

N 17051028

### Section (A) Office Information

Office Number: <b>9430</b>	Office Name: <b>JMP OFFICE TECHNOLOGIES, INC (SSS)</b>	Office Phone #: <b>298-6582</b>	Date Submitted: <b>4/28/17</b>
-------------------------------	---	------------------------------------	-----------------------------------

### Section (B) Billing Information

Company Name (Full legal name): <b>CITY OF REEDLEY</b>	
DBA:	
Billing Address: <b>845 G STREET</b>	
Billing City: <b>Reedley</b>	State: <b>CA</b> ZIP Code + 4: <b>93654</b>
Billing Contact Name: <b>Paul Melician</b>	Contact Phone Number: <b>559-637-4200</b>
Billing Contact Title: <b>ASST City Manager</b>	Contact Fax Number: <b>559-637-4200</b>
Billing Contact email Address:	Purchase Order Number:

### Section (C) Installation Information (if different than Billing Information)

Company Name (Full legal name): <b>SAME</b>		
Installation Address (No PO Boxes or General Delivery):		
Installation City:	State:	ZIP Code + 4:
Installation Contact Name:	Phone Number:	
Installation Contact Title:	Fax Number:	
Installation Contact email Address:		
Main Post Office Name / Mail Drop off:	Post office 5-Digit ZIP Code:	

### Section (D) Products

Quantity	Model / Part Number	Description (Include Serial Number, if applicable)
		<input type="checkbox"/> See additional listed products on attached continuation schedule.
1	1	1H700 DS300
2	1	DT-ECERTIKAS-H
3	1	DT-ECERT-H
4	1	DT-ECERTIO H

**IN700 Series w/Mixed Mail Feed, Drop, LAN, 1HDS7-3016**  
**e-cert. Subscription (up to 1K/YR)**  
**e-cert configuration**  
**#10 Double Window - 1000 GT**

### Section (E) Lease Payment Information & Lease Payment Schedule

<b>Tax Status:</b> <input checked="" type="checkbox"/> Taxable <input type="checkbox"/> Tax-Exempt (Certificate attached)  <b>Billing Frequency:</b> <input type="checkbox"/> Monthly <input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Annually  <b>Billing Method:</b> <input type="checkbox"/> Standard	Period	# of Months	Monthly Payment (plus applicable taxes)
	First	63	449 <sup>00</sup>
	Next		
	Next		
	Next		
Current Lease Number: <b>H12031698</b>			
<input type="checkbox"/> ACH (Customer to submit authorization form)			

### Section (F) Postage Meter & Postage Funding Information

Meter Model:	Machine Model:
Postage Funding Method: <input type="checkbox"/> Bill Me <input checked="" type="checkbox"/> Prepay By Check <input type="checkbox"/> ACH Debit (Customer to submit authorization form)	Postage Funding Account: <input type="checkbox"/> New <input checked="" type="checkbox"/> Existing Account TMS Account # <b>57442</b> POC Account # _____
<b>Service Products (Check all that apply)</b> <input checked="" type="checkbox"/> Online Postal Rates iMeter™ App (SP10) <input type="checkbox"/> Online Postal Expense Manager iMeter™ App (SP20/NeoStats) <input type="checkbox"/> Online E-Services iMeter™ App (SP30) <input type="checkbox"/> Online E-Services with Electronic Return Receipt iMeter™ App (SP35) <input type="checkbox"/> NeoShip BASIC - Requires NeoFunds/TotalFunds (EP70) <input type="checkbox"/> NeoShip PLUS - Requires NeoFunds/TotalFunds (EP70PLUS) <input type="checkbox"/> NeoShip ADVANCED - Requires NeoFunds/TotalFunds (NEOSHIPADV) <input type="checkbox"/> NeoShip Install & User Guide (EP70GUIDES) <input type="checkbox"/> RunMyMail <input checked="" type="checkbox"/> Maintenance (provided by your authorized office) <input checked="" type="checkbox"/> Installation & Training (provided by your authorized office) <input type="checkbox"/> Annual Software Support (Maintenance) Covered Product:	

### Section (G) Approval

Existing customers who currently fund the Postage account by ACH Debit will not be converted to NeoFunds/TotalFunds unless initiated here \_\_\_\_\_.

