electronic billing and payment: 10 years
- Type of Company: Private
- Ave. # of mail pieces processed: 700,000/day

PDS operates redundant systems and programs in our two production facilities located in Norcross, Georgia and Birmingham, Alabama. Materials are housed at each facility, giving PDS the ability to load balance production as well as ensure business continuity and disaster recovery.

Printers

- 1 Océ Jetstream 1000 Full Color
- 1 InfoPrint 5000 Full Color
- 3 Xerox CF495 continuous form
- 2 Xerox DP128 Highlight Color
- 6 Xerox DP180
- 2 Xerox DP180MX (MICR)
- 2 Xerox DC8000 (Full Color)
- 3 Xerox DT6100

Inserters

- 8 BoweBell & Howell MS500
- 3 BoweBell & Howell Enduro
- 2 BoweBell & Howell MS400
- 1 BoweBell & Howell VIP2000
- 2 BoweBell & Howell MS350
- 4 PitneyBowes FPS

Software and Key Capabilities

- PDS uses OPACS for production job control
- Exstream Dialogue for data composition
- Prisma and Solimar for print management
- FirstLogic and CASS/PAVE for postal pre-sort
- NCOA^{Link} for move update

PDS uses camera technology on our inserting equipment for the purpose of ensuring mail piece integrity. The cameras read/check various fields on the mail piece verifying mail piece sequence, postage, envelope identification, and outgoing address. The camera system produces a verification report of all mail pieces inserted. This system allows us to operate without having "double-stuffs" or "mixed statements" which is vital given the privacy laws in today's business environment. PDS has the ability to print, fold and stuff multiple pages while distinguishing unique types of statements, unique classes of service and notices. We can segment inserts by unique types with the ability to household merge/purge multiple statement into the same envelope. We can identify unique customer coding from the data transmission of customers not requiring a return envelope.



This page intentionally left blank.



Disaster Recovery

A disaster recovery plan is developed for each client and defines scenarios, escalation procedures and contacts to engage disaster recovery. Once the escalation process is initiated, Pinnacle executives are alerted and placed on standby to engage Pinnacle's business contingency plan for production in our back-up site. Our Birmingham and Atlanta sites act as backup facilities for each other. All jobs are able to run at either facility on similar equipment with similar certified processes. Additional Disaster Prevention and Recovery Information

- Power Interruptions - The facility maintains an UPS (uninterrupted power source) intended to protect against momentary power surges and disruptions, and to provide time for an orderly shutdown in case of prolonged power outage.
- Outside Vendor Support - Pinnacle Data Systems maintains a close relationship with outside vendors in case a special need arises.
- Work can be transmitted via leased-line, Internet, or magnetic media.
- Current production programs are maintained at the off site location.
- Security Measures for Data Management and Virus Protection.
- Pinnacle Data Systems LLC integrated IT environment is protected by a state of the art firewall and intrusion management/detection systems.

Project Methodology and Approach

Project Management & Implementation

Implementation Process

At the onset of the project, PDS and LFUCG will jointly outline the business requirements. The project manager is the owner of the project. The final business requirements include scope, objectives, timing, resource constraints and strategy. Major milestones, which outline key deliverables required to complete the project on time, will be included and signed-off by project stakeholders from both organizations. From the business requirements, final technical requirements will be developed. The business requirements and technical requirements are the basis for a formal project plan, which includes tasks, duration, target dates, actual dates and associated resources. All of these documents are created quickly and collaboratively.



Project team meetings are conducted as needed to monitor/review status and discuss issues. Adjustments to the plan are made as necessary and with the appropriate approval level. Once the project plan and the business requirements have been approved by PDS and the client, all steps will have the client's and PDS sign-off to consider the project, task or portion thereof approved and completed. PDS will designate Project Leaders who will be responsible for sign-off on the approved project plan, and business requirements. Any sign-off or acceptance that the Project Leader is not at liberty to approve will be escalated to their superior. This process begins when the project team nucleus is defined and a kick off meeting is scheduled.

Below is an example of the tasks that will be accomplished (PDS uses MS Project):

Task ID	Task Name	Duration	Start	Finish
1	Finalize project description	1 day?	Mon 1/25/10	Mon 1/25/10
2	Review client data design	1 day?	Mon 1/25/10	Mon 1/25/10
3	Identify all tasks and responsible parties	1 day?	Mon 1/25/10	Mon 1/25/10
4	Develop a project critical path and list all tasks	1 day?	Mon 1/25/10	Mon 1/25/10
5	Ensure all project team members understand the roles and responsibilities of each	1 day?	Mon 1/25/10	Mon 1/25/10
6	Document all assumptions; i.e. the do or do not concept	1 day?	Mon 1/25/10	Mon 1/25/10
7	Ensure communications are clear and involve everyone in the communication process	1 day?	Mon 1/25/10	Mon 1/25/10
8	Establish the completion criteria for the project	1 day?	Mon 1/25/10	Mon 1/25/10
9	Communicate policies and procedures to all team members	1 day?	Mon 1/25/10	Mon 1/25/10
10	Assign responsibility for documentation of each task	1 day?	Mon 1/25/10	Mon 1/25/10
11	Commit to date for delivery of first draft of project plan	1 day?	Mon 1/25/10	Mon 1/25/10
12	Commit to date for redraft and plan signoff	1 day?	Mon 1/25/10	Mon 1/25/10

PDS prides itself on developing custom solutions to meet specific client needs. The Business Development and Technical Development staff, approach each client implementation from a standardized foundation approach, which allows great flexibility as new client requirements are identified or as new technologies emerge. The design of the initial solution becomes a building block for future enhancements. It allows PDS to receive the same data or print stream and migrate it to multiple data streams for alternate delivery options.



Testing Methodology

An end-to-end test would be conducted with LFUCG as the final acceptance test. Our production centers employ parallel production and testing environments. The production and testing environments mirror each other and are redundant. Source Code Management software and policies are used to monitor changes to programs, requiring programmers to log-out and log-in application code for change management, security, unit testing, regression testing and acceptance testing. Application development is performed in the redundant, isolated test environment and, therefore, cannot affect production.

Project Management

Typically, PDS' clients will assign a Project Manager who will serve as a focal point for channeling all information and scheduling to PDS' project manager. If the planning phase of the project is able to gather accurate and detailed information prior to launch of the project, the client's designated manager is often able to maintain their normal duties in addition to the implementation project. The PDS' team identifies the requirements necessary for successful project completion (Scope of Work) and calls upon the various functional areas of PDS to provide pre and post-sales support.

Roles and Responsibilities

The project specific manager(s) will be assigned based on availability and current projects under management. The project manager is the owner of the project (100% participation)

Jennifer Giles, Manager, Client Services and Project Management

Jennifer brings over 12 years of diverse leadership and project management experience to Pinnacle, which is instrumental as we continue to provide world class customer service and support to our clients. A certified Lean Six Sigma Black Belt, she has most recently guided and executed process improvement initiatives for the Department of Defense. Jennifer has a proven track record for providing a positive customer experience and ensuring the timely completion of projects that align with each customer's strategic initiatives. Jennifer graduated magna cum laude, with a BS in Mathematics from Virginia Tech.

Mike Gafford, Implementations Project Manager

Mike joined SunGard in January of 2005 as a Project Manager. He has over 24 years of experience in project management and information technology in the Telecommunications industry. Education: BS in Business Administration.

Mike Young, Implementations Project Manager

Mike started with SunGard in 2004. Prior to coming to SunGard, he worked 16 years as a Project Manager and System Manager on regional and national projects for BellSouth Telecommunications and Telcordia Technologies. In addition, Mike worked for internal printing and mailing services for BellSouth Telecommunications between 1976 and 1986. Education: B.S. degree in Materials Engineering.



Steve Martin, Implementation Projects Manager

In his 23 years in the industry, he has held positions in Customer Support, Programming and Technical Quality Assurance, and managing customer implementation projects. He is completely familiar with all internal systems and has been involved with the development with many of our Quality Assurance testing procedures. His responsibilities include: data analysis, assisting in document design and formulating programming specifications

Ray Cargo, Birmingham Site Manager

Ray is responsible for managing the implementation of new customers, customer service, and the Birmingham operations. With over 20 in the print and mail industry, Ray has worked for such companies as Regulus, SunGard Mailing Services and Total Billings, performing duties from at every level in production and today is the site manager in Birmingham. Throughout his career he has demonstrated exceptional adaptability, teamwork, and leadership, and it is these traits that greatly benefit Pinnacle Data Systems.

Gus Cerice, Director of Applications Programming

Gus joined Pinnacle's IT Department, 19 December 2011. Gus is responsible for the Applications Programming Team. Gus will maximize group productivity through continual process improvement, and the development and implementation of best of breed software delivery methodologies. This will include close cooperation with all departments within Pinnacle, in order to continually improve our client's experience, from the signing of a new contract through full production.

In his most recent position, as the Director of Product Development at MEDSEEK, he led the development of their newest product offering, the Patient Portal. Previous to MEDSEEK, Gus served as the Development Manager for SourceMedical, which was originally a division of Health South. During his time there he led the development of their new flagship product SourceRad a Radiological Information System. Gus holds a B.S. in Computer Science, from the University of Alabama at Birmingham.

Ben Howell, Corporate Director of Programming

Ben is responsible for Pinnacle's systems development and programming groups. Ben has over 20 years' experience in the print and mail industry. Ben developed the applications architecture and programming standards used in the SunGard Mailing Services programs to process statements on the mainframe and throughout the network.



Mitch Anderson, Vice President of Business Development

As head of Business Development, Mitch is responsible for the design and delivery of the Pinnacle customer experience. He brings over 16 years of service oriented business communication experience where he has developed successful customer support strategies and processes through his understanding of operational functionality and customers' requirements.

Before joining Pinnacle in 2006, Mitch led teams in Operations, Customer Service, Programming and Informational Technology for Regulus. Mitch has also been appointed to the Birmingham PCC. This appointment provides an enhanced connection directly to the United States Postal Service (USPS) which further enables Pinnacle Data Systems to better inform/consult our customers as well as influence Pinnacle's new products and services. Education: BS in Business Administration.

