

March 21, 2016

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT:

Resolution No. 9079 authorizing execution of an amendment to: 1) renew the agreement for mail and central receiving services with Postal Express for an additional two years; 2) add a provision related to collecting leasehold excise tax; and 3) increase the monthly fee for mail services and central receiving services resulting in an additional two year total of \$254,455.20.

FISCAL IMPACT:

The original agreement for these services obligated the City for an amount not to exceed \$115,661.40 per year for four years for a total contract value of \$462,645.60. To exercise the option to renew will obligate the City for an additional \$127,227.60 per year for a two year total of \$254,455.20.

This service was anticipated and sufficient funds are budgeted in the 2016 Finance Department Central Services operating budget. Funding for 2017 is being requested as part of the 2017-2018 biennial budget process.

STAFF CONTACT:

Jan Hawn, Director, x 6846

Toni Battersby, Acting Assistant Finance Director, x 6455

Jamie Robinson, Purchasing Manager, x 6843

Finance Department

POLICY CONSIDERATION

Bellevue City Code 4.28 protects and advances the public interest by providing for the fair and equitable treatment of all persons involved in the purchasing process, by maximizing the purchasing value of public funds and by providing safeguards for maintaining a purchasing system of quality and integrity.

BACKGROUND

In 2011, the City conducted a Request for Proposal process to competitively solicit interested parties to submit proposals to provide mail and central receiving services to the City. Mail services include the operation of the Mail Center located at Bellevue City Hall and interdepartmental mail service between various City locations. Central receiving services include the operation of central receiving and distribution services at City Hall.

The multi-departmental Selection Committee recommended award to Postal Express. On September 19, 2011, Bellevue City Council authorized execution of an original four-year agreement with an option to renew for an additional two years. This agenda memo is requesting the authorization to extend the original agreement for an additional two-year term for the amount identified above.

This amendment extends the contract to December 31, 2017. A provision was added related to leasehold excise tax to clarify contractor's responsibilities related to this tax. Contractor provided services to the City for 4 years without a rate increase. This amendment provides for a 10% percent rate increase for the remaining 2 years of service.

EFFECTIVE DATE

If adopted by Council, this Resolution will become effective immediately. The Agreement will be extended through December 31, 2017.

OPTIONS

1. Adopt the Resolution authorizing execution of an amendment to: 1) renew the agreement for mail and central receiving services with Postal Express for an additional two years; 2) add a provision related to collecting leasehold excise tax; and 3) increase the monthly fee for mail services and central receiving services resulting in an additional two year total of \$254,455.20.
2. Do not adopt the Resolution and provide alternative direction to staff.

RECOMMENDATION

Option 1.

MOTION

Move to adopt Resolution No. 9079 authorizing execution of an amendment to: 1) renew the agreement for mail and central receiving services with Postal Express for an additional two years; 2) add a provision related to collecting leasehold excise tax; and 3) increase the monthly fee for mail services and central receiving services resulting in an additional two year total of \$254,455.20

ATTACHMENTS

Proposed Resolution No. 9079

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

Copy of amendment