

COUNCIL COMMUNICATION

From: The City Manager

Subject: Pitney Bowes Lease Agreement

Manager's Recommendation:

I recommend that the Lease Agreement (Agreement) with Pitney Bowes for a DM525 Digital Mailing System be approved. This Agreement includes equipment maintenance, Soft-Guard Subscription and IntelliLink meter rental. The term of the Agreement is 60 months and the monthly payment is \$315.00.

The Agreement is subject to my approval as to substance and the City Attorney as to form. It is further recommended that I and/or my designee be authorized by City Council to sign the Agreement and any other related documents on behalf of the City.

This vendor meets all requirements of the Contract Compliance Provisions, Title 1, Chapter 14, §14.35-14.44, of the Saginaw Code of Ordinances.

Funds for this lease are budgeted and spread over all departmental budgets.

Justification:

The United States Postal Service (USPS) has announced postal rate changes effective May 11, 2009. The software used by the City's current Pitney Bowes Digital Mailing System will not support these changes. Pitney Bowes will provide an upgraded digital mailing system capable of supporting upcoming postal rate changes as well as adding network capabilities for better report generation and maintenance, at a \$5.00 decrease per month from our existing 60 month lease which was signed in January, 2005. The 2005 Agreement was due to expire in 2010. However, due to the new postal rate changes, the City will terminate the 2005 Agreement.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.