This document consists of a Product Lease ("Lease") with MailFinance Inc.; and a Postage Meter Rental Agreement ("Rental Agreement"), and an Online Services and Software Agreement with Neopost USA Inc.; and a NeoFunds/TotalFunds Account Agreement with Mailroom Finance, Inc. Your signature constitutes an offer to enter into the Lease and, if applicable, the other agreements, and acknowledges that you have received, read, and agree to all applicable terms and conditions (version DealerLease-V04-16), which are also available at <http://portal.neopostinc.com/terms/DealerLease-V04-16.pdf>, and that you are authorized to sign the agreements on behalf of the customer identified above. The applicable agreements will become binding on the companies identified above only after an authorized individual accepts your offer by signing below, or when the equipment is shipped to you.

Authorized Signature:  Accepted by Neopost USA and its Affiliates	Print Name and Title: <b>Paul A. Melician</b>	Date Accepted: <b>4.26.17</b> <b>5/24/17</b>
---	--	--



# MailFinance

A Neopost USA Company

*Ames*

*Term 1/1/17  
Aug 1/1/17*

*Term 1/1/17  
Aug 1/1/17*

## Why Wait Program Agreement

The Neopost Why Wait program entitles you to upgrade your Neopost equipment up to 6 months prior to the end of the term of your Current Lease. Your new lease term will automatically commence and billing will begin after your Current Lease has reached the end of its current Term. The transition from your Current Lease to the New Lease will be seamless.

By electing to participate in this program, you agree to the following:

- You agree to continue making payments on lease number H12031698 through the end of its Initial Term or, if applicable, the current Renewal Term.
- The term of the new lease, being signed concurrently with this agreement, ("New Lease") will commence when the Current Lease reaches the end of its Initial Term or, if applicable, the current Renewal Term.
- The Products that are subject to the Current Lease will be replaced with the Products identified in the New Lease for the remainder of the Current Lease's Initial Term or, if applicable, the current Renewal Term.
- The replaced products must be returned to Us within thirty (30) days of the effective date of this agreement.

Company: City of Reedley

Signature: *Paul A. Melikian*

Name (printed): PAUL A. Melikian

Title: Assistant City Manager

Date: 4/28/17

Company: MailFinance Inc.

Signature: *[Signature]*

Name (printed): John Tartaro

Title: Deputy CFO

Date: 5/23/17

*N17051028*

## ADDENDUM TO AGREEMENTS

This Addendum to Agreements is by and between MailFinance Inc. ("MailFinance"), Neopost USA Inc. ("Neopost USA") and City of Reedley ("Customer") with reference to the following:

A. MailFinance and Customer are entering into a Product Lease Agreement (the "Lease"), pursuant to which MailFinance will lease products to Customer.

B. Concurrently herewith, Neopost USA and Customer are entering into an Online Services and Software Agreement (the "OSS Agreement") pursuant to which Neopost USA will make certain other services available to Customer.

C. Any defined term used herein shall have the same meaning as in the Lease, or the OSS Agreement.

In consideration of the mutual covenants contained herein, and in the Lease, and the OSS Agreement, the parties agree to amend the OSS Agreement as follows:

1. Section 2, titled "License Grant and Additional Terms" is hereby amended to add the following to the end of this section: "Customer acknowledges they are purchasing Electronic Certified Mail subscription services at the annual volume band for of number of Electronic Certified Mail ("eCert"), as indicated on the Lease Agreement Order Form ("Annual Volume Band"). In the event customer exceeds their Annual Volume Band in any given lease year, Customer agrees to pay an overage charge for each eCert over their contracted Annual Volume Band as outlined below (the "Overage Charge"). The Overage Charge will be determined as a product of the number of eCerts You process in excess of Your Annual Volume Band multiplied by Overage Charge associated with your Annual Volume Band. The Overage Charge, if any, will be calculated and invoiced by Us to You annually, at the end of the lease year."

Annual Volume Band (# of eCerts) *	Overage Charge
500	\$ 0.25
1,000	\$ 0.24
2,000	\$ 0.23
4,000	\$ 0.22
8,000	\$ 0.21
16,000	\$ 0.20
32,000	\$ 0.19
64,000	\$ 0.18
128,000	\$ 0.17
256,000	\$ 0.16

\* Volume bands renew annually

The Lease, Rental Agreement, neoFunds/TotalFunds Agreement, Maintenance Agreement, OSS Agreement, and this Addendum contain the complete understanding and agreement between the parties hereto, and supersede all eCertify Lease Addendum

3/2/2015  
HPL

representations, understandings or agreements prior to the execution thereof. Any changes or additions to the foregoing agreements will be valid only if they are in writing and signed by the appropriate parties.

