



THE CITY OF KEY WEST

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MEMORANDUM

TO: Jim Scholl, City Manager
FROM: Marcus Davila, Director of Community Services
VIA: Greg Veliz, Assistant City Manager
DATE: April 18, 2017
SUBJECT: Approving the 5-year contract for Pitney Bowes Inc.

ACTION STATEMENT: Resolution approving the five-year contract for Pitney Bowes Inc. for the services, rental and maintenance of the mail processing equipment. Contract #44102100-17-1 of Florida Department of Management Services State Purchasing. The contract will not exceed a total of \$31,102.80 for the term of the lease agreement. The pricing was obtained with an exemption of complete bidding under City of Key West Code of Ordinances Section 2-797 (3), purchases and acquisitions under contract of federal government and the state of its political subdivisions.

BACKGROUND: The current five-year contract with Pitney Bowes will be fulfilled May 2017 and the Community Services Department needs to renew the contract as of June 1, 2017. The State of Florida contract #44102100-17-1 for mail processing equipment has two vendors whom responded with bid packages; Pitney Bowes Inc and Neopost. After a formal meeting was conducted and quotes were obtained by both companies it has been determined to stay with the current provider and enter into a new five-year agreement with Pitney Bowes Inc. Pitney Bowes Inc. has proven to be the right fit for the mail processing needs for the City of Key West.

PURPOSE AND JUSTIFICATION: To approve the rental, maintenance and service of the mail processing equipment, SendPro P2000; from Pitney Bowes Inc. The SendPro P2000 is a state of the art mailing machine that will allow the City to print postage, weigh and ship packages along with submitting payments for the postage all from the touch screen. The City of Key West processes and mails all their own documents via internal Mail Courier. The contract with Pitney Bowes will allow the Mail Courier to process, pay and stamp any outgoing mail for the City of Key West.

The lease of the mail processing equipment provided by Pitney Bowes is able to service all of the mailing needs in addition to providing us with support and maintenance if necessary. The current equipment will be replaced with the newest version of the current machine to include updating the technology for
y to the Caribbean – Average yearly temperature 77° F.

the most up to date software in the industry.

The State of Florida Contract pricing sheet (Attachment D) for the SendPro P2000 for a sixty-month lease is \$445.97 per month (Attachment D “Core” Tab) with the addition of 3G Card for \$45.00 per month and the SPY8 Laser Printer for \$27.42 per month (Attachment D “Non_Core” Tab) for a total price of \$518.38 per month for the lease; per the final contract documents. The SendPro P2000 includes a weigh scale, touch screen and the latest software update per the quote provided by Pitney Bowes. The lease renewal conditions, terms, length of the lease and cancellation details are listed in section 3.2 of the contract.

FINANCIAL IMPACT:

The rental agreement for sixty-months for the mail processing equipment is \$518.38 per month with a total of \$31,102.80 total for the term of the contract. The payments are to be made quarterly with payments of \$ 1,555.14. The mail processing equipment is budgeted in the Public Works account of 001-1905-519-3400 for contract services.

RECOMMENDATION:

Staff recommends approval of five-year contract for Pitney Bowes Inc in accordance to State of Florida Contract 44102100-17-1 for the mail processing equipment.