



City of Appleton

100 North Appleton Street
Appleton, WI 54911-4799
www.appleton.org

Meeting Agenda Finance Committee

Tuesday, July 7, 2015

4:30 PM

Council Chambers, 6th Floor

1. Call meeting to order

2. Roll call of membership

3. Approval of minutes from previous meeting

[15-1131](#) June 23, 2015 Finance Committee Minutes

Attachments: [MeetingMinutes23-Jun-2015-04-21-57.pdf](#)

4. **Public Hearings/Apearances**

5. **Action Items**

[15-1134](#) Request to reject awarding tennis court construction at Highview Park to MCC, Inc for a contract amount of \$143,239.

Attachments: [2015 Highview Park Tennis Courts Re-Bid Recommendation.pdf](#)

[15-1136](#) Request to approve Second Addition to Emerald Valley New Subdivision Development Agreement.

Attachments: [Emerald Valley Second Addition Development Agreement.pdf](#)

[15-1138](#) Request approval of ordinance permitting absent Alderpersons to appear by phone.

Attachments: [Sec 2-29 Alderperson Appearances \(created\) 07-07-15 .pdf](#)

[15-1161](#) Request approval to utilize \$845,330 of unassigned fund balance to reduce long-term debt and retain \$70,680 for future uncertainties.

Attachments: [2014 Fund Balance.pdf](#)

6. **Information Items**

[15-1132](#) Director's Reports:
Finance
Information Technology
Legal Services

[15-1133](#) Update on new subdivision assessments

[15-1135](#) Contract 15-14 was awarded to Milbach Construction, "Pierce Park Bank Shelter" in the amount of \$328,135 with a contingency of \$46,744. Change orders approved totals \$26,320.64. Final contract amount is \$354,455.64 with remaining contingency of \$20,423.36. Payments issued to date total \$316,382.05. Request to issue the final contract payment of \$38,073.59.

Attachments: [2015 Pierce Pavillion Final Pymt.pdf](#)

[15-1137](#) Change Order #3 for the Bar Screen Replacement Project to increase, for screen modifications, in the amount of \$1,650 resulting in a decrease to contingency from \$96,313 to \$94,663. Contract price increased from \$744,247 to \$745,897(also appears on the Utilities Committee agenda).

Attachments: [Change Order #3 06-26-15 .pdf](#)

[15-1157](#) Exchange of Postage Machine - Upgrade Pitney Bowes Postage Machine

Attachments: [M-postage machine upgrade.pdf](#)

7. Adjournment

Notice is hereby given that a quorum of the Common Council may be present during this meeting, although no Council action will be taken.

Reasonable Accommodations for Persons with Disabilities will be made upon Request and if Feasible.

For questions on this agenda, please contact Tony Saucerman at (920) 832-6440.



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Meeting Minutes Finance Committee

Tuesday, June 23, 2015

4:30 PM

Council Chambers, 6th Floor

1. Call meeting to order

Meeting was called to order at 4:30pm.

2. Roll call of membership

Present: 4 - Alderperson Coenen, Alderperson Konetzke, Alderperson Lobner and Alderperson Martin

Excused: 1 - Alderperson Plank

3. Approval of minutes from previous meeting

[15-1034](#)

June 9, 2015 Finance Committee minutes.

Attachments: [MeetingMinutes9-Jun-2015-08-08-01.pdf](#)

Alderperson Lobner moved, seconded by Alderperson Konetzke, that the Minutes be approved. Roll Call. Motion carried by the following vote:

Aye: 4 - Alderperson Coenen, Alderperson Konetzke, Alderperson Lobner and Alderperson Martin

Excused: 1 - Alderperson Plank

4. Public Hearings/Appearances

[15-1036](#)

Melissa Kempen, CPA and Jodi Dobson, CPA from Baker Tilly Virchow Krause, LLP presentation of 2014 Comprehensive Annual Financial Report

Attachments: [Appleton FS Highlight - final 2014.pdf](#)

This Appearance was presented

5. Action Items

[15-1064](#)

Award Unit E-15 Miscellaneous Concrete and Street Excavation Repairs to Al Dix Concrete, Inc. in an amount not to exceed \$604,800.00

Attachments: [Award of Contract E-15.pdf](#)

Aldersperson Konetzke moved, seconded by Aldersperson Coenen, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 4 - Aldersperson Coenen, Aldersperson Konetzke, Aldersperson Lobner and Aldersperson Martin

Excused: 1 - Aldersperson Plank

[15-1075](#)

Request to approve the following 2015 Budget adjustment:

General Fund - Police Department

Donations	+\$17,256
Equipment	+\$17,256

to record donation received from the Octoberfest Committee to purchase a school safety speed trailer message board (2/3 vote required).

