

# Agenda Report

May 15, 2017

**TO:** Honorable Mayor and City Council

**FROM:** City Clerk

**SUBJECT: AUTHORIZE AN INCREASE TO PURCHASE ORDER NO. 30659 WITH THE UNITED STATES POSTAL SERVICE (USPS) IN THE AMOUNT OF \$50,000 FOR A REVISED FISCAL YEAR 2017 TOTAL NOT-TO-EXCEED AMOUNT OF \$650,000 FOR POSTAGE**

## **RECOMMENDATION:**

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section 15061(b)(3);
2. Authorize an increase to Purchase Order No. 30659 with the USPS in the amount of \$50,000, for a revised Fiscal Year 2017 total not-to-exceed amount of \$650,000 for postage. Neither Competitive bidding nor Competitive Selection are required pursuant to City Charter Section 1002 (H) and Pasadena Municipal Code Section 4.08.049(A)(3), contracts with other governmental entities.

## **BACKGROUND:**

Prior to 1996, the City Council authorized the purchase of postage from the United States Postal Service (USPS) on an annual basis. In 1996, in an effort to streamline various processes and procedures, the City Council granted a ten-year authorization to purchase postage from USPS "in amounts necessary to meet the needs of the City."

On April 25, 2016, the City Council authorized the issuance of a 10-year purchase order to USPS in amounts not-to-exceed \$600,000 per year for postage, for a total approval of \$6,000,000 over the 10-year period. In analyzing postage expenses to date and for the remainder of Fiscal Year 2017, staff forecasts that the City's postage needs for the current year will exceed the authorized amount of \$600,000. This increased usage of postage funds can be attributed in large part to an increased volume of mail generated by City departments, as well as increases to postal rates implemented by the USPS. With two scheduled Pasadena InFocus citywide mailings remaining and day-to-day postage needs of the City ongoing, staff is recommending the not-to-exceed amount to Purchase Order No. 30659 for the current fiscal year be increased by \$50,000, resulting in a new total spending approval of \$650,000 for FY 2017.

**FISCAL IMPACT:**

The proposed action increases the annual spending authority for Fiscal Year 2017 with the United States Postal Service for postage. Adequate funds have been allocated and are available within each City Department's adopted Fiscal Year 2017 budget to cover the additional \$50,000 increase in spending authority. Therefore, no additional appropriation is necessary as a result of this action.

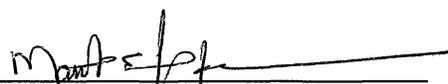
Respectfully submitted,



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Mark Jomsky  
City Clerk

Concurred by:



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Matthew E. Hawkesworth  
Director of Finance

Approved by:



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STEVE MERMELL  
City Manager