REPORT TO THE BOARD OF MAYOR & ALDERMEN

DATE: November 9, 2026

FROM: Valesa Wells, Finance Director

SUBJECT: Contract Renewal with Diversified Companies, LLC (DivcoData) for Utility Bill Printing and Mailing

INTRODUCTION:
The purpose of this agenda item is to request approval to renew the contract for utility bill printing and mailing services with DivcoData.

BACKGROUND:
On September 13, 2021 the Board of Mayor and Aldermen approved the use of the RFP process for the selection of a vendor to provide utility bill printing and mailing services. The Purchasing Division solicited Request for Proposals (RFPs) for these services in September 2022. The evaluation process determined DivcoData was the lowest and most responsive bidder. Prior to the RFP process, DivcoData provided utility bill printing and mailing services after we began experiencing issues with the prior service provider. During that period and since being awarded the contract, DivcoData has performed satisfactorily and has proven to be responsive to our needs.

The Town generates approximately 240,000 utility bills and notices annually. When necessary, Town communications or periodic inserts such as the Budget in Brief and the Water Quality Report can be inserted with utility bills to save postage costs.

DISCUSSION:
The contract included the option to renew for four (4) additional twelve (12) month periods. This is the second of the allowable renewals.

DivcoData has performed the services in accordance with the scope and terms of the contract and as previously mentioned has done so satisfactorily.

DivcoData's original contract pricing included no increases in unit cost for the initial two years of the contract with the potential pricing in subsequent years being adjusted based on the Consumer Price Index (CPI) at the time of renewal. The company is not requesting a price increase for this renewal. Actual cost to the Town will vary depending on volume.

BUDGET IMPACT:
The contract payments will fall in both Fiscal Year (FY) 2027 and Fiscal Year 2028. The amounts listed below are FY 2027. The budget amounts for these line items are estimates and will vary based on actual volume. Historically, actual costs have been less than budgeted and therefore the estimated over-budget situation for postage will not be addressed at this time.

FY 2027

Fund	Dept.	Obj. Code	Description	Approved Line Item Budget	Previous Expenses	Proposed Expense (1)	Balance	Budget Impact
413	52317	211	Postage	$ 135,000.00	$ 35,467.48	$ 94,579.95	$ 4,952.57	NONE
413	52317	299-01	Contractual Services	$ 41,000.00	$ 5,994.30	$ 35,005.70	$ 0.00	NONE

(1) Projected expenditure based on estimated mailings for the current fiscal year only. Total cost will be calculated based on actual volume.

ATTACHMENTS:
Utility Bill Printing and Mailing Contract Renewal 2026-2027.pdf

PROPOSED MOTION:
To approve the second allowable contract renewal for utility bill printing and mailing services with DivcoData.

Board Action: Motion By_____ Seconded By_____

Vote Total	Hall	Jordan	Robbins	Marshall	Stamps	Fraser
Yes						
No						
Abstain						