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BOARD OF COMMISSIONERS
SARPY COUNTY, NEBRASKA

RESOLUTION APPROVING AMENDMENT TO THE
MAIL PROCESSING SERVICE AGREEMENT
WITH PITNEY BOWES PRESORT SERVICES, INC. (PBPS)

WHEREAS, pursuant to Neb. Rev. Stat. §23-104(6)(Reissue 1997), the County has the power to do all acts in relation to the concerns of the County necessary to the exercise of its corporate powers; and,

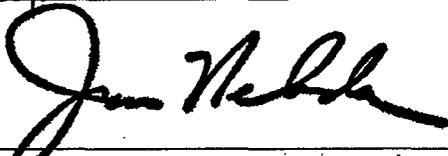
WHEREAS, pursuant to Neb. Rev. Stat. §23-103 (Reissue 1997), the powers of the County as a body are exercised by the County Board; and,

WHEREAS, Sarpy County and Pitney Bowes Presort Services, Inc. (PBPS) (formerly known as PSI Group) have previously entered into an Agreement approved by the Sarpy County Board of Commissioners on February 21, 2006, amended on May 14, 2007 and such agreement needs to be subsequently amended; and,

WHEREAS, this Board desires to proceed forthwith in order to expedite and facilitate service to the citizens of Sarpy County.

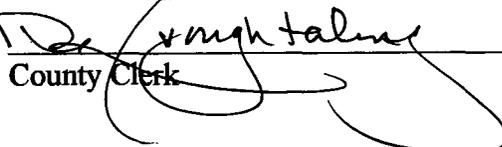
NOW, THEREFORE, BE IT RESOLVED, By the Sarpy County Board of Commissioners, that the attached document is approved as the Amendment to Mail Processing Agreement between PBPS and Sarpy County, and the Chairman and the Clerk are hereby authorized to sign the Amendment attached hereto.

The above Resolution was approved by a vote of the Sarpy County Board of Commissioners at a public meeting duly held in accordance with applicable law on the 18th day of September, 2012.



Sarpy County Board Chairman - Vice




County Clerk

Sarpy County Purchasing Department

SARPY COUNTY COURTHOUSE
1210 GOLDEN GATE DRIVE
SUITE 1129
PAPILLION, NE 68046-2845
FAX (402) 593-4304



Brian E. Hanson, Purchasing Agent
(402) 593-2349
Debby Peoples, Assistant Purchasing Agent
(402) 593-4164
Beth Cunard, Purchaser/Contract Specialist
(402) 593-4476
Lois Spethman, Supply Clerk/Purchaser
(402) 593-2102

MEMO

TO: Sarpy County Board of Commissioners

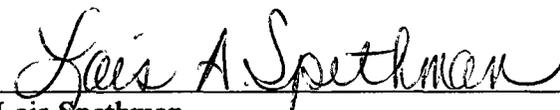
FROM: Lois Spethman, Purchaser

RE: Amendment To The Mail Processing Agreement With PBPS.

Our presort mail vendor has requested approval of the attached amendment to Mail Processing Agreement. The Amendment removes fees such as the Daily Service Fee and the Fuel Surcharge Fee and goes with a flat rate. It also adds Attachment B which is the Move-Update Requirement required by the U.S. Postal Service.

The Amendment has been reviewed and approval is recommended.

September 11, 2012


Lois Spethman

Attachments

cc: Mark Wayne
Deb Houghtaling
Brian Hanson
Scott Bovick
Mike Smith

AMENDMENT to the MAIL PROCESSING AGREEMENT

This Amendment (the "Amendment") to the Mail Processing Agreement dated **February 14, 2006**, is entered into by and between Pitney Bowes Presort Services, Inc. (formerly PSI Group, Inc.) ("PBPS") and **Sarpy County Court House** ("Customer"), as of the **13th day of August, 2012** ("Effective Date"). PBPS and Customer may be referred to collectively as the "Parties".

WHEREAS, PSI Group, Inc., and Customer entered into a Mail Processing Agreement on **February 14, 2006** ("Original Agreement"); and

WHEREAS, PSI Group, Inc., has since changed its name to Pitney Bowes Presort Services, Inc.; and

WHEREAS, the Parties desire to amend some terms of the Original Agreement.

NOW, THEREFORE, for good and valuable consideration, the Parties mutually agree as follows:

1. Unless otherwise defined herein, all capitalized terms used herein shall have the same meaning as set forth in the Original Agreement.
2. Attachment A is hereby amended and replaced in its entirety. The attached Attachment A supersedes and replaces any and all previous Attachment A versions.
3. The attached Attachment B is hereby added to the Original Agreement.
4. Except as amended herein, the terms of the Original Agreement remain in full force and effect and are hereby ratified and affirmed.

PITNEY BOWES PRESORT SERVICES, INC.

By: _____

Printed Name: **Jay A. Oxton, President & C.O.O.**
Pitney Bowes Presort Services, Inc.