Aldersperson Lobner moved, seconded by Aldersperson Konetzke, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 4 - Aldersperson Coenen, Aldersperson Konetzke, Aldersperson Lobner and Aldersperson Martin

Excused: 1 - Aldersperson Plank

6. Information Items

[15-1035](#)

Ordinance regarding Aldersperson absence; participation by phone.

Attachments: [Sec 2-29 Aldersperson Appearances \(via phone\) \(created\).pdf](#)

This Presentation was received and filed

[15-1037](#)

Information Technology Director Report

This Presentation was received and filed

[15-1049](#)

Contract 8-15 was awarded to Norcon Corp. for \$85,000 for Bridge Deck Sealing. No previous payments have been made. Request final payment of \$71,570.40.

This Presentation was received and filed

[15-1050](#)

Contract 9-15 was awarded to ASTI Sawing, Inc for \$30,000 for Concrete Sidewalk Sawcutting. Previous payments total \$18,604.69. Request final payment of \$11,395.31.

This Presentation was received and filed

[15-1051](#)

Column/Wall Plate Storage Project Change Orders #1 & #2 (also appears on the Utilities Committee agenda as an informational item).

Attachments: [150605_Change_Orders_Finance memo Wall Plate Storage Project.pdf](#)

This Presentation was received and filed

7. Adjournment

A motion was made by Alderperson Lobner, seconded by Alderperson Martin, that this meeting be adjourned. The motion carried by the following vote:

Aye: 4 - Alderperson Coenen, Alderperson Konetzke, Alderperson Lobner and Alderperson Martin

Excused: 1 - Alderperson Plank



"...meeting community needs...enhancing quality of life."

**PARKS, RECREATION & FACILITIES
MANAGEMENT**

Dean R. Gazza, Director

1819 East Witzke Boulevard
Appleton, Wisconsin 54911-8401
(920) 832-5572 FAX (920) 993-3103
Email - dean.gazza@appleton.org

TO: Finance Committee

FROM: Dean R. Gazza, Director of Parks, Recreation and Facilities Management

DATE: 7/7/2015

RE: Action Item: Reject awarding tennis court construction at Highview Park to MCC, Inc. for a contract amount of \$143,239.

The 2015 Parks, Recreation and Facilities Management Department Capital Improvement Program includes funding for the construction of two tennis courts at Highview Park. \$120,000 was budgeted for the construction of the tennis courts. Of the \$120,000 budgeted, \$14,500 was utilized for engineering and construction management consulting, which leaves a balance of \$105,500 for construction.

One bid for the construction of the tennis courts at Highview Park was opened on May 5, 2015. MCC, Inc. bid \$136,390. At the request of the Common Council, the project was rebid and on June 22, 2015, two bids were opened. A summary of the bids for the Highview Park tennis courts is listed below:

<u>Company</u>	<u>Base Bid Price</u>
MCC, Inc.	\$143,239
Northeast Asphalt	\$173,133

MCC, Inc. was determined to be the low qualified bidder with a base bid of \$143,239. Total cost of the project with engineering will be \$157,739, plus contingency. It is the recommendation of the Parks, Recreation and Facilities Management Department to reject awarding a contract to MCC, Inc. in the amount of \$143,239 for the construction of tennis courts at Highview Park.

The Parks, Recreation and Facilities Management Department intends to budget, in 2016, an amount that represents bid numbers to construct two tennis courts at Highview Park.

Please feel free to contact me at 832-5572 or by email at dean.gazza@appleton.org. with any questions or comments.

SECOND ADDITION TO EMERALD VALLEY DEVELOPMENT AGREEMENT

THIS AGREEMENT, made by and between the **City of Appleton**, Outagamie County, Wisconsin, a body politic and municipal corporation by its City Council ("City") and, **Emerald Valley Estates, LLC**, the owner and developer ("Developer") of property lying within the City of Appleton:

WHEREAS, Section 17-3 of the Appleton Municipal Code provides for the installation of required improvements in new subdivisions;

WHEREAS, the Developer has proposed to develop the Second Addition to Emerald Valley Development, a residential subdivision on property within the corporate limits of the City, described in *Exhibit 1* (Legal Description provided by Developer) attached hereto; and