In the event of any conflict between the terms of the Lease, OSS Agreement, and this Addendum, the terms of this Addendum shall control.

The parties have caused this Addendum to Agreements to be executed by their duly authorized representatives on the date set forth below.

Customer: City of Reedley

By: Paul A. Melikian

Printed Name: PAUL A. melikian

Title: Assistant City Manager

Date: 4.28.17

MailFinance Inc.

By: [Signature]

Printed Name: John Tartaro

Title: Deputy CFO

Date: 5/23/17

Neopost USA Inc.

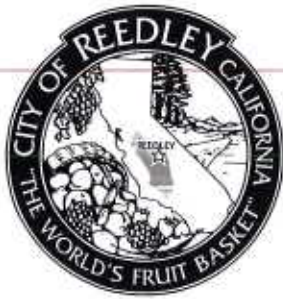
By: [Signature]

Printed Name: John Tartaro

Title: Deputy CFO

Date: 5/23/17





## REEDLEY CITY COUNCIL

- ☒ Consent
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

**DATE:** April 25, 2017

**ITEM NO:** 5

**TITLE:** APPROVE AND AUTHORIZE THE CITY MANAGER TO EXECUTE A 63 MONTH PRODUCT LEASE AGREEMENT WITH MAILFINANCE, A NEOPOST USA COMPANY, FOR A POSTAGE METER MAILING MACHINE

**SUBMITTED:** Paul A. Melikian, Assistant City Manager *PM*

**APPROVED:** Nicole R. Zieba, City Manager *NZ*

### RECOMMENDATION

That the City Council approve and authorize the City manager to execute a 63 month product lease agreement for \$449 per month with MailFinance, a Neopost USA Company ('MailFinance') for a postage meter mailing machine to replace the existing unit that is coming off of lease in June 2017.

### DISCUSSION

In March 2012, the City began a 63 month lease term for a 1) postage meter mailing machine and 2) envelope stuffing machine at a cost of \$738 per month. Both machines were an integral part of city operations. The postage meter mailing machine is used by all City departments, allowing the City to enjoy significant cost savings, security, and convenience over using postage stamps. The envelope stuffer was used up until April 2016 as part of the equipment suite required to print and stuff all City utility bills and business licenses. However, now that the printing, stuffing, and mailing City utility bills and business licenses has been outsourced (as detailed in a memo to the City council in March 2016), there is no longer a need to continue leasing the envelope stuffing machine. City staff met with the vendor last year try to amend the lease to remove the obligation of paying for the last 15 months of the portion of the lease that was on the envelope stuffer; however it was not cost effective at that time to buy out of the remaining term. Now that the original lease term is ending, the City has the opportunity to remove the envelope stuffer and lease a new postage meter mailing machine to replace the existing unit that is now over five years old.

United States Postal Service (USPS) regulations do not allow 'ownership' of a postage meter, therefore they must be leased/rented. A Request for Proposal process was deemed unnecessary for this service given the service and support from the existing vendor, and the fact that staff negotiated fairly strongly for the City's interest in the new lease pricing of \$449 per month. Lastly, the new monthly lease amount of \$449 per month includes a subscription to a software-based system that will have the ability to upload certified tracking numbers directly to the USPS, centralizes the processing of certified mail, and allows for fast and consolidated document tracking functionality. Based on the City's current volume of approximately 700 certified mailings per year (with about 50% requiring signature confirmation), the

software will allow the City to save almost \$500 annually in return receipt fees. The savings almost entirely pays for the additional cost of the software, not including the significant time savings for staff who process certified mailings.

**FISCAL IMPACT**

The savings from the existing lease of \$289 per month will begin in July 2017, and has already been assumed as part of the overall funding strategy that was used to justify the outsourcing of printing, stuffing and mailing City utility bills and business licenses.

**ATTACHMENTS**

63 Month Product Lease Agreement with MailFinance, a Neopost Company