Title: _____

Date: 9/25/12

SARPY COUNTY COURT HOUSE

By: _____

Printed Name: Jim Nekeups

Title: Vice Chairman

Date: 9/18/12

Approved as to form:

County Attorney

ATTACHMENT A

FEEES FOR PRESORT SERVICES

1. **Location.** Unless you tell us otherwise in writing, we will pick up your mail at the following location(s):
Sарy County Court House
1210 Golden Gate Drive
Papillion, NE 68046

2. **First Class Letters and Postcards**

- 2.1 **Postage - Metered.** PBPS shall meter Customer's First Class letter and postcard mail at the then current **Presort** Rate. At the time of this Agreement, the **Presort** rate for First-Class letter mail meeting automation requirements pursuant to the USPS Domestic Mail Manual ("DMM"®) regulations is:
\$**0.424** per piece of 1 ounce mail.
\$**0.424** per piece of 2 ounce mail.
\$**0.674** per piece of 3 ounce mail.
\$**0.280** per piece for post cards.

Customer shall reimburse PBPS for all postage metered by PBPS on behalf of Customer.

- 2.2 **Postage - Permit.** PBPS will submit Customer's First Class permit indicia letter and postcard mail meeting automation requirements pursuant to the USPS DMM regulations at the then current **Presort** rate. At the time of this Agreement, the **Presort** rate for First-Class letter mail meeting automation requirements pursuant to the USPS Domestic Mail Manual ("DMM"®) regulations is:
\$**0.424** per piece of 1 ounce mail.
\$**0.424** per piece of 2 ounce mail.
\$**0.674** per piece of 3 ounce mail.
\$**0.280** per piece for post cards.

Because PBPS, as the presenter, must pay the USPS for permit postage, Customer shall establish a Postage Deposit or otherwise pay for such postage in advance as provided below.

- 2.3 **Presort Fee.** Customer shall pay a presort fee of \$**0.00** per piece of letter or postcard mail metered or submitted at the **Presort** Rate.
- 2.4 **Exception Handling Fee.** Mail that is rejected by the MLOCRs ("Machine Rejected Mail" or "MRM") and mail that fails Delivery Point Validation ("DPV") will be charged the above Presort Fee **plus** an Exception Handling Fee. The Exception Handling Fee will be applied to a percentage of Customer's mail, regardless of the actual number of pieces of Exception Mail, based upon a testing of your mail. Such percentage may be adjusted by PBPS, in its reasonable discretion, in the event that the readability or accuracy of Customer's mail materially changes, following additional testing and advance notice to you. While PBPS will make reasonable efforts to process MRM/DPV mail the same day, such mail may be delayed because of the extra handling necessary to meet USPS preparation requirements. PBPS may re-date and submit such delayed mail the following business day.
 - The MRM fee of \$**0.00** per piece will be applied to 0 percent of the First Class letter and postcard mail.
 - The DPV fee of \$**0.00** per piece will be applied to 0 percent of the First Class letter and postcard mail.

ATTACHMENT A (continued)

FEEES FOR PRESORT SERVICES

3. First Class Flats

3.1 Postage: PBPS shall meter Customer's First Class flat mail at the then current **Full** rate, which at the time of this Agreement is **\$0.900** for a 1 ounce piece of First Class flat mail. Customer shall reimburse PBPS for all postage metered by PBPS on behalf of Customer.

3.2 Presort Fee: Customer shall pay a presort fee of **\$0.00** per piece for First Class flat mail.

3.3 Exception Handling Fee: Flat mail that is rejected by the MLOCRs and mail that fails DPV, as described in paragraph 2.4 above, will be charged the Presort Fee for First Class flats **plus** an Exception Handling Fee as follows:

- The MRM fee of **\$0.00** per piece will be applied to **0** percent of the First Class flat mail.
- The DPV fee of **\$0.00** per piece will be applied to **0** percent of the First Class flat mail.

4. Metering Fee. In the event that PBPS meters any mail on behalf of Customer, in addition to the postage expense, Customer will pay PBPS a fee of **\$0.03** per piece of letter and postcard mail that is metered and **\$0.07** per piece of flat mail that is metered.

5. Quality Control and Error Correction. To maintain quality control of the mail processed, PBPS will periodically inspect Customer's mail for compliance with quality standards. Mail not in compliance will be corrected or returned to Customer as determined by PBPS. Additionally, Customer will pay the following charges for error correction: **\$30.00** per hour for screening mail, plus **\$N/A** per piece corrected plus applicable postage.

6. Quantity of Mail. Customer will provide approximately **2,373** pieces of mail per day, for an average of **49,833** pieces of mail per month (assuming a 21-business day month), for pick up and processing by PBPS, but not less than all of the presort compatible mail produced at the facility.

7. Transportation. For the mail transportation services described in the Agreement, Customer shall pay PBPS a transportation fee of **\$N/A**.