WHEREAS, a preliminary plat of the Second Addition to Emerald Valley Development, shown in *Exhibit 2* (provided by Developer) attached hereto, has been submitted to the City for review and comment by relevant City Departments and City officials; and

WHEREAS, a final plat of the Second Addition to Emerald Valley Development, shown in *Exhibit 3* (provided by Developer) attached hereto, has been conditionally approved by the City with conditions remaining to be satisfied; and

WHEREAS, a series of meetings and negotiations have taken place between the City and the Developer to determine various development and financial responsibilities as between the City and the Developer for on-site and off-site public improvements and fees in connection with the proposed subdivision; and

WHEREAS, the City and the Developer, for their mutual benefit, have mutually agreed as to development and financial responsibilities for public improvements and fees in connection with the proposed subdivision;

NOW THEREFORE, it is mutually agreed as follows:

1. The Developer shall be responsible for the installation of the following:
 - a. Sanitary sewer mains, manholes and laterals
 - b. Water mains, valves, hydrants, hydrant leads, fittings, and services
 - c. Storm sewer mains, manholes, catch basins, inlet leads, overland flow paths, yard drains and associated piping and laterals
 - d. Street excavation and graveling, terrace seeding, lot filling & grading and seeding
 - e. Street Lights
 - f. All other infrastructure required for development not specifically set forth in this agreement
2. The Developer shall provide an estimate for items 1a – 1f.

3. The Developer shall place in escrow or provide the City with proof of one established irrevocable letter of credit for the following:
 - a. Administration Fees
 - b. Sanitary Area Assessment
 - c. Televising sanitary and storm sewer lines
 - d. Temporary Asphalt Surface
 - e. Street Name Signs
 - f. Traffic Control Signs
4. The Developer shall provide the City with copies of all final costs, invoices, labor costs, the contract documents and specifications, design documentation, all contract administration supporting documentation, an itemized list of all expenses for the installation of sanitary sewer, storm sewer, water main, street excavation and graveling. Said information provided by Developer shall meet City's Infrastructure Adjustment Form requirements. The Developer's design engineer shall perform the construction staking and the City shall inspect the same.
5. The Developer's contractor shall perform the testing of the water main, sanitary sewer, storm sewer and compaction of fill material placed in future roadway areas under the supervision of City of Appleton inspectors.
6. The Developer shall provide lien waivers to the City from prime contractor, subcontractors, suppliers and consultants.
7. The Developer agrees to convey by deed or dedication to the City all the streets, roads, courts, avenues, drives, public ways, and storm water facilities in the Plat. Developer further agrees to convey any public access ways by dedication or easement to the City. All public improvements contemplated in the final plat shall be constructed within areas to be dedicated to the City either by deed, dedication or easement as contemplated in the final plat and this agreement.
8. A temporary Monument Placement Waiver has been approved under a separate instrument for Lots 54-80 of this subdivision to allow time for fill material to be imported and placed on the site. Pursuant to §17-3(e), Appleton Municipal Code, all subdivision monuments shall be in place within one (1) year of the granting of the waiver by the City Engineer. Failure to complete the monumenting of the entire plat within the previously mentioned one (1) year period of time, shall permit the City of Appleton to contract for the work being performed and to charge the stand-by letter of credit for the cost of said work, or, if no stand-by letter of credit has been required, the costs may be assessed against the property as a special charge. Abutting newly built streets will not be officially opened by the City and no building permits will be issued for the above-mentioned lots, not being monumented, prior to the City of Appleton receiving a current monumentation certification from a professional land surveyor licensed in the State of Wisconsin that all monumentation within the development is properly installed and within 3 inches of finished grade.
9. The Developer shall establish a level loop on the hydrants in the plat and a copy of those benchmarks shall be provided to the City.

