



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2012-0029

TO: Mayor and City Council Members
FROM: Jane Leslie, Clerk
DATE: January 12, 2012
SUBJECT: Blanket Purchase Order for Citywide Postage – Pitney Bowes

REQUEST:

The Clerk’s Office is requesting City Council approval for a blanket purchase order for Pitney Bowes, Inc. – Postage by Phone in the amount not-to-exceed \$40,000.00.

REASON FOR PURCHASE:

The city owns Pitney Bowes postage equipment that includes the postage meter. The meter is rented from the United States Postal Service and requires periodic refills using an on-line/modem transaction through Pitney Bowes (Postage by Phone). The postage is used for daily processing of the city’s outgoing mail.

PROCESS:

Vendor Name and Address:

Pitney Bowes, Inc.
PO Box 856179
Louisville, KY 40285-6179

Reason for Selection:

Sole Source

Method of Purchase:

Blanket Purchase Order

BUDGET:

Postage expense is a budgeted item for all City Departments. We have averaged between \$40,000.00 and \$50,000.00 per year for metered mail and \$50,000.00 is the budgeted amount. The request for \$40,000.00 reflects the reduction in postage use as the City continues to utilize more electronic communication methods as well as the recent increase in postage.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
General	Various -	Operating Supplies .740000	\$50,000.00	\$40,000.00	\$10,000

RECOMMENDATION:

That City Council approves the blanket purchase order for Pitney Bowes, Inc.-Postage by Phone in the amount not-to-exceed \$40,000.00 for metered mail postage in 2011.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		