Jen Van Parys, Sales Executive

Jen will serve as the local point of contact for LFUCG. Jen brings over 8 years of printing and document related sales experience with an emphasis on critical business communications. Prior to joining Pinnacle Data Systems, Jen developed strategic solutions for mid to large companies with RR Donnelley. Her background includes a deep understanding of the manufacturing process as well as international sales and support. Education: BA in Economics from Ohio State University.



This page intentionally left blank.



Management Reporting

PDS will provide custom reporting as requested by LFUCG. This includes, but is not limited to, quality reports, postage and revenue spend, production, as well as inventory levels. These reports can be customized in content and frequency.

Tracking and Variance Analysis

Balancing and control reports are generated during the preprocessing stage of production. The reports enable us to balance to record, byte, page and envelope counts. Block and page sequence numbers are assigned to each document during preprocessing and are used in conjunction with the balancing and control reports as a quality control tool. The control reports are included with the work order in the job jacket ensemble. After production is completed, the reports are filed and maintained as a permanent audit trail of each job.

Quality Assurance and Performance Capabilities

Tracking and Reporting

Pinnacle Data Systems automated operations and production control system enables us to provide high quality and timely service on a consistent basis. The system provides audit trails and full accountability for production control and quality assurance. This system enables us so guarantee data security and product integrity throughout our processes.

Totals from each stage of production are entered from the production equipment. This allows clients to Review the time documents were received, time mailed, review documents for special handling, print, fax or email statements.

Quality Assurance

Pinnacle Data Systems is SAS70 Type II certified and PCI compliant, and later this year will complete an SSAE16 SOC II audit and certification. All of quality assurance programs must meet the SAS70

compliance standards. The key elements of the Pinnacle Data Systems Quality Assurance Program are:

- Roles and Responsibilities
- Process Workflow
- Production Checklist
- Daily Operations Report
- Discrepancy Reporting
- Daily Production Meeting
- SAS70 Type II Compliance



These include:

- Detailed documentation
- Flowcharting of processes
- Zero tolerance for error
- Identify and correct any problems prior to Client impact
- Training programs that expose our Associates to Standard Operating Procedures (SOP)
- Documentation and tools that are readily available to all Pinnacle Data Systems Associates
- Supervisors and managers are available to facilitate the process and ensure adherence of the SOP's that have proven to achieve results.

Quality Control Tools

There are four critical tools used by Pinnacle Data Systems as part of the job control procedures for every job that is run:

Job Ensemble Jacket

Prior to implementation of production, a Job Ensemble Jacket is created for each new application. The Job Ensemble contains a sample of correct product (statement forms and outgoing envelopes) a printed sample (for quality verification) and samples of the inserts (BRE's and marketing material). The Job Ensemble Jacket is maintained by the Client Service Representative (CSR) and is updated as needed (typically when inserts change). The ensemble accompanies the job throughout each stage of production.

Work Order

Pinnacle Data Systems developed an Operations and Production Control Process (eTracs) for use in all of our production centers. This system enables us to guarantee data security and product integrity throughout our processes. It is an integrated job management and quality control system.

All processing, scheduling and distribution requirements for all applications are maintained in the work order system. When a data file is first received, the job is then logged into the work order system and a work order is generated that contains run instructions specific to that application. This eliminates the possibility of a job being incorrectly logged in (thereby run incorrectly). The work order is matched to the Job Ensemble Jacket and follows the job through each step of production.



Balancing and Control Reports

Balancing and control reports are generated during the preprocessing stage of production. The reports enable us to balance to record, byte, page and envelope counts. Block and page sequence numbers are assigned to each document during preprocessing and are used in conjunction with the balancing and control reports as a quality control tool. The control reports are included with the work order in the job jacket ensemble. After production is completed, the reports are filed and maintained as a permanent audit trail of each job.

Quality & Production Checklist

The Quality & Production Checklist is designed to follow each job as it progresses throughout the production process. It covers multiple quality checkpoints and various balancing controls. Each checkpoint must have appropriate quality sign-off before a job can move to the next stage. The checklist accompanies the job ensemble jacket, work order and control reports through each stage of production.

Data Transmission

- Transmission Module validates the transmission at a byte, record, file and protocol level.
- Verification Module tests for client specific controls of header, trailer, control dates, control totals, file sequencing, and other pertinent information, such as number of pages and statements.
- Transmission Module links generate work order.
- File acknowledgement report is created for client verification.

Computer Pre-Processing

- Byte, record, page or account totals of file are verified.
- Balancing reports are created for use in printing and inserting.
- Add the 3x9 barcode to ensure the integrity of the mail piece during the insertion phase of the document into the envelope.
- Sequence numbers are added in the name and address block for additional camera quality control in inserting.
- Tape label with client ID, work order number and application code is applied to tape reel for those jobs run off-line.
- Preprocessing station initials QA section of work order after confirming job ran without errors.
- The work order and control reports accompany the Job Ensemble Jacket.



Digital Printing

- Job ensemble and work order are compared to confirm they match.
- Tapes or files to print are checked against the work order.
- Product pulled is compared to ensemble sample to verify correct product is being used.
- A sample is printed to check alignment, OCR marks, barcode, print quality, etc. and compared to printed sample from the ensemble. Sample is approved by the supervisor or shift leader before continuing.
- Samples are created periodically during the laser printing process and at the shift change to QC
- Print quality.
- At the end of the job, laser machine accounting totals are reconciled with the balancing and control reports created during preprocessing.
- The Quality Control group approves the print before it is transferred to inserting.

Inserting/Mailing

- Laser printing totals are double-checked.
- Job ensemble and work order are compared to confirm they match.
- Product pulled is compared to ensemble sample to verify correct product is being used.
- The inserting machine is set up and samples are produced. The Quality Control group verifies the fold, barcode set up, address alignment, postage amount, meter date and other QA items are correct before continuing.
- The job is run in groups and balanced by meter amount, image count and piece count after each segment (using the balancing and control reports generated during preprocessing).
- Every document contains a 3x9 barcode that is scanned by the inserter. This ensures that each document is inserted with like documents in the same envelope. It ensures the documents are in the correct sequence and that other documents from different envelopes are not included in the envelope for that mail piece.
- Every sequence number in the name and address that shows through the window of each envelope is scanned by a camera system (JetVision or Lake Image Vision) to ensure that each envelope is in the correct sequence and the name and address is showing through the window. This is an additional quality control check to ensure that each envelope is inserted correctly.
- Envelopes are visually inspected for postage, name and address and to make sure all are properly sealed prior to traying and tagging for introduction into the USPS. The USPS is on-site at the production facility.



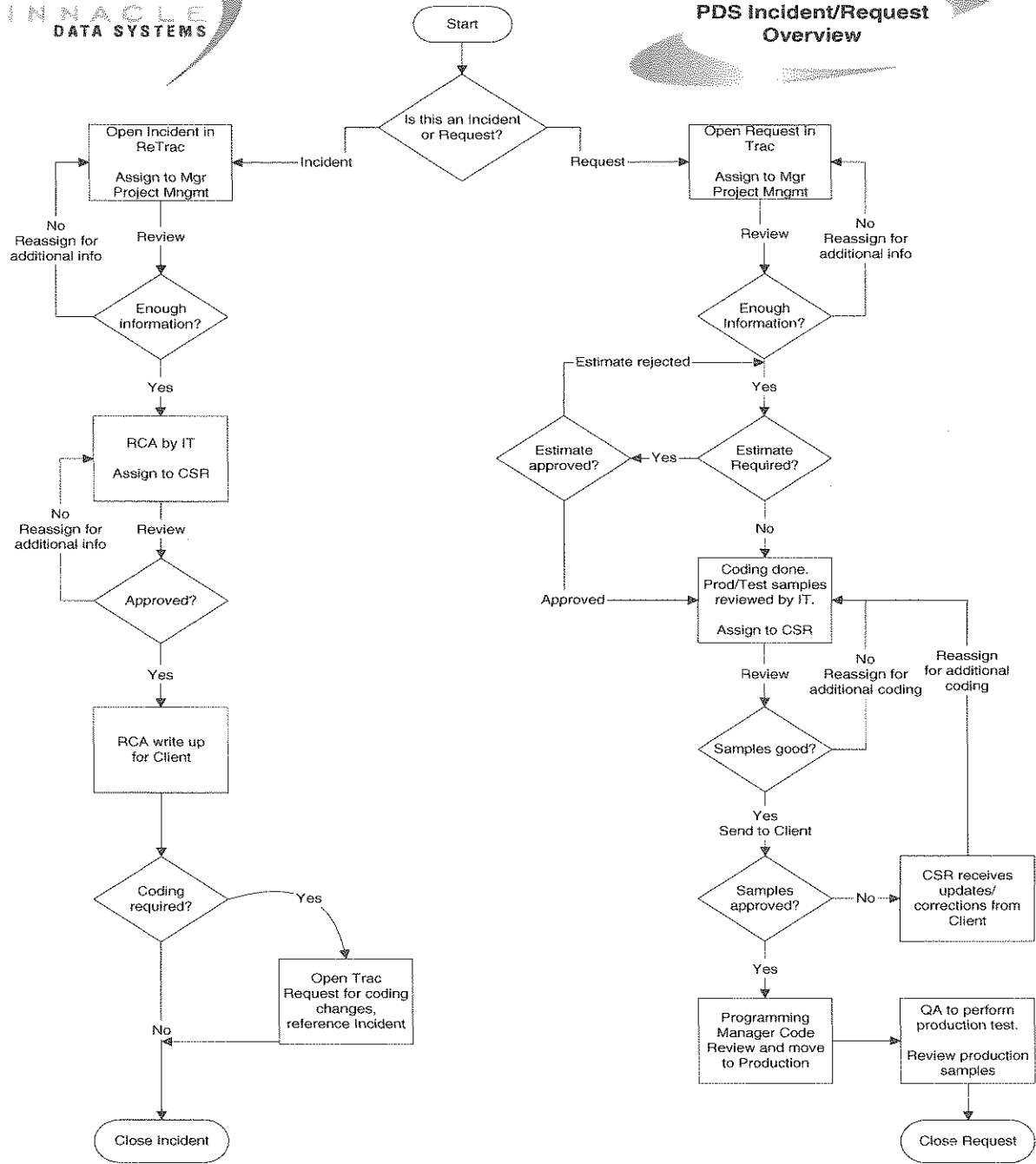
Customer Support

An experienced client services representative will be assigned to LFUCG once the project manager has completed all implementation tasks.