8. Fuel Surcharge. In addition to the transportation fee set forth above, Customer shall pay PBPS a fee of **\$N/A** per mail pick up on account of fuel costs associated with performing the services described in this Agreement.

9. Postage Deposit. If Customer uses Permit mail, pre-meters mail at the 5-Digit Automation Rate, or regularly requires PBPS to meter mail on Customer's behalf, Customer shall provide an advance postage deposit equal to an estimated three (3) days' worth of postage before submitting permit mail for the first time under this Agreement. In addition to the initial deposit, Customer shall provide an advance postage payment each month sufficient to cover the estimated postage to be used during the following month. Such postage payment shall be made via electronic transfer to PBPS. Following the end of each month, PBPS shall provide a reconciliation of the postage payments received and the postage charges incurred. Any shortage of postage funds received will be paid by Customer with the next postage payment deposit and any excess postage funds received may be deducted from the next postage deposit. PBPS shall retain any and all interest income earned on the deposit amount. Upon the termination of this Agreement, PBPS shall return the deposit to Customer after all Fees for services and postage charges have been paid to PBPS by the Customer. IF CUSTOMER FAILS TO MAINTAIN THE DEPOSIT AT THE THEN-APPLICABLE LEVEL(S), PBPS MAY IMMEDIATELY SUSPEND ITS PERFORMANCE UNDER THE AGREEMENT AND WILL, AT CUSTOMER'S OPTION, EITHER: (i) HOLD CUSTOMER'S MAIL UNTIL THE DEPOSIT IS RECEIVED OR (ii) RETURN THE MAIL TO CUSTOMER.

CUSTOMER NAME AND ADDRESS: Sarpy County Court House

PBPS OPERATING CENTER: Omaha, NE

MAIL PROCESSING AGREEMENT DATE: February 14, 2006

ATTACHMENT B

MOVE-UPDATE REQUIREMENT

- 1.1 **Move-Update Option.** Customer will complete a Certification of Move Update Compliance form as may be reasonably requested by PBPS from time to time in order to confirm the Move Update Option selected by Customer on a job by job basis. Customer's selections include the following move-update option(s):

Indicate the selected option by placing an "X" in each column.

<u>Option</u>	<u>First Class Letter Mail</u>	<u>First Class Flat Mail</u>	<u>Standard Class Letter Mail</u>
Not Applicable		X	X
A USPS approved Move Update Solution provided and utilized by Customer			
PBPS Move Update Solution w/ PBV Protect (an MLOCR-based software application such as Siemens UMove® or USPS FASTforward®) provided by PBPS	X		
A USPS approved Move Update Solution provided and utilized by Customer on all mail, except for designated jobs within the mail category type indicated in the column(s) to the right and as agreed by the parties on which PBPS shall utilize the PBPS Move Update Solution w/ PBV Protect			

Performance Based Verification (PBV) is the USPS testing to determine if a mail owner's addresses are being updated as required by USPS Move Update Compliance regulations. Customers electing to rely on their own application of a USPS Move Update method will reimburse PBPS for any penalties or postage assessments imposed by the USPS due to, or caused in part by, Customer's mail which fails PBV, based upon PBPS's calculation of Customer's pro-rata portion of such penalty or assessment for that day. Customers electing the PBPS Move Update Solution w/ PBV Protect will be insured against such penalties or postage assessments imposed by the USPS against PBPS, even if any of Customer's enrolled mail fails the daily PBV.

If Customer has not selected the PBPS Move Update Solution w/ PBV Protect option, the remainder of Attachment B is not applicable. If Customer has selected the PBPS Move Update Solution w/ PBV Protect option, such selection is governed by the terms of paragraphs 1.2 through 1.4 of Attachment B.

- 1.2 **Physical Requirements for PBPS Move Update Solution:** PBPS can only spray barcodes on mail pieces that are non-glossy with a sufficient clear zone in the lower right quadrant. Customer will be required to use another approved Move Update method for non-conforming mail pieces.
- 1.3 **PBPS Move Update Solution w/ PBV Protect - Fee:**

Application Fee of **\$0.00** per each piece of mail scanned.

1.4 **Additional Service Options*:**

- "DO NOT FORWARD" endorsement for \$ N/A per N/A.
- ADDRESS CORRECTION REQUESTED ("ACR") endorsement for \$ N/A per N/A.
- FACSIMILE SERVICE for \$ N/A per piece sorted.

*These options require specific USPS authorization, which must be obtained by Customer in advance.

CUSTOMER HEREBY ACCEPTS AND AGREES TO THESE TERMS AND CONDITIONS FOR THE MOVE UPDATE OPTIONS SELECTED ABOVE:

Customer: SARPY COUNTY COURT HOUSE

By: [Signature]

Name: Jim Veckusa

Title: Vice Chairman

Address: 1210 Golden Gate Drive

Papillion, NE 68046

Date Signed: 9/18/12