10. The City agrees to accept the dedication of all the Public Improvements in the Plat, whether by deed, dedication or easement subject to the City's Acceptance of the Public Improvements in accordance with and subject to the terms of the City's Subdivision Ordinance.
11. The Developer shall repair or replace, as directed by the City and to the City's satisfaction, at his own cost, any damage caused to City property by the installation of the improvements.
12. The estimate of costs paid by the Developer for items 3a – 3f is attached hereto as *Exhibit 4* and shows the items and amounts projected to be paid by the Developer. The total of the estimate of costs provides the basis for determining the amount of the escrow account/letter of credit.
13. The Developer shall pay the cost of all items listed under Paragraph 1 above. The homeowner shall be responsible for and pay for the construction of the sidewalk within six months of the issuance of an occupancy permit for each residence. The City will be responsible for constructing the sidewalks which have not been installed at time of concrete paving, with costs to be assessed to the abutting property owners in accordance with the City's Policy for Special Assessments. Concrete paving will be assessed to the abutting property owners and the Developer will be assessed only the cost of lots owned by the Developer.
14. The schedule for the Second Addition to Emerald Valley Development shall be as follows:
- Infrastructure installation may commence after City approval of Final Plat, Drainage Plan, Established Grades, Storm Water Management Plan, Plans and Specifications.
 - Building Permits may be issued upon City approval and acceptance of all infrastructure. Streets must be officially opened to the public by the City Engineer prior to the issuance of Building Permits.
15. The City agrees to waive any parkland fees pursuant to Chapter 17 of the Appleton Municipal Code, in exchange for parkland dedications and conveyances previously completed as part of the original Emerald Valley Development along with future planned phases of the Development. The City further agrees to waive any connection fees in lieu of assessments for properties connecting off French Road.
16. The City represents that this Agreement and the terms and conditions contained herein are consistent with adopted ordinances and resolutions on the subject matter.
17. The Developer shall pay the entire cost associated with installation of underground gas, electric, telephone and cable TV utilities and street lights. The City shall review proposed locations of all utilities prior to installation. The City standard for street lights is wooden poles. The street lighting plan shall be designed by WE Energies and approved by the City. The City shall pay WE Energies the monthly electrical charge for street lighting. If the Developer desires decorative streetlights, then the Developer shall be responsible for all costs associated with the decorative streetlights. The Developer shall be responsible for requesting said decorative lights from WE Energies. The Developer must also sign a Waiver of Special Assessments document for the annual assessments associated with decorative lighting.

18. The City represents and warrants to Developer that it has the power, authority and legal right to enter into all of the transactions and to perform all of the covenants and obligations required to be entered into or performed by the City under this Agreement.

- The City represents and warrants to Developer that it is empowered and authorized to execute and deliver this Agreement and other agreements and documents, if any, required hereunder to be executed and delivered by the City. This Agreement has been, and each such document at the time it is executed and delivered, will be duly executed and delivered on behalf of the City.
- When executed and delivered to Developer, all such agreements shall constitute a legal, valid and binding obligation of the City, enforceable in accordance with its terms.

19. The Developer represents and warrants to the City that Developer is a Limited Liability Corporation, duly organized and existing under the laws of the State of Wisconsin, and that all proceedings of Developer necessary to authorize the negotiation and execution of this Agreement and the consummation of the transaction contemplated by this Agreement have been taken in accordance with applicable law.

- The Developer represents and warrants to the City that the execution and delivery of this Agreement, the consummation of the transactions contemplated in this Agreement and the execution and delivery of the documents required to be executed, delivered or acknowledged by Developer at the closing will not violate any provision of Developer's partnership agreement or any applicable statute, rule, regulation, judgment, order or decree of the State of Wisconsin or a court having jurisdiction over Developer or its properties.

20. This Agreement, along with *Exhibits 1, 2, 3, and 4*, sets forth the entire understanding of the parties relative to its subject matter and supersedes and merges any and all prior communications, negotiations and agreements, oral or written.

21. It is understood and agreed that the provisions of this agreement shall be deemed severable and the invalidity or unenforceability of any one or more of the provisions contained herein shall not affect the validity and enforceability of the other provisions contained herein.

22. This agreement may not be modified or amended, except in writing, with the written consent of both the City and the Developer.

EMERALD VALLEY ESTATES, LLC

By: _____

Printed Name: _____

Title: _____

By: _____

Printed Name: _____

Title: _____

STATE OF WISCONSIN)

: ss.

_____ COUNTY)

Personally came before me on this _____ day of _____, 2015, the
above-named _____ and _____, to me
known to be the persons who executed the foregoing instrument and acknowledge the same.

Notary Public, State of Wisconsin

My commission is/expires: _____

[SIGNATURES CONTINUE ON NEXT PAGE]

CITY OF APPLETON

By: _____
Timothy M. Hanna, Mayor

By: _____
Dawn Collins, City Clerk

STATE OF WISCONSIN)
 : ss.
OUTAGAMIE COUNTY)

Personally came before me on this _____ day of _____, 2015, the above-named Timothy M. Hanna and Dawn Collins, to me known to be the persons who executed the foregoing instrument and acknowledge the same.

