

**MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION**

TO: Honorable Board of Supervisors

FROM: Brett Wood, Purchasing Manager

DATE: March 27, 2012

SUBJECT: Approve Change Order No. 2 to Blanket Purchase Order No. BP015251 with Pitney Bowes for Lease of Mailing Equipment, Extending the Term by 64 Months and Increasing the Maximum Amount by \$2,831.40 for a Revised Maximum Amount of \$5,135.40

ACTION REQUESTED

Approve Change Order No. 2 to Blanket Purchase Order No. BP015251 with Pitney Bowes of Sacramento, CA, for lease of mailing equipment, and authorize the Purchasing Manager to sign the resulting change order extending the BPO by 64 months and increasing the maximum amount by \$2,831.40 for a revised maximum amount of \$5,135.40.

BACKGROUND

The Department of Health and Human Services (HHS) requires a lease agreement for mailing equipment for its Kings Beach Clinic. On December 1, 2007, a BPO was awarded to Pitney Bowes for lease of mailing equipment in accordance with the pricing and terms of competitively bid Western States Contracting Alliance (WSCA) Contract #EPS050076-A2-2. The State of California had issued a Participating Addendum to the WSCA contract thus allowing California local agencies to utilize the WSCA contract. HHS submitted a request to extend the BPO agreement, which expired on November 30, 2011.

Pitney Bowes agreed to extend the agreement at the lease rate of \$44.00 per month, plus tax, for a 60-month term. The rate is based on what Pitney Bowes normally offers to local governments and is not based on the WSCA Contract as the State did not renew the Participating Addendum. The monthly rate includes the existing mailing equipment, software and maintenance. Purchasing Policy Manual Section 2.1(d) requires your Board's approval for equipment lease contracts exceeding one year. With your Board's approval, the BPO will be extended for 60 months plus an additional 4 months due to the lapse occurring between the BPO expiration date and the March 30, 2012 effective date of the extension.

FISCAL IMPACT

In order to accommodate the 5-year agreement, it is necessary to increase the total dollar amount of the BPO with Pitney Bowes to pay for the monthly lease rates during the extended term. The additional expenses resulting from this recommended 5-year agreement will total \$2,831.40, resulting in a new BPO amount of \$5,135.40. The existing balance of this BPO is \$0. HHS's Fiscal Impact Statement is attached.

Attachments: A – Pitney Bowes State & Local Term Rental Agreement
B - HHS's Fiscal Impact Statement

Cc: Elda Nunez, Supervisor
Rebecca Mellott, HHS Fiscal Program Manager

**PITNEY BOWES GLOBAL FINANCIAL SERVICES
STATE & LOCAL TERM RENTAL AGREEMENT**

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Agreement Number

Your Business Information

PLACER COUNTY COMMUNITY CLINIC

Full Legal Name of Lessee 11583 C AVE	DBA Name of Lessee AUBURN	Tax ID # (FEIN/TIN) CA 95603-2703
Billing Address: Street	City	State Zip+4 21270025865
Billing Contact Name 8665 SALMON AVE	Billing Contact Phone # KINGS BEACH	Billing CAN # CA 96143
Installation Address (if different from billing address): Street	City	State Zip+4 21270027861
Installation Contact Name	Installation Contact Phone #	Installation CAN #
Credit Card #	Name on card	Exp date Type of card
Tax exempt #	State tax (if applicable)	Fiscal period (from - to)

Your Business Needs

Qty	Business Solution Description
1	Mail Stream Solution - 1
1	DM100 Desktop Mailing System
1	IntelliLink Interface / PSD for DM100
1	Accounting (10 Dept) Software
1	2 lb Integrated Weighing
1	Integrated Weighing Platform
1	Moistener for DM100
1	IntelliLink Subscription

Check items to be included in customer's payment

- Service Level Agreement
Tier 1 - Provides repair and maintenance service for equipment (Standard SLA)
- Software Maintenance
- Soft-Guard® Subscription - Provides postal and carrier updates
If you do not choose Soft-Guard® protection with your lease, you will automatically receive updates at PBI's current rates.
- IntelliLink® Subscription/ Meter Rental - Provides simplified billing and includes postage resets
() Value Based Services
() Purchase Power® credit line
- Permit Mail Payment Service - Allows you to consolidate permit postage with metered postage under one account. As a permit mail user, we need USPS forms 6001, 6002, and 6003, along with the Permit Enrollment form, to activate your Permit Mail Payment service.

Your Payment Plan

Number of months	Monthly amount*
First 60	\$44

- () Required advance check of \$() received
- () Tax exempt certificate attached

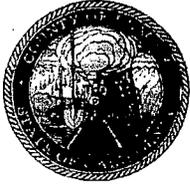
*Does not include any applicable taxes; payment plans begin after any applicable Interim Usage Period.

Your Signature

You agree to be bound by all the terms and conditions of this Term Rental Agreement (herein referred to as the "Agreement"), including those contained on page 2 and those located in the Pitney Bowes Terms, which are available at www.pb.com/terms (Version 07/11) and are incorporated by reference. The Agreement will be binding on PBGFS only after PBGFS has completed its credit and documentation approval process and an authorized PBGFS employee signs below.

Signature	Date
Print Name	Title
Paul DeSantis	473
Account Rep	District Office
	PBGFS Acceptance

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**Placer County
Health and Human Services Department**

Administrative Services Division

Date: March 27, 2012
To: Honorable Board of Supervisors
From: Rebecca Mellott, HHS Fiscal Program Manager
Subject: **Fiscal Impact Statement
Blanket Purchase Order Extension for Lease of Postage Meter – Tahoe Clinic
For the period October 1, 2011 to March 29, 2017**

The department has budgeted appropriately for this \$2,831.40 blanket purchase order (BPO) extension, and funding in the amount of \$425 for the first nine months is included in the FY2011-12 Final Budget. The remainder will be appropriately budgeted in subsequent years at a monthly amount of \$47.19. This postage meter will be utilized in Health and Human Services King's Beach Clinic where services are provided to Medicare, Medi-Cal, private insurance, and the County's Medical Care Services Program (MCSP) patients. MCSP provides mandated services to eligible residents, and covers nearly 20% of the patients seen in Tahoe. Funding for this BPO includes \$1,415.70 from Federal and State sources, \$849.42 from private insurance, and \$566.28 of required County General Fund match.

Perspective, Hope, and Opportunity

