



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 24-206, **Version:** 1

a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute a 60-month equipment lease between the County of Monterey and Quadient Leasing USA, Inc. for three postage meter machines at Public Works, Facilities and Parks (PWFP) Mail Operations, in an amount not to exceed \$174,174.

b. Approve non-standard provisions as recommended by the Director of Public Works, Facilities and Parks.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

a. Approve and authorize the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to execute a 60-month equipment lease between the County of Monterey and Quadient Leasing USA, Inc. for three postage meter machines at Public Works, Facilities and Parks (PWFP) Mail Operations, in an amount not to exceed \$174,174.

b. Approve non-standard provisions as recommended by the Director of Public Works, Facilities and Parks.

SUMMARY/DISCUSSION:

The County and Quadient Leasing USA, Inc. (hereinafter "Quadient") have negotiated a lease for mail postage meters to comply with United State Postal Service (USPS) mail handling regulations. Effective July 1, 2024, USPS will decertify all postage meters which do not meet its Information Based Indicia (IBI) technology standards. This new lease will replace the current lease set to expire June 30, 2024 and provide the compliant postage equipment at a reduced cost. PWFP Mail Operations Unit processes County-wide approximately 600,000 pieces of mail annually. Pre-sorting and posting County mails enables the County to leverage the lowest postage rates possible.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel has reviewed and approved the lease as to form. The Auditor-Controller's Office (ACO) reviewed the contract but does not agree to the non-standard payment provisions. County standard agreements provide the County with 30 days to pay an invoice upon ACO's receipt of an approved invoice. The lease terms provide the County with 45 days to pay the invoice upon initial receipt by the responsible County department.

FINANCING:

Costs associated with the new lease will be incurred over the next five years. The new lease rates will save the County approximately \$24,000 for the term of the lease compared with current costs. Costs incurred for this service are budgeted for at PWFP Department 3200, Mail Operations Unit 8576, and Appropriation Unit PFP064. All costs are financed by the interfund and intrafund reimbursements on a full-cost-recovery basis from those departments using the service.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Competitive pricing and continuity of services ensure PWFP is efficiently utilizing County funds.

Economic Development

X Administration

Health & Human Services

Infrastructure

Public Safety

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Reviewed by: Florence Kabwasa-Green, Interim Chief of Facilities

Lindsay Lerable, Assistant Director of Public Works, Facilities and Parks

Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities and Parks

The following attachments are on file with the Clerk of the Board:

Attachment A - 2024 Quadient Lease