All interactions are captured through a service management system and processes are streamlined to reduce the time, steps and resources needed to initiate and complete service responses. Client services staff track customer requests, provide reporting of service problems or issues, and assist in the resolution of problems.



Project and Technical Change Control and Management Analysis





Project and Implementation Services:

At the onset of the project, PDS and LFUCG will jointly outline the business requirements. The project manager is the owner of the project. The final business requirements include scope, objectives, timing, resource constraints and strategy. Major milestones, which outline key deliverables required to complete the project on time, will be included and signed-off by project stakeholders from both organizations. From the business requirements, final technical requirements will be developed. The business requirements and technical requirements are the basis for a formal project plan, which includes tasks, duration, target dates, actual dates and associated resources. All of these documents are created quickly and collaboratively.

Project team meetings are conducted as needed to monitor/review status and discuss issues. Adjustments to the plan are made as necessary and with the appropriate approval level. Once the project plan and the business requirements have been approved by PDS and the client, all steps will have the client's and PDS sign-off to consider the project, task or portion thereof approved and completed. PDS will designate Project Leaders who will be responsible for sign-off on the approved project plan, and business requirements. Any sign-off or acceptance that the Project Leader is not at liberty to approve will be escalated to their superior. This process begins when the project team nucleus is defined and a kick off meeting is scheduled. Below is an example of the tasks that will be accomplished (PDS uses MS Project):

Task Name	Duration	Start	Finish
1 Finalize project description	1 day?	Mon 1/25/10	Mon 1/25/10
2 Review client data design	1 day?	Mon 1/25/10	Mon 1/25/10
3 Identify all tasks and responsible parties	1 day?	Mon 1/25/10	Mon 1/25/10
4 Develop a project critical path and list all tasks	1 day?	Mon 1/25/10	Mon 1/25/10
5 Ensure all project team members understand the roles and responsibilities of each	1 day?	Mon 1/25/10	Mon 1/25/10
6 Document all assumptions; i.e. the do or do not concept	1 day?	Mon 1/25/10	Mon 1/25/10
7 Ensure communications are clear and involve everyone in the communication process	1 day?	Mon 1/25/10	Mon 1/25/10
8 Establish the completion criteria for the project	1 day?	Mon 1/25/10	Mon 1/25/10
9 Communicate policies and procedures to all team members	1 day?	Mon 1/25/10	Mon 1/25/10
10 Assign responsibility for documentation of each task	1 day?	Mon 1/25/10	Mon 1/25/10
11 Commit to date for delivery of first draft of project plan	1 day?	Mon 1/25/10	Mon 1/25/10
12 Commit to date for redraft and plan signoff	1 day?	Mon 1/25/10	Mon 1/25/10

PDS prides itself on developing custom solutions to meet specific client needs. The Business Development and Technical Development staff, approach each client implementation from a standardized foundation approach, which allows great flexibility as new client requirements are identified or new technologies emerge.



The design of the initial solution becomes a building block for future enhancements. It allows PDS to receive the same data or print stream and migrate it to multiple data streams for alternate delivery options.

Ongoing Solution Maintenance and Support

An experienced client services representative will be assigned to LFUCG once the project manager has completed all tasks.

All interactions are captured through a service management system and processes are streamlined to reduce the time, steps and resources needed to initiate and complete service responses. Client services staff track customer requests, provide reporting of service problems or issues, and assist in the resolution of problems.

Client Services Guiding Principles:

- 1. Customer Focused:** Customer service excellence is our number one priority and focus.
- 2. Quality:** Provide professional, courteous, timely and accurate service to every customer in a fair, consistent and accessible manner.
- 3. Accountability:** Accountable to each customer and will use feedback to improve our performance
- 4. Efficiency and Effectiveness:** Committed to continuously measure and improve work processes by implementing innovative ideas, applying appropriate technology, training staff to be helpful and knowledgeable and encouraging teamwork.

Client services office hours: 7:30 am to 6:00 pm Central Time Zone

Phone and on-call support is 24 hours per day. CSR and Site Manager Contact numbers will be provided.

LFUCG will have 24/7 access to your local Sales Representative, Jen Van Parys, as a point of escalation.



Design assistance with invoices, inserts, correspondence, and envelopes

PDS will assist LFUCG with design layouts that can help your customers find their information faster and reduce calls into your service center. Proper layout and highlight color can help increase payment response as well as promote new program and initiatives that LFUCG would like to offer their customers. Please refer to the pricing schedule for design services.

One2One Marketing

Pinnacle Data Systems' One2One is a collaborative marketing solution designed to give you the control and convenience needed to get the message out, accurately and on time. One2One is a browser-based tool that extends the design environment for content creation. With our solution, you control the content, manage campaigns and streamline workflow from the comfort of your office, any time of day or night.

With One2One you can manage the message placed directly on a document within hours of it being created. In addition, you can create segments based on your data and directly target the communication.

Specifically:

- Fully personalized rules-based messages
- Use your text and graphics
- Enhance current marketing goals with limitless rules-based campaigns
- Make the most of 'white space' already on the document
- Easy workflow for creation and approval
- Automated campaign start and end
- Reduce recurring costs for change requests and inserts
- Fast implementation
- Completely Web-based
- Pricing is \$595.00 per month



This page intentionally left blank.



Electronic Billing & Payment Solution

For electronic document presentment, Pinnacle Data Systems provides security with PCI compliance. We help reduce your costs by eliminating the need for paper and postage. Pinnacle Data Systems electronically renders and presents your customer statements with accurate underlays identical to what would be printed via rights based security. A Web page is securely populated with either a PDF document or the data to support mobile and tablet strategies.

Pinnacle Data Systems also offers an alternative to the "push" electronic delivery and settlement model. This interface can be customized with your branding in a matter of minutes. Plus, other e-delivery options help drive communication via an HTML-based email with a link to Website or with a secure PDF version of the mail piece attached. Our fully-integrated bill pay solution connects seamlessly to trusted bill pay providers, complete with site branding and security that satisfies the most demanding requirements.

Pinnacle Data System's solution means you can provide your customers with full and partial payments, and future and recurring payments, complete with an ACH supported back-end Web-based system. Your customers can also self-enroll by providing all required account and contact information. Pinnacle Data Systems customizes your fully branded Website with state-of-the-art security and data encryption along with active acknowledgement and customer permissions.

EBPP Benefits

- Unique customization including branding without the hassle of complex programming
- Integrated web-based reporting and management dashboard interface provides advanced reporting for CSR activity and payment status and usage.
- Accept payment from American Express, Visa, MasterCard, Discover and via ACH.
- Credit and debit payments authorized in real-time with ACH payments e batched and processed daily.
- Seamless integration with online bill pay providers lets customers select the bills they want to pay and how they want to pay it, and schedule payments.

Our Electronic Billing system can link to the Ventyx Customer Suite Billing system used by GCWW or any other system LFUCG wishes to use in the future.

Pricing is:

- \$300 per month license fee
- .01 per image for PDF creation and ingestion
- .10 per electronic billing notification via email
- .12 per payment made by your customer



This page intentionally left blank.



Green Community

If PDS is the successful bidder on this Invitation For Bid, we agree to extend the same product/service pricing to the other principals of the Bluegrass Partnership for a Green Community (i.e. University of Kentucky and Fayette County Schools) if requested.

Equal Opportunity Agreement

The Law

- Title VII of the Civil Rights Act of 1964 (amended 1972) states that it is unlawful for an employer to discriminate in employment because of race, color, religion, sex, age (40-70 years) or national origin.
- Executive Order No. 11246 on Nondiscrimination under Federal contract prohibits employment discrimination by contractor and sub-contractor doing business with the Federal Government or recipients of Federal funds. This order was later amended by Executive Order No. 11375 to prohibit discrimination on the basis of sex.
- Section 503 of the Rehabilitation Act of 1973 states:

The Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap.

- Section 2012 of the Vietnam Era Veterans Readjustment Act of 1973 requires Affirmative Action on behalf of disabled veterans and veterans of the Vietnam Era by contractors having Federal contracts.
- Section 206(A) of Executive Order 12086, Consolidation of Contract Compliance Functions for Equal

Employment Opportunity, states:

The Secretary of Labor may investigate the employment practices of any Government contractor or sub-contractor to determine whether or not the contractual provisions specified in Section 202 of this order have been violated.

.....



The Lexington-Fayette Urban County Government practices Equal Opportunity in recruiting, hiring and promoting. It is the Government's intent to affirmatively provide employment opportunities for those individuals who have previously not been allowed to enter into the mainstream of society. Because of its importance to the local Government, this policy carries the full endorsement of the Mayor, Commissioners, Directors and all supervisory personnel. In following this commitment to Equal Employment Opportunity and because the Government is the benefactor of the Federal funds, it is both against the Urban County Government policy and illegal for the Government to let contracts to companies which knowingly or unknowingly practice discrimination in their employment practices. Violation of the above mentioned ordinances may cause a contract to be canceled and the contractors may be declared ineligible for future consideration.

Please sign this statement in the appropriate space acknowledging that you have read and understand the provisions contained herein. Return this document as part of your application packet.

Bidders

I/We agree to comply with the Civil Rights Laws listed above that govern employment rights of minorities, women, Vietnam veterans, handicapped and aged persons.