Notary Public, State of Wisconsin

My commission is/expires: _____

Provision has been made to pay the liability that will accrue under this contract.

Approved as to Form:

Tony Saucerman, Director of Finance

James P. Walsh, City Attorney

This instrument was drafted by:
James P. Walsh, Appleton City Attorney

H:\Word\Projects\2015\2nd Addition to Emerald Valley - Development Agreement.doc
April 2015

AN ORDINANCE CREATING SECTION 2-29 OF CHAPTER 2 ARTICLE II OF THE MUNICIPAL CODE OF THE CITY OF APPLETON, RELATING TO ADMINISTRATION - COMMON COUNCIL.

(Committee Name – Date)

The Common Council of the City of Appleton does ordain as follows:

Section 1: That Section 2-29 of Chapter 2, Article II, of the Municipal Code of the City of Appleton, relating to Administration, Common Council, is hereby created to read as follows:

Sec. 2-29. Alderperson absence; participation by phone.

An alderperson unable to appear in person at a meeting of the Common Council may request in writing or by email at least twenty-four (24) hours in advance of the meeting the written or emailed permission from the President of the Common Council to participate in the meeting by telephone. The Council President may grant the request only upon finding good cause. An alderperson's appearance by telephone must be noted in the meeting agenda. Telephone participation must occur by speaker phone, with a speaker phone placed in the meeting room so that the physically absent member can hear and can be heard by all those who are present. An alderperson appearing by telephone shall be entitled to participate and vote to the fullest extent possible, but shall not vote on any matter that may require observation of any part of the proceeding, including the demeanor of a witness or viewing exhibits not previously provided. An alderperson participating by telephone shall not count towards a quorum.

Section 2: This ordinance shall be in full force and effect from and after its passage and publication.

Dated: _____

Timothy M. Hanna, Mayor

Dawn A. Collins, City Clerk

J:\Attorney\WORD\Jamie\Ordinances\2015 Ords\Sec 2-29 Alderperson Appearances (created) 07-07-15 Finance Comm.doc



"...meeting community needs...enhancing quality of life."

TO: Finance Committee
FROM: Tony Saucerman, Finance Director *Ts*
DATE: July 2, 2015
RE: Unassigned Fund Balance

The Fund Balance Policy for the General Fund states:

At least 75% of General Fund Balance in excess of the reserve policy (currently 3 months operating expenditures) be used for the reduction of long-term liabilities. Utilization of the remaining funds be subject to recommendation from the Finance Committee to be used for additional reduction of long-term liabilities or General Fund expenditures with final Council approval.

The unassigned fund balance in excess of the working capital designation for the year ended December 31, 2014 was \$1,127,107. Per the policy, 75%, or \$845,330, of that amount is to be used to reduce long-term debt. The remaining 25%, or \$281,777, is subject to Finance Committee recommendation.

At the May 12, 2015 Finance Committee meeting, a settlement agreement between the City and Walgreens Company to refund a portion of the Company's 2011-2014 property taxes was approved. The net effect of this refund resulted in the use of \$211,097 of unassigned fund balance, leaving a discretionary balance of \$70,680. I recommend the Committee leave the \$70,680 in unassigned fund balance as a reserve for potential unbudgeted expenditures that may arise during the remainder of the year.

I will work with the City's financial advisor to determine the most cost-effective approach to utilize the \$845,330 in debt reduction (ie. call any eligible existing debt or reduce the 2015 borrowing package).

If you have any questions on this matter, please feel free to contact me. Thank you for your consideration.



"...meeting community needs...enhancing quality of life."

**PARKS, RECREATION & FACILITIES
MANAGEMENT**

Dean R. Gazza, Director

1819 East Witzke Boulevard
Appleton, Wisconsin 54911-8401
(920) 832-5572 FAX (920) 993-3103
Email - dean.gazza@appleton.org

TO: Finance Committee

FROM: Dean R. Gazza

DATE: 7/7/2015

RE: Informational: Contract 15-14 was awarded to Milbach Construction, "Pierce Park Band Shelter" in the amount of \$328,135 with a contingency of \$46,744. Change orders approved totaled \$26,320.64. Final contract amount is \$354,455.64 with remaining contingency of \$20,423.36. Payments issued to date total \$316,382.05. Request to issue the final contract payment of \$38,073.59.

The 2014 Capital Improvement Budget included funding for renovation of the Pierce Park Pavilion. An inspection of the pavilion in 2011 identified much of the infrastructure below the band stage was deteriorating. Temporary repairs were made to ensure it was safe enough to use and plans were developed to make long-term improvements. This contract was to address the facility components of the project. The project is complete and the facility is being fully utilized.

