



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

MEMORANDUM

TO: Jim Scholl, City Manager

FROM: Greg Veliz, Community Services Director

VIA: David Fernandez, Assistant City Manager- Operations
Mark Finigan, Assistant City Manager- Administration

DATE: June 20, 2011

SUBJECT: Approval to increase blanket purchase order to \$32,292 for the mail machine postage.

ACTION STATEMENT: This resolution approves an increase to the blanket purchase order from \$20,000 to the budgeted amount of \$32,292 for the mail machine postage. This action would pre-encumber the remainder amount of \$12,292.

BACKGROUND: The City of Key West leases a Pitney Bowes DM 900 Series Mailing Machine. There is only one way to initiate postage replenishment- Purchase Power. Purchase Power is a department within Pitney Bowes and is therefore the only provider available to replenish the postage machine. This information was verified through contact with Pitney Bowes.

The approved FY 10-11 budget, account #001-1905-519.41 allocated a total of \$32,292 for City postage. Postage mail machine blanket purchase order, 67082, was approved for \$20,000 in October of 2010.

PURPOSE & JUSTIFICATION: The ability to send mail through the postal system is a critical function for City operations.

OPTIONS:

1. Approve resolution which ensures the current leased postage mail machine provides postage for vital City correspondence.
2. Disapprove resolution which would compel the City to physically obtain postage from a United States Postage Office. This option would still allow sending of City correspondence; however, this course of action is time consuming and would require the establishment of another disbursement procedure for postage.
3. Disapprove the resolution and direct staff to competitively bid for a new postage mail machine lease.

Key to the Caribbean – Average yearly temperature 77° F.

FINANCIAL IMPACT: The funds for this pre-encumbrance are allocated in the FY 10-11 in the amount of \$32,292. This line item is listed in the General Fund account 001-1905-519.41.

RECOMMENDATION:

Staff recommends option # 1 to approve resolution authorizing an increase to the blanket purchase order from \$20,000 to the budgeted amount of \$32,292 for the mail machine postage.

CITY OF KEY WEST
 BUDGET DETAIL WORKSHEET
 FY 2010/11

Department Cost Center Acct Code	Public Works 001-1905 Description	Quantity	Unit Price	Total
31	PROFESSIONAL SERVICES			\$1,200
	Travel cost for MOT instructor (mileage, room and food)			\$1,200
	Total			\$1,200
34	OTHER CONTRACTUAL SERVICES			
	Uniform rentals	50	\$235	\$11,750
	Uniforms for Cemetery staff	3	\$594	\$1,782
	Hazardous material removal (oil, paint)			\$400
	Annual beach cleaning contract (PW1101)			\$660,400
	Coconut removal			\$1,200
	MARC lawn maintenance contract, includes 4% CPI increase	12	\$4,534	\$54,413
	Total			\$729,945
41	COMMUNICATIONS AND POSTAGE			
	Postage for mail machine	12	\$2,691	\$32,292
	Phone services, including long distance, for General Fund	12	\$10,720	\$128,640
	Overnight mail services			\$150
	Postage for delinquent parking ticket letters	13,200	\$0.44	\$5,808
	Total			\$166,890
43-02	ELECTRICITY			
	All General Fund buildings	12	\$27,125	\$325,500
	Total			\$325,500
43-03	WASTEWATER			
	All General Fund buildings	12	\$4,978	\$59,740
	Total			\$59,740
43-04	WATER			
	All General Fund buildings	12	\$601	\$7,212
	Total			\$7,212
44	RENTALS AND LEASES			
	Copy machine lease	12	\$195	\$2,340
	Mail machine	12	\$609	\$7,308
	Porta toilet rental - Public Works			\$3,000
	Misc. rentals			\$1,500
	Tents for funerals (reimbursable)	20	\$150	\$3,000
	Total			\$17,148
46	REPAIRS AND MAINTENANCE			\$3,000
	Electrical			\$11,500
	Elevator repairs and inspections			\$5,000
	Construction repairs			\$3,500
	Equipment repairs			\$2,400
	Concrete			\$2,625
	Misc. repairs			\$3,500
	Painting			\$9,175
	Fire hydrant inspections	367	\$25	\$2,000
	Mechanical (gas equipment repair and parts)			\$5,000
	Cemetery repairs:			\$5,000
	Fence materials/maintenance (annual program)			\$1,000
	Concrete			\$347
	Cemetery Information Maintenance System (CIMS) burial database maintenance agreement			\$3,000
	Signs for subdivisions and streets			\$10,000
	Mausoleum cleaning and painting			\$1,500
	Misc. materials			\$63,547
	Total			\$63,547
47	PRINTING AND BINDING			\$300
	Business cards	6	\$50	\$300
	Total			\$300

**CITY OF KEY WEST
PURCHASING ORDINANCE EXCEPTION RECORD**

DEPARTMENT: Public Works

ITEM: Increase Blanket PO 67082 (original PO #20,000)

REQUISITION: 82880

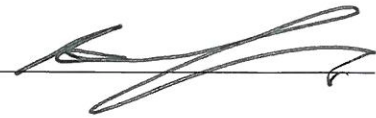
COST: \$12292

VENDOR: Purchase Power

- | | |
|--|-------------------|
| <input checked="" type="checkbox"/> Sole Source Procurement | (CKW 2 – 797) (1) |
| <input type="checkbox"/> Emergency Procurement | (CKW 2 – 797) (2) |
| <input type="checkbox"/> Purchases & Acquisitions under federal/state/ local govt. | (CKW 2 – 797) (3) |
| <input type="checkbox"/> Exempt contractual services | (CKW 2 – 797) (4) |
| <input type="checkbox"/> Other | |

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AUTHORIZATION:

DEPARTMENT:		DATE:	<u>JUN 20 2011</u>
FINANCE:	_____	DATE:	_____
CITY MANAGER:	_____	DATE:	_____

DISPOSITION:

- MANAGEMENT & FINANCE APPROVAL UP TO \$1,000.00
- CITY MANAGER APPROVAL UP TO \$20,000.00
- CITY COMMISSION APPROVAL RESOLUTION: _____ DATE: _____