A handwritten signature in black ink, appearing to be a stylized name, written over a horizontal line.

Signature

The handwritten name "Pinnacle Data Systems L.L.C." in black ink, written over a horizontal line.

Name of Business



Pricing

	Printing and Mailing Services (designate in Per Item Cost)		Cost
1	Printing of invoices	<i>per item</i>	\$.032
2	Printing of past due notices	<i>per item</i>	\$.032
3	Printing of letters	<i>per item</i>	\$.032
4	Printing of window mailing envelope, including one 2-color logo	<i>per item</i>	\$.017
5	Printing of invoice paper with two w-color logos and a remittance stub perforation	<i>per item</i>	\$.012
6	Printing of letterhead paper with one 2-color logo	<i>per item</i>	\$.01
7	Printing of the window business return envelope (BRE), including one 2-color logo	<i>per item</i>	\$.015
8	Folding and inserting single page documents	<i>per item</i>	\$.003
9	Folding and inserting multiple page documents	<i>per item</i>	\$.003
10	Inserting multiple pieces per envelope	<i>per item</i>	\$ 0
11	Sealing, posting, sorting and shipping completed pieces, not including postage	<i>per item</i>	\$ 0
12	Maintaining valid CASS certification	<i>per item</i>	\$ 0
13	Maintaining and/or increasing postal discounts	<i>per item</i>	\$ 0
14	Printing of bill envelope message on back of envelope	<i>per item</i>	\$.02
15	Expected Modification Costs (based on requirements answered as "Satisfied with Modification")	<i>total</i>	\$ 595.00 per month
16	Training (provided details on hours and trainers in your response)	<i>total</i>	\$ 0
17	Any other "typical" line item, onetime costs, or other costs anticipated for the proposed services.	<i>total</i>	\$ 0
	Investments for Project Management & Implementation Services		
18	a) Total of Vendor and Sub-Vendor expenses (In your response, identify each project team member with hourly rate, estimated hours, and expenses if applicable. Note that travel hours are not billable.)	<i>total</i>	\$ 0
19	b) Estimated incidental costs (e.g. telephone, administrative, etc.)	<i>total</i>	\$ 0
20	c) All other costs	<i>total</i>	\$ 0
21	Applicable fees to incorporate document changes (i.e. letterhead change)	<i>total</i>	\$ 100.00
22	Hourly rates for document design services (envisioned for inserts)	<i>hourly</i>	\$ 100.00
23	Ongoing annual support and maintenance costs, if any. In your response, include various options (i.e. 24 x 7, 5x9, others) if applicable	<i>annually</i>	\$ 0
	Optional Add-Ones to Price		
24	Hourly rates for document design services upon request for all materials, including, but no limited to billing inserts. This should also include estimations for time and cost related to the initial bill design portion of the implementation project.	<i>hourly</i>	\$ 0
25	Proposed pricing structure, including one-time implementation costs, annual fees and per transaction fees for both LFUCG and LFUCG's customers for electronic billing and payment services (Provide details in your response.)	<i>total</i>	\$ See response.
26	12 DIFFERENT ENVELOPE MESSAGES, message changes monthly	<i>per envelope</i>	\$.015
27	4 DIFFERENT ENVELOPE MESSAGES	<i>per envelope</i>	\$.015



This page intentionally left blank.



Exhibits

Exhibit A - References

Birmingham Water Works

3600 First Ave. N, Birmingham, AL 35283

Size: 220K Customers

Annual number of mail packages: 2.32 million

Reference Contact: Tilden Leigh, Manager, (205) 244-4124

Professional Services Performed: Print & mail water bills / letters

City Of Gainesville Water

300 Henry Ward Way, Gainesville, GA 30501

Size: 65K Customers

Annual number of mail packages: 720K

Reference Contact: June Ray, Billing Supervisor, (678) 989-3384

Professional Services Performed: Print & mail water bills / letters

Big Rivers Electric Corp

201 3rd Street, Henderson, KY 42420

Size: 112K Customers

Annual number of mail packages: 1.2 million

Reference Contact: Nancy Utley, Manager, (270) 844-6166

Professional Services Performed: Print & mail water bills / letters

Hillsborough County

925 East Twiggs Street, Tampa, FL 33602

Size: 175K Customers

Annual number of mail packages: 1.92 million

Reference Contact: Gary Hunter, GM II, Operations Manager, (813) 272-5977

Professional Services Performed: Print & mail water bills / letters

INVITATION TO BID

Bid Invitation Number: #67-2012

Date of Issue: 05/09/2012

Sealed bids will be received in the office of the Division of Central Purchasing, 200 East Main Street, Lexington, Kentucky, until **2:00 PM**, prevailing local time on **05/23/2012**. Bids must be received by the above-mentioned date and time. Mailed bids should be sent to:

**Division of Central Purchasing
200 East Main Street, Rm 338
Lexington, KY 40507, (859) 258-3320**

The Lexington-Fayette Urban County Government assumes no responsibility for bids that are not addressed and delivered as indicated above. Bids that are not delivered to the Division of Central Purchasing by the stated time and date will be rejected.

All bids must have the company name and address, bid invitation number, and the commodity/service on the outside of the envelope.

Bids are to include all shipping costs to the point of delivery located at: NONE

Bid Security Required: ___ Yes X No Performance Bond Required: ___ Yes X No
Cashier Check, Certified Check, Bid Bond (Personal checks and company checks will not be acceptable).

Commodity/Service
Print & Mailing Services – Sewer, Landfill & Water Quality Fees
See specifications

<p style="text-align: center;"><u>Check One:</u></p> <p>___ Bid Specifications Met</p> <p>___ Exceptions to Bid Specifications. <i>Exceptions shall be itemized and attached to bid proposal submitted.</i></p>	<p style="text-align: center;"><u>Proposed Delivery:</u></p> <p>___ days after acceptance of bid.</p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------

<u>Procurement Card Usage</u>
___ Yes The Lexington-Fayette Urban County Government will be using Procurement Cards to purchase goods and services and also to make payments. Will you accept Procurement Cards?
___ No

Submitted by: QuestMark Information Management, Inc
Firm
9440 Kirby Dr
Address
Houston TX 77054
City, State & Zip

Signature of Authorized Company Representative – Title
 Beth Ludeke/CEO
Representative's Name (Typed or printed)
713-662-9022 713-662-9660
Area Code - Phone – Extension *Fax #*
bethl@qiminc.com
E-Mail Address

***Bid must be signed:
(original signature)***

The Affidavit in this bid must be completed before your firm can be considered for award of this contract.

AFFIDAVIT

Comes the Affiant, Beth Ludeke, and after being first duly sworn under penalty of perjury as follows:

1. His/her name is Beth Ludeke and he/she is the individual submitting the bid or is the authorized representative of

QuestMark Information Management, Inc.

, the entity submitting the bid (hereinafter referred to as "Bidder").

2. Bidder will pay all taxes and fees, which are owed to the Lexington-Fayette Urban County Government at the time the bid is submitted, prior to award of the contract and will maintain a "current" status in regard to those taxes and fees during the life of the contract.

3. Bidder will obtain a Lexington-Fayette Urban County Government business license, if applicable, prior to award of the contract.

4. Bidder has authorized the Division of Central Purchasing to verify the above-mentioned information with the Division of Revenue and to disclose to the Urban County Council that taxes and/or fees are delinquent or that a business license has not been obtained.

5. Bidder has not knowingly violated any provision of the campaign finance laws of the Commonwealth of Kentucky within the past five (5) years and the award of a contract to the Bidder will not violate any provision of the campaign finance laws of the Commonwealth.

6. Bidder has not knowingly violated any provision of Chapter 25 of the Lexington-Fayette Urban County Government Code of Ordinances, known as "Ethics Act."

7. Bidder acknowledges that "knowingly" for purposes of this Affidavit means, with respect to conduct or to circumstances described by a statute or ordinance defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists.

Further, Affiant sayeth naught.

Beth Ludeke

STATE OF Texas

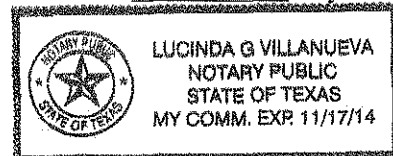
COUNTY OF Harris

The foregoing instrument was subscribed, sworn to and acknowledged before me

by Beth Ludeke on this the 22 day

of May, 2012.

My Commission expires: 11/17/14



Lucinda Villanueva
NOTARY PUBLIC, STATE AT LARGE

Please refer to Section II. Bid Conditions, Item "U" prior to completing this form.

I. GREEN PROCUREMENT

A. ENERGY

The Lexington-Fayette Urban County Government is committed to protecting our environment and being fiscally responsible to our citizens.

The Lexington-Fayette Urban County Government mandates the use of Energy Star compliant products if they are available in the marketplace (go to www.Energystar.gov). If these products are available, but not submitted in your pricing, your bid will be rejected as non-compliant.

ENERGY STAR is a government program that offers businesses and consumers energy-efficient solutions, making it easy to save money while protecting the environment for future generations.

Key Benefits

These products use 25 to 50% less energy
Reduced energy costs without compromising quality or performance
Reduced air pollution because fewer fossil fuels are burned
Significant return on investment
Extended product life and decreased maintenance

B. GREEN SEAL CERTIFIED PRODUCTS

The Lexington-Fayette Urban County Government is also committed to using other environmentally friendly products that do not negatively impact our environment. Green Seal is a non-profit organization devoted to environmental standard setting, product certification, and public education.

Go to www.Green Seal.org to find available certified products. These products will have a reduced impact on the environment and on human health. The products to be used must be pre-approved by the LFUCG prior to commencement of any work in any LFUCG facility. If a Green Seal product is not available, the LFUCG must provide a signed waiver to use an alternate product. Please provide information on the Green Seal products being used with your bid response.

