



COUNTY OF DEL NORTE
Department of Information Technology

840 9th Street, Suite 12
Crescent City, CA 95531
(707) 464-7207

DATE: 4/18/2016

AGENDA DATE: 4/26/2016

TO: DEL NORTE COUNTY BOARD OF SUPERVISORS

ORIGINATING DEPARTMENT: Information Technology

CONTACT PERSON: Dan McCorkle, Director of Information Technology

SUBJECT: Pitney Bowes Postage Machine Lease

A handwritten signature in black ink, appearing to read "Dan McCorkle", positioned to the right of the contact person information.

RECOMMENDATION:

Approve and authorize the chair to sign WSCA/NASPO FMV Lease Option C Agreement with Pitney Bowes for the lease of a mail processing machine.

DISCUSSION:

The County currently leases a Pitney Bowes postage machine at a cost of \$711 per month. The lease on this machine is ending, so I am requesting to lease a new machine at a cost of \$667.01 per month for 60 months.

The Department of Information Technology runs a daily courier service to each County department and various other agencies (excluding Bar-O) to deliver inter-office mail, and pick up outgoing mail. We bring the mail back to our office and process it through our mail machine which weighs, seals, and places postage on each piece of mail. Last year we processed 101,155 pieces of mail and \$67,241 of postage.

Every department/agency gets billed for the postage we process for them. They are billed the cost of the actual postage, plus a percentage of the lease of the machine. For this reason it is important we select an appropriate cost effective machine.

ALTERNATIVES:

I considered alternatives to leasing a new machine such as purchasing the existing machine or utilizing a different vendor, however the clear choice was to lease a new machine as we have

done for at least the last 25 years. The cost to purchase and maintain the existing machine would cost more than the proposed lease agreement with falls under a state contract. There are other vendors that offer similar machines, however they don't provide service in our area.

Another option I looked at was a smaller machine that would cost less. Five years ago we did downgrade to a slower machine to save money which was appropriate since we were processing less mail. I reviewed specifications of the machines with Pitney Bowes, and the machine we have and the proposed one is the proper machine for the volume of mail we process.

Five years ago I approached some local businesses that are already familiar with Pitney Bowes to see if they would be interested in contracting this work from the County. One company did show interest, but after meeting and going over the numbers we both decided such a contract would increase County costs dramatically. Because we qualify for a state contract to lease the machine, our costs are significantly less that what the private sector would get.

FINANCING: Funds are currently budgeted within the Information Technology budget for this purpose. The new lease will result in a cost savings of \$43.99 per month.

OTHER AGENCY INVOLVEMENT: Administration, County Counsel



WSCA/NASPO FMV Lease Option C Agreement

Account # 10

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|--|--|--|--|--|--|--|--|--|--|

Agreement Number

Your Business Information

COUNTY OF DEL NORTE

| | | | |
|--|------------------------------|---------------------|------------|
| Full Legal Name of Customer | DBA Name of Customer | Tax ID # (FEIN/TIN) | |
| 840 9TH ST STE 12 | CRESCENT CITY | CA | 95531-3830 |
| Billing Address: Street | City | State | Zip+4 |
| | () ext | 16211419888 | |
| Billing Contact Name | Billing Contact Phone # | Billing CAN # | |
| 840 9TH ST STE 12 | CRESCENT CITY | CA | 95531-3830 |
| Installation Address (If different from billing address): Street | City | State | Zip+4 |
| | () ext | 16830346868 | |
| Installation Contact Name | Installation Contact Phone # | Installation CAN # | |
| Fiscal Period (from - to) | Customer PO # | Delivery CAN # | |

Your Business Needs

| Qty | Business Solution Description |
|-----|---|
| 5 | USPS Services E-Certified/eRR Productivity Pack |
| 1 | WSCA-NASPO Trade-up |
| | Mail Stream Solution - 1 |
| 1 | Connect+ 2000 Series |
| 1 | Connect+ Series Meter w/PP (NTF) |
| 1 | 180/115 LPM Feature |
| 1 | 15 lb Interfaced Weighing (Scale/Stand behind unit) |
| 1 | Connect+ Analytics (Max 100 Accounts) |
| 1 | Energy Star Enabled |
| 1 | No Charge Black Graphics Upgrade |
| | Additional Items on following page |

Check items to be included in customer's payment

- Equipment Maintenance (Included with your payments for the initial term)**
Provides service coverage including certain parts and labor
- Software Maintenance (1st year included)**
Provides revision updates and technical assistance
- Soft-Guard® Subscription (Included with your meter rental)**
Provides postal and carrier updates
- IntelliLink® Subscription/Meter Rental**
Provides simplified billing and includes () resets per year
 - () **Confirmation Services** Electronic access to postal confirmation service
 - (x) **Purchase Power®** Receive an invoice for postage, consolidated billing and enhanced management reporting information.

Your Payment Plan

| Number Of Months | Monthly Amount * |
|------------------|------------------|
| First 60 | \$667.01 |

(*Does not include any applicable taxes)

- () Required advance check of \$() received
- Tax Exempt# State Tax (If applicable)
- () Tax Exempt Certificate Attached
- () Tax Exempt Certificate Not Required

Your Signature Below

By signing below, you agree to be bound by this FMV Lease Option C Agreement (this "Lease"). This Lease is made and entered into pursuant to your State's/Entity's Participating Addendum, which is made in connection with the WSCA/NASPO Contract # ADSP011-00000411-7 ("Agreements"), all of which are available at www.pb.com/states. The terms and conditions of the Agreements govern this transaction, and in the event of any inconsistency with this Lease, the Agreements will supersede this Lease. This Lease will be binding on PBGFS only after PBGFS has completed its credit and documentation approval process and an authorized PBGFS employee signs below.

Approved As To Form

| | | |
|--------------------|-------|---|
| Customer Signature | Date | State's/Entity's Participating Addendum # |
| Print Name | Title | Email Address |

#7-12-70-26 **Del Norte County Counsel**

Sales Information

| | | |
|------------------|-----------------|------------------|
| Justin Abelaye | 004 | |
| Account Rep Name | District Office | PBGFS Acceptance |

Equipment Vendor: Pitney Bowes Inc. for Sales and Service call 1-800-322-8000



WSCA/NASPO FMV Lease Option C Agreement

Account # 10

Agreement Number

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Your Business Information

COUNTY OF DEL NORTE

Table with columns: Full Legal Name of Customer, DBA Name of Customer, Tax ID # (FEIN/TIN), Billing Address, Billing Contact Name, Installation Address, Installation Contact Name, Fiscal Period, Customer PO #, Delivery CAN #.

Your Business Needs

Table listing business needs: 1 15 in. Display - High Res Apps Center, 1 INVIEW Dashboard - Single Unit Only (DM300-Connect+), 1 Connect+ Mono Printer, 1 Connect+ Power Stacker, 1 IntelliLink Subscription, 1 Differential Weighing for 15 lb or 30 lb Scale, 1 15lb Scale Platform/Stand, 1 Connect+ Energy Star Kit, 1 Connect+ Series Console with Scale Stand, 1 INVIEW Subscription.