



City Council Report

Date: February 11, 2019
To: City Council
Through: Michael Kennington, Chief Financial Officer
From: Edward Quedens, Business Services Director
Matt Bauer, Procurement Administrator
Subject: One-Year Renewal with a One-Year Renewal Option to the Term Contract for Presort Mail Services for the Business Services Department **(Citywide)**

Recommendation

Council is requested to approve the contract renewal as recommended.

The Business Services Department and Purchasing recommend authorizing the renewal with Pitney Bowes Presort Services, Inc. at \$50,000 annually with an annual increase allowance of up to 5% or the adjusted Consumer Price Index.

Background / Discussion

This contract provides mail presort services for automated First-Class mail and Standard Mail. Presort operations saves the City money by combining the City's mail by geographic location, which the United States Post Office gives a commercial discount on postage for, allowing the presort company to pass the savings onto the City.

Pitney Bowes Presort Services, Inc. and the City agreed to renew the contract under Contract Amendment 2 and under the current pricing. The Consumer Price Index increased 2.7% over the last year. The City has been satisfied with the vendor's performance. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Purchase Information

Action: Renewal (1st of 2 possible)
Procurement Type: Request for Proposals
Contract Number: 2016028
Responses Received: 2
Original Council Award Date: 1/25/2016
Initial Contract Term: Three years
Funding Source: Business Services Department – Mail Services operating budget