C. GREEN COMMUNITY

The Lexington-Fayette Urban County Government (LFUCG) serves as a principal, along with the University of Kentucky and Fayette County Public Schools, in the Bluegrass Partnership for a Green Community. The Purchasing Team component of the Partnership collaborates on economy of scale purchasing that promotes and enhances environmental initiatives. Specifically, when applicable, each principal is interested in obtaining best value products and/or services which promote environment initiatives via solicitations and awards from the other principals.

If your company is the successful bidder on this Invitation For Bid, do you agree to extend the same product/service pricing to the other principals of the Bluegrass Partnership for a Green Community (i.e. University of Kentucky and Fayette County Schools) if requested?

Yes X No

II. Bid Conditions

- A. No bid may be withdrawn for a period of sixty (60) days after the date and time set for opening.
- B. No bid may be altered after the date and time set for opening. In the case of obvious errors, the Division of Central Purchasing may permit the withdrawal of a bid. The decision as to whether a bid may be withdrawn shall be that of the Division of Central Purchasing.
- C. Acceptance of this proposal shall be enactment of an Ordinance by the Urban County Council.
- D. The bidder agrees that the Urban County Government reserves the right to reject any and all bids for either fiscal or technical reasons, and to award each part of the bid separately or all parts to one vendor.
- E. Minor exceptions may not eliminate the bidder. The decision as to whether any exception is minor shall be entirely that of the head of the requisitioning Department or Division and the Director of the Division of Central Purchasing. The Urban County Government may waive technicalities and informalities where such waiver would best serve the interests of the Urban County Government.
- F. Manufacturer's catalogue numbers, trade names, etc., where shown herein are for descriptive purposes and are to guide the bidder in interpreting the standard of quality, design, and performance desired, and shall not be construed to exclude proposals based on furnishing other types of materials and/or services. However, any substitution or departure proposed by the bidder must be clearly noted and described; otherwise, it will be assumed that the bidder intends to supply items specifically mentioned in this Invitation for Bids.
- G. The Urban County Government may require demonstrations of the materials proposed herein prior to acceptance of this proposal.
- H. Bids must be submitted on this form and must be signed by the bidder or his authorized representative. Unsigned bids will not be considered.
- I. Bids must be submitted prior to the date and time indicated for opening. Bids submitted after this time will not be considered.
- J. All bids mailed must be marked on the face of the envelope:

“Bid on #67-2012 Print & Mailing Services – Sewer, Landfill & Water Quality Fees”

and addressed to: Division of Central Purchasing
 200 East Main Street, Room 338
 Lexington, Kentucky 40507

The Lexington-Fayette Urban County Government assumes no responsibility for bids that are not addressed and delivered as indicated above. Bids that are not delivered to the Division of Central Purchasing by the stated time and date will be rejected.

- K. Bidder is requested to show both unit prices and lot prices. In the event of error, the unit price shall prevail.
- L. A certified check or Bid Bond in the amount of XX percent of the bid price must be attached hereto. This check must be made payable to the Lexington-Fayette Urban County Government, and will be returned when the material and/or services specified herein have been delivered in accordance with specifications. In the event of failure to perform within the time period set forth

in this bid, it is agreed the certified check may be cashed and the funds retained by the Lexington-Fayette Urban County Government as liquidated damages. Checks of unsuccessful bidders will be returned when the bid has been awarded.

- M. The delivery dates specified by bidder may be a factor in the determination of the successful bidder.
- N. Tabulations of bids received may be mailed to bidders. Bidders requesting tabulations must enclose a stamped, self-addressed envelope with the bid.
- O. The Lexington-Fayette Urban County Government is exempt from Kentucky Sales Tax and Federal Excise Tax on materials purchased from this bid invitation. Materials purchased by the bidder for construction projects are not tax exempt and are the sole responsibility of the bidder.
- P. All material furnished hereunder must be in full compliance with OSHA regulations.
- Q. If more than one bid is offered by one party, or by any person or persons representing a party, all such bids shall be rejected.
- R. Signature on the face of this bid by the Bidder or his authorized representative shall be construed as acceptance of and compliance with all terms and conditions contained herein.
- S. The Entity (regardless of whether construction contractor, non-construction contractor or supplier) agrees to provide equal opportunity in employment for all qualified persons, to prohibit discrimination in employment because of race, color, creed, national origin, sex or age, and to promote equal employment through a positive, continuing program from itself and each of its sub-contracting agents. This program of equal employment opportunity shall apply to every aspect of its employment policies and practices.
- T. The Kentucky Equal Employment Opportunity Act of 1978 (KRS 45.560-45.640) requires that any county, city, town, school district, water district, hospital district, or other political subdivision of the state shall include in directly or indirectly publicly funded contracts for supplies, materials, services, or equipment hereinafter entered into the following provisions:

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age or national origin;*
- (2) The contractor will state in all solicitations or advertisements for employees placed by or on behalf of the contractors that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age or national origin;*
- (3) The contractor will post notices in conspicuous places, available to employees and applicants for employment, setting forth the provisions of the non-discrimination clauses required by this section; and*
- (4) The contractor will send a notice to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding advising the labor union or workers' representative of the contractor's commitments under the nondiscrimination clauses.*

The Act further provides:

KRS 45.610. Hiring minorities - Information required

- (1) For the length of the contract, each contractor shall hire minorities from other sources*

within the drawing area, should the union with which he has collective bargaining agreements be unwilling to supply sufficient minorities to satisfy the agreed upon goals and timetable.

- (2) *Each contractor shall, for the length of the contract, furnish such information as required by KRS 45.560 to KRS 45.640 and by such rules, regulations and orders issued pursuant thereto and will permit access to all books and records pertaining to his employment practices and work sites by the contracting agency and the department for purposes of investigation to ascertain compliance with KRS 45.560 to 45.640 and such rules, regulations and orders issued pursuant thereto.*

KRS 45.620. Action against contractor - Hiring of minority contractor or subcontractor

- (1) *If any contractor is found by the department to have engaged in an unlawful practice under this chapter during the course of performing under a contract or subcontract covered under KRS 45.560 to 45.640, the department shall so certify to the contracting agency and such certification shall be binding upon the contracting agency unless it is reversed in the course of judicial review.*
- (2) *If the contractor is found to have committed an unlawful practice under KRS 45.560 to 45.640, the contracting agency may cancel or terminate the contract, conditioned upon a program for future compliance approved by the contracting agency and the department. The contracting agency may declare such a contractor ineligible to bid on further contracts with that agency until such time as the contractor complies in full with the requirements of KRS 45.560 to 45.640.*
- (3) *The equal employment provisions of KRS 45.560 to 45.640 may be met in part by a contractor by subcontracting to a minority contractor or subcontractor. For the provisions of KRS 45.560 to 45.640, a minority contractor or subcontractor shall mean a business that is owned and controlled by one or more persons disadvantaged by racial or ethnic circumstances.*

KRS 45.630 Termination of existing employee not required, when

Any provision of KRS 45.560 to 45.640 notwithstanding, no contractor shall be required to terminate an existing employee upon proof that that employee was employed prior to the date of the contract.

KRS 45.640 Minimum skills

Nothing in KRS 45.560 to 45.640 shall require a contractor to hire anyone who fails to demonstrate the minimum skills required to perform a particular job.

It is recommended that all of the provisions above quoted to be included as special conditions in each contract. In the case of a contract exceeding \$250,000, the contractor is required to furnish evidence that his work-force in Kentucky is representative of the available work-force in the area from which he draws employees, or to supply an Affirmative Action plan which will achieve such representation during the life of the contract.

- U. Any party, firm or individual submitting a proposal pursuant to this invitation must be in compliance with the requirements of the Lexington-Fayette Urban County Government regarding taxes and fees before they can be considered for award of this invitation and must maintain a "current" status with regard to those taxes and fees throughout the term of the

contract. The contractor must be in compliance with Chapter 13 from the Code of Ordinances of the Lexington-Fayette Urban County Government. The contractor must be in compliance with Ordinance 35-2000 pursuant to contractor registration with the Division of Building Inspection. If applicable, said business must have a Fayette County business license.

Pursuant to KRS 45A.343 and KRS 45A.345, the contractor shall

- (1) *Reveal any final determination of a violation by the contractor within the previous five year period pursuant to KRS Chapters 136 (corporation and utility taxes), 139 (sales and use taxes), 141 (income taxes), 337 (wages and hours), 338 (occupational safety and health of employees), 341 (unemployment and compensation) and 342 (labor and human rights) that apply to the contractor; and*
- (2) *Be in continuous compliance with the above-mentioned KRS provisions that apply to the contractor for the duration of the contract.*

A contractor's failure to reveal the above or to comply with such provisions for the duration of the contract shall be grounds for cancellation of the contract and disqualification of the contractor from eligibility for future contracts for a period of two (2) years.

- V. Vendors who respond to this invitation have the right to file a notice of contention associated with the bid process or to file a notice of appeal of the recommendation made by the Director of Central Purchasing resulting from this invitation.

Notice of contention with the bid process must be filed within 3 business days of the bid/proposal opening by (1) sending a written notice, including sufficient documentation to support contention, to the Director of the Division of Central Purchasing or (2) submitting a written request for a meeting with the Director of Central Purchasing to explain his/her contention with the bid process. After consulting with the Commissioner of Finance the Chief Administrative Officer and reviewing the documentation and/or hearing the vendor, the Director of Central Purchasing shall promptly respond in writing findings as to the compliance with bid processes. If, based on this review, a bid process irregularity is deemed to have occurred the Director of Central Purchasing will consult with the Commissioner of Finance, the Chief Administrative Officer and the Department of Law as to the appropriate remedy.

Notice of appeal of a bid recommendation must be filed within 3 business days of the bid recommendation by (1) sending a written notice, including sufficient documentation to support appeal, to the Director, Division of Central Purchasing or (2) submitting a written request for a meeting with the Director of Central Purchasing to explain his appeal. After reviewing the documentation and/or hearing the vendor and consulting with the Commissioner of Finance and the Chief Administrative Officer, the Director of Central Purchasing shall in writing, affirm or withdraw the recommendation.