Changes during the project included full removal of the footings versus partial, which was additional work required as a result of a previous fire that damaged some of the structure in the roofing. Also, a change in roof material was made to better conform to the curved roof.

Please contact me at 832-5572 or at dean.gazza@appleton.org with any questions.

**Strand Associates, Inc.®**

910 West Wingra Drive

Madison, WI 53715

(P) 608-251-4843

(F) 608-251-8655

June 15, 2015

CHANGE ORDER NO. 3

PROJECT: Bar Screen Replacement Project
OWNER: City of Appleton
CONTRACT: 1-2013
CONTRACTOR: August Winter and Sons, Inc.

Description of Change

3a	Modify Plexiglas access panel on bar screens.	ADD	\$1,650.00
TOTAL VALUE OF THIS CHANGE ORDER:		ADD	\$1,650.00

Contract Price Adjustment

Original Contract Price	\$744,247.00
Previous Change Order Adjustments	\$13,325.00
Adjustment in Contract Price this Change Order	\$1,650.00
Current Contract Price including this Change Order	\$745,897.00

Contract Completion Date Adjustment

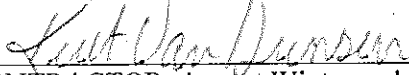
Original Contract Completion Date	July 19, 2015
Contract Completion Date Adjustments due to previous Change Orders	0 days
Contract Completion Date Adjustments due to this Change Order	0 days
Current Contract Completion Dates including all Change Orders	July 19, 2015

This document shall become a supplement to the Contract and all provisions will apply hereto.

RECOMMENDED


ENGINEER—Strand Associates, Inc.® Date 6/15/15

APPROVED


CONTRACTOR—August Winter and Sons, Inc. Date 6/16/15

APPROVED


OWNER—City of Appleton Date 6/26/15

Witthuhn, Vernon

From: Robert Kennedy <Robert.Kennedy@Appleton.org>
Sent: Monday, June 15, 2015 6:10 AM
To: Van Grinsven, Kurt
Cc: Beinlich, Kevin; Witthuhn, Vernon
Subject: RE: Access covers

Follow Up Flag: Follow up
Flag Status: Completed

That is what I and my staff would like to see happen.
Vern, can you put a change order together for this?
Thanks
Bob

From: Van Grinsven, Kurt [mailto:kvangrinsven@augustwinter.com]
Sent: Friday, June 12, 2015 1:48 PM
To: Robert Kennedy
Cc: Beinlich, Kevin
Subject: Access covers

Bob,

Kevin met with you earlier today and talking with him we plan on stich welding stainless 304 angle iron on the top and bottom of the bar screens windows to form a "channel" to allow the plexi-glass to slide in and out from. Also, regarding the large bar screen we will cut the plexi-glass in half (vertical) to allow easier removal of the covers. We propose the work mentioned above for the amount of \$1650, If you have any questions feel free to contact me.

Kurt Van Grinsven

August Winter & Sons Inc.
Project Manager
Ph (920) 739-8881 Fax (920) 739-2230
Direct Ph (920) 560-2229
kvangrinsven@augustwinter.com



LEGAL SERVICES DEPARTMENT

Office of the City Clerk

Dawn Collins, Clerk

MEMO

"...meeting community needs...enhancing quality of life."

July 1, 2015

TO: Attorney Jim Walsh

FR: Dawn Collins

RE: Exchange of Postage Machine
Upgrade Pitney Bowes Postage Machine 2000 under warranty to Connect+ 3000

Nearing almost one year of use, and while the machine remains under warranty, we are able to upgrade the postage machine for an additional \$117 per month. It seems some of the features the postage machine had in the past were overlooked when purchasing the replacement in 2014.

The current machine from Pitney Bowes is \$385 per month but the change removed the option of a sensor to seal or not seal envelopes. That change has been a bit of a step back. The staff time to sort and monitor the envelopes moving through the postage machine is a cost to the City of approximately \$300/month.

For a total monthly payment of \$503, a monthly increase of \$117, the upgrade to the Connect+ 3000 model will provide the sealer sensor – allowing running mixed mail with sealed or unsealed envelope flaps – as well as a slight increase in speed.

The additional funds of \$700 for the increase not budgeted for in 2015 can be covered from Account 11050-6301, Office Supplies, for the last half of the year.

:dc