




THE CITY OF KEY WEST

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

MEMORANDUM

**TO:** Jim Scholl, City Manager

**Cc:** David Fernandez, Asst. City Manager – Operations  
Mark Finigan, Asst. City Manager - Administration  
Greg Veliz, Community Services Director

**FROM:** Rod Delostrinos, Community Services Deputy Director 

**DATE:** June 3, 2010

**SUBJECT:** Approval to increase blanket purchase order to \$32,000 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 \$32,000 for the mail machine postage. This action would pre-encumber the remainder amount of \$12,000.

**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 09-10 budget, account # 001-1905-519.41 allocated a total of \$32,000 for City postage. Postage mail machine blanket purchase order, 64384, was approved for \$20,000 in October of 2009.

**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 the 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.

**FINANCIAL IMPACT:**

The funds for this pre-encumbrance are allocated in the FY 09-10 in the amount of \$32,000. The line item is listed in the General Fund account 001-1905-519-41.

**RECOMMENDATION:**

Staff recommends option #1, approve resolution to authorize an increase to the blanket purchase order from \$20,000 to the budgeted amount of \$32,000 for the mail machine postage. This action would pre-encumber the remainder amount of \$12,000.

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

DEPARTMENT: Public Works

ITEM: Increase blanket PO 64384 from \$20,000  
~~70~~ to \$32,000.00

REQUISITION: 79404


COST: \$12,000.00

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: JUN 02 2010

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: \_\_\_\_\_