

City of ROCHESTER HILLS

1000 Rochester Hills Drive, Rochester Hills, Michigan 48309-3033

Pat Somerville, Mayor

City Council Members: Erik Ambrozzius Bryan K. Barnett Jim Duisemars Barbara L. Holder Linda Raschke James Rosen Ram Yalamanchi

PURCHASING

December 16, 2005

248.841.2533 Phone
248.608.8178 Fax

Jean Farris, CPPB
Supervisor of Procurement
248.841.2538

Kim Craig
Lusertec, Inc.
33472 Sterling Ponds Blvd
Sterling Heights, MI 48312-5808

Julie Hamilton, CPPB
Purchasing Analyst
248.841.2537

Marilyn Paulsen-
Tomaszewski
Purchasing Analyst
248.841.2530

Re: Existing Printing and Distribution of the Rochester Hills Water and Sewer Bills Blanket Purchase Order

Brandi Murdock
Purchasing Assistant
248.841.2536

Dear Ms. Craig:

Please contact me to advise as to whether you would allow the City to extend the existing "Printing and Distribution of the Rochester Hills Water and Sewer Bills" blanket purchase order for an additional two (2) year period (to expire on April 1, 2008) and hold past pricing (copy attached) with the exception of stock and envelopes that are subject to an annual increase.

The existing printing and distribution blanket expires on April 1, 2006.

Please return this letter via fax to my attention at 248.608.8178, and indicate appropriately. Thanks so much.

Sincerely,

Julie Hamilton
Purchasing Analyst

City Hall
General Information
248.656.4600

Pat Somerville
Mayor
248.656.4664

Yes, I will hold my prices & agree to extend the existing printing and distribution blanket for an additional two (2) year period. *with the exception of stock + envelopes which need to be re-quoted before re-order.*

No. I do not wish to hold my prices and do not wish to extend the blanket for an additional two (2) year period.

Signed John Skult dated 12/30/05
Kim Craig *Joan Kulta*

** See attached pricing for supplies*



Water & Sewer Bill Production Agreement For The City of Rochester Hills

The following revised agreement/cost summary is based on a 36 month term. This pricing is based on a redesign/reformat soon after agreement is finalized and the electronic transfer of data from The City Of Rochester Hills to Lasertec. LASERTEC guarantees a 60 hour turnaround, from our receipt of error free data.

COST BREAKDOWN FOR DATA PROCESSING, PRINTING, LETTERSHOP AND MAILING SERVICES:

Cost of initial set up:	\$500.00 one-time charge
Cost of electronic data transfer:	No Charge
Zip+4 certification:	No Charge
Cost of printing each bill:	\$0.027 each
Cost of lettershop services:	\$0.027 each
Cost to insert up to 2 additional pieces:	No Charge
Cost of delivery to Post Office:	No Charge

BREAKDOWN OF COSTS OF SUPPLIES:

Bill/Paper Stock:	\$19.65/M	*Supplies are invoiced on an "up front" basis
Return "BRE" Envelope:	\$20.50/M	
Window (Mailing) Envelope:	\$22.50/M	

**PLEASE NOTE: Due to the fluctuation in paper prices, your cost of stock and envelopes are subject to an annual increase

INVOICE DETAIL: Lasertec will provide the City with any and all data/Information regarding the water/sewer bill processing and mailing which will assist the City in it's accounting needs and requirements. A statement of postage usage will also be provided.

POST OFFICE: We would be delivering the bills to the Royal Oak Post Office for distribution.

Lasertec would NOT subcontract any portion of the job with the exception of the envelope production.

Lasertec, Inc. can also provide monthly CD ROM of data, digital storage and retrieval (DSR) and Email of bills for additional charges. Additionally, Lasertec has provided separate pricing for many upgrade services and stock that can be implemented at any time.

A signature of an authorized representative of City of Rochester Hills will indicate agreement with the services, prices and terms as indicated. The above proposal shall be valid for a period of 90 days.

City of Rochester Hills

Accepted By: Pat Somerville
 Title: Mayor
 Date: 3/31/03

LASERTEC, Inc.

Accepted By: John S. Kuller
 Title: VP/COO
 Date: 4/3/03



Lasertec Pricing
For
City of Rochester Hills; Water and Sewer
Pricing as of December 30, 2005

Below is the current pricing for the City of Rochester Hills stock and envelopes. This is an addendum to the agreement dated December 16, 2005 which extends the service agreement until April 1, 2008. Depending on paper pricing, these prices are subject to change.

#9 Business Reply Envelopes:

		<u>Price</u>
Quantity:	120,000	\$22.30/M
Quantity:	60,000	\$23.60/M

#10 Window Envelopes:

Quantity:	150,000	\$25.75/M
Quantity:	75,000	\$28.50/M

Perforated One Color Stock:

Quantity:	150,000	\$19.65/M
Quantity:	75,000	\$21.50/M

Please note: We have been notified of a paper price increase effective January 9, 2006. This increase is not reflected in these prices and may or may not affect these prices.