



# City Council Report

**Date:** December 9, 2019  
**To:** City Council  
**Through:** Michael Kennington, Deputy City Manager/Chief Financial Officer  
**From:** Edward Quedens, Business Services Director  
Matt Bauer, Procurement Administrator  
**Subject:** One-Year Renewal 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, LLC (formerly Pitney Bowes Presort Services, Inc.), at \$55,000 annually, based on estimated usage.

## 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. agreed to renew the contract for another year with an overall pricing increase of 1.31% (\$0.005 per piece). The Consumer Price Index increased 2.4% 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 (2<sup>nd</sup> 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