

SOLICITATION ADDENDUM

Date: **05/09/2025**
Subject: **IFB Presort Mail Services**
Solicitation Number: **6100063178**
Due Date/Time: **05/19/2025**
Addendum Number: **3**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation “Addendum” as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

This Invitation for Bid is being extended with a new due date and time of 5/19/2025 at 1:00 PM.

Additionally, DGS has received the following questions. Please note that the answers included on this addendum are the final answer to the questions below.

Question: Given DGS’ answer that consent is required for outsourcing transportation even in case of an emergency, we are attempting to get those identified and secured in advance, please clarify if those emergency outsourced transportation providers would also need to comply with the access background check requirements?

Answer: Yes

Question: Given DGS’ answer that consent is required for outsourcing transportation even in case of an emergency, we are attempting to get those identified and secured in advance, please clarify if those emergency outsourced transportation providers would also need to comply with the Enhanced Minimum Wage requirements?

Answer: Yes

Question: What is the location of the State’s designated back-up site or commercial printer that would prepare the mail if the State had an emergency?

Answer: The Commonwealth has an emergency site within the Capitol Complex, it may be disclosed to the awarded vendor during implementation of the contract.

Question: We have reviewed the Enhanced Minimum Wage provisions, but there is no guidance on what is directly performing a service and what is ancillary. We would consider all activity after the mail is first passed and commingled with other client mail, to be ancillary and not direct. Does the State agree with this analysis?

Answer: No

Question: Please provide a breakdown of mail by percentage for the different postage types for letter mail:

- a. State EPS: ____%
- b. Contractor's EPS: ____%
- c. Metered by the State/agency at the 5 digit rate: ____%
- d. Metered by the State/agency at some other rate: ____%
- e. Need for metering by the Contractor at the 5 digit rate: ____%

Answer: There is no further data available other than what is provided via 05 Presort Mail Volumes FY23-24.xlsx

Question: Please provide a breakdown of mail by percentage for the different postage types for flat mail:

- f. State EPS: ____%
- a. Contractor's EPS: ____%
- b. Metered by the State/agency at the 3 digit rate: ____%
- c. Metered by the State/agency at some other rate: ____%
- d. Need for metering by the Contractor at the 3 digit rate: ____%

Answer: There is no further data available other than what is provided via 05 Presort Mail Volumes FY23-24.xlsx

Question: Would the state be willing to convert the flat mail to using the 5 digit rate?

Answer: No

Question: We are trying to understand the State's expectation of the SLA for a "Failure to deliver mail at a given date". Handling hundreds of thousands of pieces of mail a day, there is almost always at least a few pieces of mail that don't go out on the expected date due to the way the mail was prepared by the printer (invalid address or barcode), unexpected surge in volumes, occasional damages by the equipment, traffic, etc. Is the delay of even one piece of mail, regardless of the reason, considered a failure "instance"?

Answer: Complete failure to dispatch mail on a given day. This means an entire day's worth of mail.

Question: If a single piece is not considered a failure "instance", would a whole tray be an instance or is only if the whole days' worth of mail does not go out on time?

Answer: This question is not applicable as an instance doesn't refer to a single piece of mail.

Question: If a single piece is considered an "instance" would the State agree to include a threshold % SLA measurement to allow for some incidental pieces not being processed?

Answer: This question is not applicable as an instance doesn't refer to a single piece of mail.

Question: If yes, to a threshold %, would processing 90% of the pieces on the expected date be considered a successful day?

Answer: This question is not applicable based on the response to the previous question.

Question: If 90% is not considered successfully meeting the SLA, please specify the threshold % the state will accept?

Answer: This question is not applicable based on the response to the previous question.

Question: In the event that the State submits mail that is not automation compatible with, has non-compliant barcodes or was in any other manner presented by the State/agency, and the Contractor has to take additional steps to fix or upgrade the mail which delays it to the next mailing date, does it count against the Contractor's delivery SLA?

Answer: No.

Question: In the event that the State submits mail that is not automation compatible with, has non-compliant barcodes or was in any other manner presented by the State/agency, and the Contractor has to submit the mail at postage higher than the 5 digit letter /3 digit flat rate does this count against the Contractors qualification SLA?

Answer: No.

Question: Would the State be willing to include a surge waiver of 40% - in other words, if the State submitted 200% more than their average daily volume (twice as much mail as usual), would the State agree that 60% of those additional volumes could be submitted to the USPS the following day and not count as an SLA delivery failure instance?

Answer: No.

Question: For mail (if any) that is submitted under Contractor's permit EPS account or metered, Contractor would be paying all upgrades to the USPS and the State would only be billed by Contractor for the guaranteed 5 digit letter/3 digit flat rate, therefore Contractor would not be reporting the actual qualification rates for these mail pieces. Is that acceptable?

Answer: This is acceptable.

Question: In regard to the qualification SLA, even if some of the mail under Contractor's permit EPS account or metered, didn't meet the qualification SLA, the SLA penalty of reimbursing the State of additional postage would not apply because Contractor would have already paid the additional postage to the USPS, therefore does the State agree that the SLA penalty for qualification does not apply to mail under Contractor's permit EPS account or metered?

Answer: Yes.

Question: In assessing any SLA delivery penalty “a 2% deduction to the Contractor’s handling fee will be retained by each agency that provided mail to the Contractor on the day(s) the Contractor did not meet the delivery requirement”, is this assessed on a per failed piece basis or a per day basis? Example: If Agency A was affected because 50% of their mail was not submitted to the USPS on the proper day, and their fee for the day was \$1,000. Is the penalty 2% of \$1,000 or 2% of \$500?

Answer: 2% of \$500

Question: With regard to “Residual Mail”: if mail does not qualify for any postage discounts because the mail was not properly prepared by the State/agency, and the Contractor makes the effort to fix or upgrade the mail and present it to the USPS, why is the Contractor punished with liquidated damages that “the contractor will not be reimburse their processing (handling) fees”?

Answer: Vendor should be paid the handling fees if the fault lies with the mail preparer/agency.

Question: If Contractor is presented with Residual Mail that is not compliant with USPS requirements for automation compatible mail and Full Service IMb addresses, does Contractor have the option to return such mail to the state?

Answer: Yes.

Question: With regard to the effect of USPS changes and the question about whether such adjustments could be passed along to the State, the answer was “yes, if any incentive discounts are passed along to the State”. How does a bidder reflect these incentives that are considered passed along to the State in its bid response?

Answer: Discount incentives are not part of the criteria for evaluating a supplier’s bid response.

Type of Solicitation: Electronic Bid (SRM) - Review the Questions section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Respectfully,

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