

Mayor and Council Communication

DATE: 03/03/20

M&C FILE NUMBER: M&C 20-0109

LOG NAME: 13P POSTAGE JPB FMS

SUBJECT

Authorize Agreements with the United States Postal Service and Pitney Bowes Bank, Inc. for Postage in a Combined Annual Amount Up to \$900,000.00 with One-Year Initial Term and Authorize Four One-year Renewal Options for All City Departments (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

Authorize agreements with the United States Postal Service and Pitney Bowes Bank, Inc. for postage in a combined annual amount up to \$900,000.00 with one-year initial term and authorize four one-year renewal options for all city departments.

DISCUSSION:

The United States Postal Service (USPS) is the sole source provider of postage in the United States. However, the USPS has authorized agents who can provide postage to consumers. These Purchase Agreements will be used to replenish a Business Reply Mail account, a Postage Due account, and a Permit account through the United States Postal Service (USPS); and pre-paid postage account through Pitney Bowes Bank, Inc., an authorized agent of the USPS and the supplier of Mail-Processing Equipments on lease for the City.

On February 10, 2015, Mayor and Council Communication (M&C P-11734) authorized a Purchase Agreement with the United States Postal Service (USPS) in the annual amount up to \$650,000.00 for postage.

USPS requires packages to be prepared in accordance with Intelligent Mail Package Barcode regulations. To comply with USPS postage regulations for barcode tracking for packages and metered mail, a Request for Proposals (RFP) was advertised. The proposal received from Pitney Bowes, Inc., based on BuyBoard Cooperative Purchasing Contract No. 496-15, was found to present the best value to the City. On April 5, 2016, Mayor and Council Communication (M&C P-11855) authorized a Purchase Agreement with Pitney Bowes, Inc. for the lease of Mail-Processing Equipment with a five-year term.

On March 7, 2017, Mayor and Council Communication (M&C P-12002) authorized the addition of Pitney Bowes Reserve Account (Pitney Bowes Bank, Inc.) as an additional vendor for postage and increased the annual amount up to \$800,000.00. The authorization for postage services expires on February 3, 2020.

Staff recommends to continue using USPS and Pitney Bowes Bank, Inc. for postage services for a combined annual amount up to \$900,000.00 with one-year initial term and authorize four one-year renewal options for all city departments. The term of postage services with Pitney Bowes Bank, Inc. will be subjected to duration of lease agreement.

The City's Mail Room is processing mail for the City departments and the departments are billed for postage.

An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

Upon City Council approval, the initial one-year term of these contracts shall begin. Contracts may be renewed up to four one-year terms at the City's sole discretion. This action does not require specific City Council approval provided that sufficient funds are appropriated for the City to meet its obligations during the renewal period. No guarantee was made that a specific amount of these services will be purchased.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and award of the contracts, funds are available in the current operating budgets, as appropriated, in the participating departments' Operating Funds. Prior to any expenditure being incurred, the participating departments have the responsibility to validate the availability of funds.

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