



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-9

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October 16, 2012

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. ITB12000097 and enter into a lease agreement with Pitney Bowes, Inc., of Lake Forest, CA (not an MBE, WBE, SBE or Local), for a postage meter system, in an annual amount not to exceed \$11,615, for a five-year period, for a total amount not to exceed \$58,075. (Citywide)

DISCUSSION

The Technology Services Department requests approval to enter into a lease agreement with Pitney Bowes for a postage meter system. The postage meter system used in the City Hall mailroom is used to process everyday outgoing mail, such as first class mail, certified mail and express mail for City departments. On a daily basis, the City's mail operation processes an estimated 14,000 pieces of mail, totaling close to 3,600,000 pieces per year. The reliability, speed and enhanced features offered in the proposed postage meter system will ensure that the City's mail operation continues to provide efficient and cost-effective service to City departments.

The Invitation to Bid (ITB) was issued on July 10, 2012, and 1,016 potential bidders specializing in postage meter systems were notified of the bid opportunity. Of those bidders, ten downloaded the bid via our electronic bid system. The bid document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority and women-owned business groups. One bid was received. The one bidder is not a Minority-owned Business Enterprise (MBE), Women-owned Business Enterprise (WBE), certified Small Business Enterprise (SBE), or Long Beach business (Local).

Local Business Outreach

In an effort to align with our outreach goal, Long Beach businesses were encouraged to submit bids for City contracts. The Purchasing Division also assisted businesses with registering on the Bids Online database to download the bid specifications. Through outreach, 136 Long Beach vendors were notified to submit bids, of which none submitted a bid.

This matter was reviewed by Deputy City Attorney Amy R. Webber on October 1, 2012 and Budget Management Officer Victoria Bell on September 27, 2012.

TIMING CONSIDERATIONS

City Council action is requested on October 16, 2012, in order to ensure continued service.

FISCAL IMPACT

Sufficient funding for this contract, in an annual amount not to exceed \$11,615, is budgeted in the General Services Fund (IS 385) in the Technology Services Department (TS). The City will realize a 20 - 25 percent reduction in postage metering systems costs as a result of this lease agreement. The award of this contract will provide continued support of our local economy by assisting in the preservation of six employees residing in Long Beach with employment.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT



CURTIS TANI
DIRECTOR OF TECHNOLOGY SERVICES

APPROVED:



PATRICK H. WEST
CITY MANAGER