III. Procurement Contract Bid Conditions

- A. The terms of this agreement shall be for 1 year from the date of acceptance of this contract by the Lexington-Fayette Urban County Government. This agreement may be extended for an additional (2) - 1 year renewal upon the written agreement of the bidder and the Lexington-Fayette Urban County Government. Said agreement must be in writing and must be executed prior to the expiration of the current agreement.
- B. Price Changes (**Space Checked Applies**)
- (XXX) 1. Prices quoted in response to the Invitation shall be firm prices for the first 90 days of the Procurement Contract. After 90 days, prices may be subject to revision and such changes shall be based on general industry changes. Revision may be either increases or decreases and may be requested by either party. There will be no more than one (1) price adjustment per quarter. Requests for price changes shall be received in writing at least twenty (20) days prior to the effective date and are subject to written acceptance before becoming effective. Proof of the validity of a request for revision shall be responsibility of the requesting party. The Lexington-Fayette Urban County Government shall receive the benefit of any decline that the seller shall offer his other accounts.
2. No provision for price change is made herein. Prices are to be firm for the term of this contract.
3. Procurement Level Contract
- C. If any contract item is not available from the vendor, the Lexington-Fayette Urban County Government, at its option, may permit the item to be back-ordered or may procure the item on the open market.
- D. All invoices must bear reference to the Lexington-Fayette Urban County Government Purchasing document numbers which are being billed.
- E. This contract may be canceled by either party thirty (30) days after delivery by canceling party of written notice of intent to cancel to the other contracting party.
- F. This contract may be canceled by the Lexington-Fayette Urban County Government if it is determined that the Bidder has failed to perform under the terms of this agreement, such cancellation to be effective upon receipt of written notice of cancellation by the Bidder.
- G. No substitutions for articles specified herein may be made without prior approval of the Division of Central Purchasing.

EQUAL OPPORTUNITY AGREEMENT

The Law

- Title VII of the Civil Rights Act of 1964 (amended 1972) states that it is unlawful for an employer to discriminate in employment because of race, color, religion, sex, age (40-70 years) or national origin.
- Executive Order No. 11246 on Nondiscrimination under Federal contract prohibits employment discrimination by contractor and sub-contractor doing business with the Federal Government or recipients of Federal funds. This order was later amended by Executive Order No. 11375 to prohibit discrimination on the basis of sex.
- Section 503 of the Rehabilitation Act of 1973 states:

The Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap.

- Section 2012 of the Vietnam Era Veterans Readjustment Act of 1973 requires Affirmative Action on behalf of disabled veterans and veterans of the Vietnam Era by contractors having Federal contracts.
- Section 206(A) of Executive Order 12086, Consolidation of Contract Compliance Functions for Equal Employment Opportunity, states:

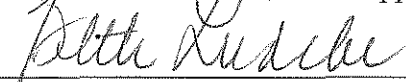
The Secretary of Labor may investigate the employment practices of any Government contractor or sub-contractor to determine whether or not the contractual provisions specified in Section 202 of this order have been violated.

The Lexington-Fayette Urban County Government practices Equal Opportunity in recruiting, hiring and promoting. It is the Government's intent to affirmatively provide employment opportunities for those individuals who have previously not been allowed to enter into the mainstream of society. Because of its importance to the local Government, this policy carries the full endorsement of the Mayor, Commissioners, Directors and all supervisory personnel. In following this commitment to Equal Employment Opportunity and because the Government is the benefactor of the Federal funds, it is both against the Urban County Government policy and illegal for the Government to let contracts to companies which knowingly or unknowingly practice discrimination in their employment practices. Violation of the above mentioned ordinances may cause a contract to be canceled and the contractors may be declared ineligible for future consideration.

Please sign this statement in the appropriate space acknowledging that you have read and understand the provisions contained herein. Return this document as part of your application packet.

Bidders

I/We agree to comply with the Civil Rights Laws listed above that govern employment rights of minorities, women, Vietnam veterans, handicapped and aged persons.



Signature

QuestMark Information Management, Inc.

Name of Business

**RISK MANAGEMENT PROVISIONS
INSURANCE AND INDEMNIFICATION**

INDEMNIFICATION AND HOLD HARMLESS PROVISION

- (1) It is understood and agreed by the parties that Vendor hereby assumes the entire responsibility and liability for any and all damages to persons or property caused by or resulting from or arising out of any act or omission on the part of Vendor or its employees, agents, servants, owners, principals, licensees, assigns or subcontractors of any tier (hereinafter "Vendor") under or in connection with this agreement and/or the provision of goods or services and the performance or failure to perform any work required thereby.
- (2) Vendor shall indemnify, save, hold harmless and defend the Lexington-Fayette Urban County Government and its elected and appointed officials, employees, agents, volunteers, and successors in interest (hereinafter "LFUCG") from and against all liability, damages, and losses, including but not limited to, demands, claims, obligations, causes of action, judgments, penalties, fines, liens, costs, expenses, interest, defense costs and reasonable attorney's fees that are in any way incidental to or connected with, or that arise or are alleged to have arisen, directly or indirectly, from or by Vendor's performance or breach of the agreement and/or the provision of goods or services provided that: (a) it is attributable to personal injury, bodily injury, sickness, or death, or to injury to or destruction of property (including the loss of use resulting therefrom), or to or from the negligent acts, errors or omissions or willful misconduct of the Vendor; and (b) not caused solely by the active negligence or willful misconduct of LFUCG.
- (3) In the event LFUCG is alleged to be liable based upon the above, Vendor shall defend such allegations and shall bear all costs, fees and expenses of such defense, including but not limited to, all reasonable attorneys' fees and expenses, court costs, and expert witness fees and expenses, using attorneys approved in writing by LFUCG, which approval shall not be unreasonably withheld.
- (4) These provisions shall in no way be limited by any financial responsibility or insurance requirements, and shall survive the termination of this agreement.

FINANCIAL RESPONSIBILITY

Vendor understands and agrees that it shall, prior to final acceptance of its bid and the commencement of any work, demonstrate the ability to assure compliance with the above Indemnity provisions and these other risk management provisions.

INSURANCE REQUIREMENTS

YOUR ATTENTION IS DIRECTED TO THE INSURANCE REQUIREMENTS BELOW, AND YOU MAY NEED TO CONFER WITH YOUR INSURANCE AGENTS, BROKERS, OR CARRIERS TO DETERMINE IN ADVANCE OF SUBMISSION OF A RESPONSE THE AVAILABILITY OF THE INSURANCE COVERAGES AND ENDORSEMENTS REQUIRED HEREIN. IF YOU FAIL TO COMPLY WITH THE INSURANCE REQUIREMENTS BELOW, YOU MAY BE DISQUALIFIED FROM AWARD OF THE CONTRACT.

Required Insurance Coverage

Vendor shall procure and maintain for the duration of this contract the following or equivalent insurance policies at no less than the limits shown below and cause its subcontractors to maintain similar insurance with limits acceptable to LFUCG in order to protect LFUCG against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Vendor. The cost of such insurance shall be included in any bid:

<u>Coverage</u>	<u>Limits</u>
General Liability (Insurance Services Office Form CG 00 01)	\$1 million per occurrence, \$2 million aggregate or \$2 million combined single limit
Commercial Automobile Liability (Insurance Services Office Form CA 0001)	combined single, \$1 million per occurrence
Worker's Compensation	Statutory
Employer's Liability	\$500,000.00

The policies above shall contain the following conditions:

- a. All Certificates of Insurance forms used by the insurance carrier shall be properly filed and approved by the Department of Insurance for the Commonwealth of Kentucky. LFUCG shall be named as an additional insured in the General Liability Policy and Commercial Automobile Liability Policy using the Kentucky DOI approved forms.
- b. The General Liability Policy shall be primary to any insurance or self-insurance retained by LFUCG.
- c. The General Liability Policy shall include a Professional Liability Coverage or an endorsement for this coverage, at the same limits as the CGL. This coverage will be carried for up to three years after the completion of this project.
- d. LFUCG shall be provided at least 30 days advance written notice via certified mail, return receipt requested, in the event any of the required policies are canceled or non-renewed.
- e. Said coverage shall be written by insurers acceptable to LFUCG and shall be in a form acceptable to LFUCG. Insurance placed with insurers with a rating classification of no less than Excellent (A or A-) and a financial size category of no less than VIII, as defined by the most current Best's Key Rating Guide shall be deemed automatically acceptable.

Renewals

After insurance has been approved by LFUCG, evidence of renewal of an expiring policy must be submitted to LFUCG, and may be submitted on a manually signed renewal endorsement form. If the policy or carrier has changed, however, new evidence of coverage must be submitted in accordance with these Insurance Requirements.

Deductibles and Self-Insured Programs

IF YOU INTEND TO SUBMIT A SELF-INSURANCE PLAN IT MUST BE FORWARDED TO LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT, DIVISION OF RISK MANAGEMENT, 200 EAST MAIN STREET, LEXINGTON, KENTUCKY 40507 NO LATER THAN A MINIMUM OF FIVE (5) WORKING DAYS PRIOR TO THE RESPONSE DATE. Self-insurance programs, deductibles, and self-insured retentions in insurance policies are subject to separate approval by

Lexington-Fayette Urban County Government's Division of Risk Management, upon review of evidence of VENDOR's financial capacity to respond to claims. Any such programs or retentions must provide LFUCG with at least the same protection from liability and defense of suits as would be afforded by first-dollar insurance coverage. If VENDOR satisfies any portion of the insurance requirements through deductibles, self-insurance programs, or self-insured retentions, VENDOR agrees to provide Lexington-Fayette Urban County Government, Division of Risk Management, the following data prior to the final acceptance of bid and the commencement of any work:

- a. Latest audited financial statement, including auditor's notes.
- b. Any records of any self-insured trust fund plan or policy and related accounting statements.
- c. Actuarial funding reports or retained losses.
- d. Risk Management Manual or a description of the self-insurance and risk management program.
- e. A claim loss run summary for the previous five (5) years.
- f. Self-Insured Associations will be considered.

