

CITY OF DE PERE MEMO



To: Honorable Mayor Michael J. Walsh
Members of the Finance-Personnel Committee

From: Carey Danen, City Clerk *CD*

Date: August 6, 2019

RE: **Lease renewal for postage meters at City Hall and Municipal Service Center**

The current postage meter leases for City Hall and MSC are due for renewal. I have attached a quote from our current vendor - Office Enterprises Incorporated (OEI) - which is for the latest model of the existing units we have now. This model now includes an online shipping program as a standard feature, which will provide shipping and priority mail rate discounts. I have provided a comparison between our current lease rate and two proposed options:

	Lease Duration	Monthly Total (per machine)	Annual Total (per machine)	Annual Total (for two machines)
Current – refurbished equipment	63 months	\$104.91	\$1,258.92	\$2,517.84
Proposed - new equipment	60 months	\$106.89	\$1,282.68	\$2,565.36
Proposed - refurbished equipment	63 months	\$122.69	\$1,472.28	\$2,944.56

The only difference in the price structure is that the existing lease included maintenance. The new equipment option includes maintenance for the first year; the refurbished equipment option provides maintenance for 90 days. Maintenance can be purchased after the warranty period for an additional \$44.80/month. Alternatively, the City can choose to forgo maintenance and pay for service on an as-needed basis at a cost of \$225.00/hour.

The quoted price for refurbished equipment is higher because the vendor follows National Association of State Procurement Officers (NASPO) contract pricing for their new equipment.

The only other vendor that services Northeast Wisconsin is Pitney Bowes; this company failed to provide a quote after multiple requests. The quote they submitted in 2013 was higher in comparison to OEI's.

I recommend choosing OEI's new equipment option at a cost of \$106.89 per month per machine, and electing the as-needed service call option after the one year warranty period.

Please contact me with any questions you may have. Thank you for your consideration of this request.