Verification of Coverage

Vendor agrees to furnish LFUCG with all applicable Certificates of Insurance signed by a person authorized by the insurer to bind coverage on its behalf prior to final award, and if requested, shall provide LFUCG copies of all insurance policies, including all endorsements.

Right to Review, Audit and Inspect

Vendor understands and agrees that LFUCG may review, audit and inspect any and all of its records and operations to insure compliance with these Insurance Requirements.

DEFAULT

Vendor understands and agrees that the failure to comply with any of these insurance, safety, or loss control provisions shall constitute default and that LFUCG may elect at its option any single remedy or penalty or any combination of remedies and penalties, as available, including but not limited to purchasing insurance and charging Vendor for any such insurance premiums purchased, or suspending or terminating the work.

00338641

Lexington-Fayette Urban County Government

Division of Revenue

Print and Mailing Services – Sewer, Landfill, & Water Quality Fees

The Lexington-Fayette Urban County Government is now accepting bids in order to establish a price contract for Print and Mailing Services as per the following specifications:

LFUCG is seeking a Vendor to whom print/mail services can be outsourced, off-site, at the selected Vendor's location, for LFUCG's sanitary sewer, water quality management, and landfill fee bills. It is preferred, but not mandatory, that the selected Vendor also offer robust electronic billing services that may possibly be leveraged by LFUCG in the future.

The proposed solution is required to accommodate billing these fees as of August 31, 2012. On an annual basis, LFUCG will bill the following; 108,000 sewer accounts totaling about \$48 million dollars, 79,000 landfill accounts totaling about \$4.5 million dollars, and 97,000 water quality management fee accounts totaling about \$11.5 million dollars for a total annual billing of approximately \$65.9 million dollars. Approximate number of bills issued to customers is 115,000 per month.

LFUCG outsources billing to Greater Cincinnati Water Works (GCWW), and GCWW will provide all billing files to the selected Vendor. GCWW uses the Ventyx Customer Suite billing system, and the selected Vendor will need to interface with GCWW's billing files.

The table below shows the types of documents that LFUCG envisions. It also indicates the stationary and inserts that may be needed for each type of document. It is expected that 90%+ of invoices will be 1 physical page.

Document	Duplex or Simplex?	8.5x11 Paper with Remittance Stub	8.5x11 Letterhead	Mailing Envelope	Windowed Business Reply Envelope	Inserts
Invoices	D	X		X	X	X
Past Due Notices	D	X		X	X	X
Other Letters	D	X		X	X	X
Other Letters	S		X	X		X
Flats	S		X	X		

The selected solution shall provide for all printing, inserting/mailing activities, and monitoring of the process by LFUCG/GCWW in a seamless solution. This includes the development and provision of reports to allow LFUCG to monitor printing and mailing services activities, and related reports. Mailing will be accomplished in such a manner as to maximize postage discounts.

At a minimum, the Vendor shall provide the following professional services:

- Manage and implement the proposed solution.
- Install and configure any proposed solution software and hardware components.
- Design, construct and test any modifications necessary for the proposed solution.
- Design, construct and test any conversion and interface components necessary to support the proposed solution.
- Train the LFUCG functional users and technical resources that will operate, support and maintain the proposed solution.
- Provide LFUCG with a quick and user-friendly process for updating document content and adding new documents in an environment that may require the Vendor to reformat files into a print ready format.

PRINTING AND MAILING SERVICES – FUNCTIONAL REQUIREMENTS:

Functional requirements being taken under consideration are included in the following matrix.

Each of the components listed below contains requirements classified as either mandatory or desired as well as informational requests. The Vendor will use the following criteria to respond to each requirement and information request:

1. Satisfied - This response indicates that the Vendor can satisfy the requirement in their proposed solution and no modifications are necessary. Vendor shall demonstrate any requirements with a “Satisfied” response.
2. Satisfied with Modification – This response indicates that the proposed solution requires changes to current setup to satisfy the described requirement. The number of hours and cost required to design, code, and test a modification should be noted. Vendor shall also provide an explanation of how a feature will be added or modified.
3. Not Satisfied – This response indicates that the Vendor cannot satisfy the requirement in their proposed solution and that the Vendor is not willing to make a modification.

Req. #	Requirement	Type	Response and Comments
1	Receive files via FTP. These files will come directly from the Ventyx Customer Suite billing system. Format shown in Appendix A. (The file type will be a fixed length text file and files will be processed for the selected bill print/mail Vendor on all business days at about 9:00 pm.)	Mandatory	Satisfied
2	Print, process and mail or otherwise deliver up to x pieces daily. Vendor should expect to receive one or more files for each type of document specified in section x. These files should be processed for inclusion in the late afternoon mail run following receipt of the files.	Mandatory	Satisfied

Req. #	Requirement	Type	Response and Comments
3	To provide for electronic document review and cancellation by GCWW and LFUCG between the printing and mailing processes. Please specify any software tools and requirements for electronic document review and cancellation.	Mandatory	Satisfied – See attachment
4	Read barcodes and/or OMR marks to intelligently insert the appropriate materials (i.e. inserts and envelopes) for each mail piece.	Mandatory	Satisfied
5	Insertion equipment for invoices with at least 6 trays capable of handling dynamic insertion based on barcode or OMR logic.	Mandatory	Satisfied
6	Mail all pieces according to agreed upon postal specifications (i.e. first class, pre-sort, bulk mail, etc.), including achieving all available postal discounts.	Mandatory	Satisfied
7	For items to be mailed, print all invoices, past due notices, letters and inserts on paper size and weights as determined by LFUCG. Includes use of correct stationary type for a given file. For example, invoice stationary will require perforations for the remittance stub, while most letters will require standard letterhead.	Mandatory	Satisfied
8	Source print logo(s) on all stationary materials (paper, envelopes and inserts) in appropriate size(s), location(s) and color(s).	Mandatory	Satisfied
9	Print documents using spot color printing (black and one additional color at minimum)	Mandatory	Satisfied
10	Incorporate document revisions within 72 hours of receipt of revisions in the agreed upon format(s).	Mandatory	Satisfied
11	Provide CASS and NCOA certification to meet United States Postal Service minimum standards for maximum postage discounts.	Mandatory	Satisfied
12	Process all mail according to United States Postal Service rules, regulations and requirements to ensure the lowest possible postage rates.	Mandatory	Satisfied
13	Provide daily, monthly and annual reports on quantities for each of the materials as used.	Mandatory	Satisfied
14	Provide daily, monthly and annual reports on pieces processed and postage used.	Mandatory	Satisfied
15	Provide a minimum of 14 days advance notice of need to add money to postage accounts.	Mandatory	Satisfied
16	Provide the ability to allow LFUCG to make bill content and message changes. Include any requirements needed for this.	Mandatory	Satisfied – See attachment
17	Provide the ability to archive bills and letters for up to one year. After that one year period, bills will be moved to a document storage location at LFUCG. The ability to deliver or release these archive bills and letters for storage at LFUCG will also be required.	Desired	Satisfied
18	Provide the ability for bill payments to be scanned by our lockbox solution using the scanline on the invoice	Mandatory	Satisfied

Attachment

REQ#3: QuestMark has secure web based review/approval systems in place that can be customized to fit your process. You can cancel a single document, a group of documents, or the entire job using this system. Your requirements will define the business process. The system can be configured to place the job in a suspended state until the review process is complete.

REQ#16: Message changes can be accommodated by using any of the following methods: 1) We have an online system (QMDepot) that you can use to upload new content/messages. 2) The changes can be sent to your QuestMark account manager via email.

Proofs will be sent for review and approval. In addition, all changes can be reviewed and approved using the review system (see #3 above).



Lexington-Fayette Urban County Government
DEPARTMENT OF FINANCE & ADMINISTRATION

Jim Gray
Mayor

Jane C. Driskell
Commissioner

ADDENDUM #1

Bid Number: **#67-2012**

Date: May 15, 2012

Subject: Print & Mailing Services –
Sewer, Landfill, & Water Quality Fees

Address inquiries to:
Theresa Maynard
(859) 258-3320

TO ALL PROSPECTIVE BIDDERS:

Please be advised of the following three clarifications to the above referenced bid, **including a new pricing sheet**, starting on page two of this document. **The new pricing sheet, which includes two new lines, must be included with the bid.**

A handwritten signature in black ink that reads "Todd Slatin".

Todd Slatin, Acting Director
Division of Central Purchasing

All other terms and conditions of the Bid and specifications are unchanged.
This letter should be signed, attached to and become a part of your Bid.

BID OF: QuestMark Information Management, Inc

ADDRESS: 9440 Kirby Dr, Houston TX 77054

SIGNATURE OF BIDDER: 

PRICING:

Please detail the following items in the price quotation, to cover all cost components of your proposal. Please provide per piece price for each type of document separately as requested, i.e. invoices, past due notices, and letters. All rates are assumed to be for the term of the proposed agreement unless specifically noted otherwise. Pricing should include the cost of paper stock and envelope conversion if applicable. ***Items 4 – 7 are quoted on “Green Seal” paper.**

	Printing and mailing services <i>(designate in Per Item Cost):</i>		Cost
1	Printing of invoices	<i>per item</i>	\$0.0140
2	Printing of past due notices	<i>per item</i>	\$0.0140
3	Printing of letters	<i>per item</i>	\$0.0140
4	Printing of window mailing envelope, including one 2-color logo	<i>per item</i>	\$0.0140
5	Printing of invoice paper with two 2-color logos and a remittance stub perforation	<i>per item</i>	\$0.0380
6	Printing of letterhead paper with one 2-color logo	<i>per item</i>	\$0.0119
7	Printing of the window business return envelope (BRE), including one 2-color logo	<i>per item</i>	\$0.0365
8	Folding and inserting single page documents	<i>per item</i>	\$0.0100
9	Folding and inserting multiple page documents	<i>per item</i>	\$0.0100
10	Inserting multiple pieces per envelope	<i>per item</i>	\$0.0050
11	Sealing, posting, sorting and shipping completed pieces, not including postage	<i>per item</i>	\$0.0050
12	Maintaining valid CASS certification	<i>per item</i>	\$0.0050
13	Maintaining and/or increasing postal discounts	<i>per item</i>	\$No Charge
14	Printing of bill envelope message on back of envelope	<i>per item</i>	\$See below #26 & #27
15	Expected Modification Costs (based on requirements answered as “Satisfied with Modification”)	<i>total</i>	\$ No Charge
16	Training (provided details on hours and trainers in the your response)	<i>total</i>	\$ No Charge
17	Any other “typical” line item, one time costs, or other costs anticipated for the proposed services.	<i>total</i>	\$ No Charge
Investments for Project Management & Implementation Services			
18	a) Total of Vendor and Sub-Vendor expenses. (In your response, identify each project team member with hourly rate, estimated hours, and expenses if applicable. Note that travel hours are not billable.)	<i>total</i>	\$ No Charge
19	b) Estimated incidental costs (e.g.. telephone, administrative, etc.).	<i>total</i>	\$ No Charge
20	c) All other costs	<i>total</i>	\$ No Charge

21	Applicable fees to incorporate document changes (i.e. a letterhead change).	<i>total</i>	\$ No Charge
22	Hourly rates for document design services (envisioned for inserts).	<i>hourly</i>	\$ No Charge
23	Ongoing annual support and maintenance costs, if any. In your response, include various options (i.e. 24x7, 5x9, others) if applicable.	<i>annually</i>	\$ No Charge
Optional Add-Ons to Price:			
24	Hourly rates for document design services upon request for all materials, including, but not limited to, billing inserts. This should also include estimations for time and cost related to the initial bill design portion of the implementation project.	<i>hourly</i>	\$ No Charge
25	Proposed pricing structure, including one-time implementation costs, annual fees and per transaction fees for both LFUCG and LFUCG's customers for electronic billing and payment services. (Provide details in your response.)	<i>total</i>	\$ No Charge
26	12 DIFFERENT ENVELOPE MESSAGES, message changes monthly	<i>Per item</i>	\$0.0120
27	4 DIFFERENT ENVELOPE MESSAGES	<i>Per item</i>	\$0.0120

Questions on Bid #67-2012:

Are you able to provide color samples of your current documents and envelopes?

There are no current documents, this is all new billing processes, and so we have no samples.
And as it is a new process there are no former vendors or bidders or bid tabulations.

I see that the Invoices, Past Due Notices and Other Letters are noted as duplex items. Is there variable information on the back of these documents, or does the back contain static information that could be pre-printed? If so, does the pre-printed information vary by document type (Invoice, Past Due Notice, Other Letter)?

Vendors should base their bids on the following, but understand that these parameters may change since these documents have not been designed yet: The back is static and the information can change according to the type of document. Yes, it could be preprinted. No variable information on the back.

In the Functional Requirements section, item #2 references the number of mail pieces we should expect to process each day, but the number of pieces is noted as "x" – could you please indicate how many pieces will be submitted for mailing on a daily basis?

Given the quoted monthly estimate, a rough estimated daily average would be around 5200. But bidders should understand that this daily estimated average may vary greatly up or down, depending on billing cycles which have not yet been finalized.

Will you consider bids from out-of-state vendors?

Yes

Volumes? Page 1 states an annual volume of 284,000 & then states a monthly volume of 115,000??

LFUCG bills approximately 108,000 sewer accounts, 79,000 landfill accounts and 97,000 water quality management fee accounts annually. Some customers receive one or a mix of all services on one bill, which translates into LFUCG issuing approximately 115,000 bills per month.

Spot color

a. 2-Color Logo - can it be a PrePrinted shell?

Yes

b. Is the spot color in the document a box color or is it in the variable information ?

The spot color is not in the variable information. It will be a box border or a screened fill color.

c. Is the color in the logo the same color that is printed in the document?

If they are asking about the logo in the bid document, no

How often does the message change on the back of the envelope?

LFUCG may choose to use, or not use, this option. Please itemize the costs for this separately as an optional "add on" and break out that optional Add-on price as follows:

26) 12 SEPARATE ENVELOPE MESSAGES

27) 4 DIFFERENT MESSAGES

What are the 'other' inserts

"Other Inserts" could include messages containing information on LFUCG programs, events, environmental tips, etc., and directing people to a Web site.

Envelopes # 10 and #9

How many are ordered at one time? 6 mos or one year?

One year

We would like to know the specifications for all of the preprinted forms, envelopes and inserts you are requesting. These specs should include paper type, size, # colors on front and back, and whether there is variable information to be printed on one side or two. If you have any questions, please call or email me at your convenience.

THIS IS TOTALLY DEPENDENT UPON BILL AND INSERT DESIGN, WHICH ARE NOT FINALIZED AS OF YET:

2 color and 4 color; if information warrants, inserts will be 2 sided.

RECOMMENDATIONS ARE AS FOLLOWS:

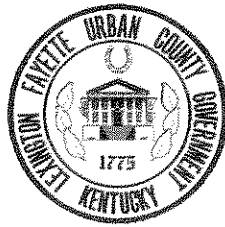
#10 MAILING ENVELOPE COLOR 1/1: LFUCG RETURN ADDRESS ON FRONT, BILL MESSAGE ON BACK. 20# WHITE WOVE SINGLE WINDOW

#9 BRE COLOR 0/1: STANDARD NON-VARIABLE MESSAGE ON BACK OF BRE. 20# WHITE WOVE SINGLE WINDOW.

BILL INSERT: 4.25 X 7.5 FINAL SIZE WITH BLEED. NO VARIABLE INFORMATION. 2/2

OTHER INSERT: 4.25 X 3.75 FINAL SIZE WITH BLEED. NO VARIABLE INFORMATION. 2/2

LETTERHEAD: 8.5 X 11 FINAL SIZE. NO VARIABLE INFORMATION. 2/2



Lexington-Fayette Urban County Government
DEPARTMENT OF FINANCE & ADMINISTRATION

Jim Gray
Mayor

Jane C. Driskell
Commissioner

ADDENDUM #2

Bid Number: **#67-2012**

Date: May 17, 2012

Subject: Print & Mailing Services --
Sewer, Landfill, & Water Quality Fees

Address inquiries to:
Theresa Maynard
(859) 258-3320

TO ALL PROSPECTIVE BIDDERS:

Please be advised of the following clarifications to the above referenced bid.

A handwritten signature in black ink that reads "Todd Slatin".

Todd Slatin, Acting Director

Division of Central Purchasing

All other terms and conditions of the Bid and specifications are unchanged.
This letter should be signed, attached to and become a part of your Bid.

BID OF: QuestMark Information Management, Inc.

ADDRESS: 9440 Kirby Dr, Houston TX 77054

SIGNATURE OF BIDDER:

More Questions on Bid #167-2012

General:

1. Please provide samples of your Invoices, Past Due Notices, Other Letters and envelopes.
Not yet developed, we have no samples.

2. Is the same #10 mailing envelope used for all invoices, notices and letters? If not, please identify which documents require separate #10 envelopes.
Yes.

3. For the Invoices, Past Due Notices and Letters that are specified as Duplex, is the back side static information or is variable printing required on the back side?
Back is static.

4. Do the Past Due Notices share the same layout as the regular bills with additional text or color, or is the notice a completely different layout?
Not yet designed.

5. Do the simplex and duplex letters use the same letterhead?
Unknown at this time.

6. Please provide estimated monthly or annual quantities for:

- Past Due Notices
- Other Letters (duplex)
- Other Letters (simplex)
- Flats

Unknown at this time.

7. Are the flats mailed in 9 x 12 envelopes? If so, are they also pre-printed or double window with an address coversheet.
We do not expect flats to mail in 9 x 12 envelopes.

8. Are 6 x 9 envelopes leveraged for multi-page bills with 6 - 13 pages?
This is not anticipated.

9. Are all bidders required to use Green Seal certified papers?
Yes, where available.

10. Who is your current vendor?
Kentucky American Water has been sending out these bills for LFUCG, as part of the overall utility billing contract.

11. If possible, please provide the vendors current cost per bill to LFUCG.
It was part of the overall contract with the utility.

In the requirements table that begins on page 2 of the specifications:

12. Item 2 - will all files required to be included in the late afternoon mail be sent around 9:00 pm the previous night and no later than 8:00 am the day of mailing?
Yes.

13. Item 9 - which documents require laser printed spot color (Black+1 color), as this affects the cost.
Unknown until documents are designed.

14. Item 17 - does the 12 month bill archive need to be accessible online to business office staff, customers, or both, or is this just for backup and retention purposes? If online, who will need access?

As this will be a new service for LFUCG, please recommend and quote your suggested approach. LFUCG is interested in all ways to leverage bill archives, especially providing online access to this information to call center staff.

Pricing:

15. Item 7 - A 2 color logo is specified for the #9 business reply envelopes. These are usually generic as the customer fills in their own return address in the upper left corner and the address on the bill stub appears in the envelope window. Where would the logo be printed?

This is unknown since the bill and documents have not been designed yet. For bidding purposes, bid assuming no printing on the front, 1 color on the back; the logo could go on the back; and it could be a single color to keep costs down.

For electronic billing and payment services:

1. Will the customer enrollment process for online billing and payments be handled by the Ventyx system or will we need to provide the customer facing enrollment module?

LFUCG's new billing agent, GCWW, will develop, implement & maintain the customer facing enrollment process & integrate the backend with Customer Suite.

2. What electronic delivery methods are desired? (online presentment, e-mail delivery, fax, etc.)

LFUCG is open to many options. Please make your recommendation based on industry best practices.

3. For online payments, will the cost of the service and transaction fees be absorbed by LFUCG or paid for by a convenience fee charged to the end customer?

Paid by convenience fee charged to end user.