

MARIPOSA COUNTY

AGENDA

DATE: ~~MAR~~ 13 2001

BOARD OF SUPERVISORS

ACTION FORM

AGENDA ITEM NO.: 3

DEPARTMENT: Treasurer BY: Don Z. Phillips PHONE: 966-2621

RECOMMENDED ACTION AND JUSTIFICATION: ( Policy Item: ( ) Yes ( ) No)

Recommend lease purchase of Pitney Bowes mail machine as presented by their representative

BACKGROUND AND HISTORY OF BOARD ACTIONS:

Three board members heard a presentation by this department and Wayne Day from Pitney Bowes at their 2/13/01 meeting. Board asked that the request come back with more information, and that it takes a 4/5<sup>th</sup> vote to approve.

LIST ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

- 1) Lease as offered for a 60-month contract
- 2) Purchase equipment out right
- 3) Deny both and continue with current equipment.

COSTS: ( ) Not Applicable

A. Budgeted Current FY.....\$ \_\_\_\_\_

B. Total Anticipated Costs.....\$ \_\_\_\_\_

C. Required additional funding.....\$ \_\_\_\_\_

D. Internal Transfer.....\$ \_\_\_\_\_

SPECIAL INSTRUCTIONS:

List the attachments and number the pages consecutively.

- 1. Spreadsheet and explanation from Treas.
- 2. Faxed info from Pitney Bowes

Contract will be available day of meeting

\*Costs will be determined upon choice of purchase or lease.

SOURCE: ( ) 4/5ths Vote Required

A. Unanticipated Revenues.....\$ \_\_\_\_\_

B. Reserve for Contingencies.....\$ \_\_\_\_\_

C. Source Description: \_\_\_\_\_

Balance left in Reserve for Contingencies, if approved:  
\$ \_\_\_\_\_

CLERK'S USE ONLY:

Res. No.: 01-63 Ord. No. \_\_\_\_\_

Vote: Ayes: 4 Noes: Richard

Absent: \_\_\_\_\_ Abstained: \_\_\_\_\_

Approved ( ) Denied

Minute Order Attached ( ) No Action Necessary

ADMINISTRATIVE OFFICER'S RECOMMENDATION:

This item on agenda as:

\_\_\_\_\_ Recommended

\_\_\_\_\_ Not Recommended

\_\_\_\_\_ For Policy Determination

\_\_\_\_\_ Returned for Further Action

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The foregoing instrument is a correct copy of the original on file in this office.

Date: \_\_\_\_\_  
ATTEST:

\_\_\_\_\_  
Margie Williams, Clerk of the Board

By: \_\_\_\_\_  
Deputy

C.A.O. Initials: GD



# COUNTY of MARIPOSA

P.O. Box 784, Mariposa, CA 95338 (209) 966-3222


|                                  |              |
|----------------------------------|--------------|
| DOUG BALMAIN, CHAIRMAN           | DISTRICT II  |
| ROBERT C. STEWART, VICE-CHAIRMAN | DISTRICT III |
| PATTI A. REILLY                  | DISTRICT I   |
| GARRY R. PARKER                  | DISTRICT IV  |
| BOB PICKARD                      | DISTRICT V   |



## MARIPOSA COUNTY BOARD OF SUPERVISORS

### MINUTE ORDER

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TO: DON Z. PHILLIPS, TREASURER/TAX COLLECTOR  
FROM: MARGIE WILLIAMS, Clerk of the Board   
SUBJECT: LEASE OF NEW MAIL MACHINE – PITNEY BOWES  
Res. No. 01-63

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THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA,

ADOPTED THIS Order on March 13, 2001

#### ACTION AND VOTE:

Don Z. Phillips, Treasurer/Tax Collector;  
Recommend Lease Purchase of New Mail Machine from Pitney Bowes for the Hall of Records, and  
Approve Budget Action (4/5<sup>th</sup> Vote Required) (Continued from 2/13/01)  
**BOARD ACTION:** Discussion was held with Don Phillips relative to a lease purchase versus purchase of the mail machine. Don advised that after reviewing the costs, including maintenance and software upgrades, he is recommending a lease at this time for five years. Wayne Day, Pitney Bowes, was present to respond to questions relative to this matter. (M)Parker, (S)Stewart, Res. 01-63 adopted approving the lease agreement with Pitney Bowes as recommended/Ayes: Reilly, Balmain, Stewart, Parker; Noes: Pickard.

cc: File

**PITNEY BOWES MAILING EQUIPMENT PROPOSAL**

| Equipment Description      | Payment Mode       | Monthly Costs    |                  |
|----------------------------|--------------------|------------------|------------------|
|                            |                    | Current          | Proposed         |
| Postage Meter              | Rented Quarterly   | \$ 103.50        | \$ 88.60         |
| Postage Meter              | 3 mo. Refill Costs | \$ 6.33          | \$ 6.33          |
| Mailing Machine            | Yearly Service     | \$ 56.25         | \$ 132.00        |
| Power Stacker              | Yearly Service     | \$ 27.50         | \$ 18.41         |
| 10lb Scale                 | Yearly Service     | \$ 25.00         | \$ 12.08         |
| 10lb Scale                 | 2 yr Rate Change   | \$ -             | \$ -             |
| <b>Total Monthly Costs</b> |                    | <b>\$ 218.58</b> | <b>\$ 257.42</b> |
| <b>Difference</b>          |                    |                  | <b>\$ 38.84</b>  |

\*Although it is shown on the Pitney Bowes explanation, we do not subscribe to the two year "rate changes" at a cost of \$9.87.

The current budget for the three departments can absorb the \$38.84 difference shown above.

The amounts shown above are the monthly maintenance costs should the county decide to purchase the equipment outright. These costs are built-in to the monthly lease amount, should the county decide to lease the equipment for the five year period.

By leasing the equipment, the monthly costs are fixed for the duration of the lease contract, and no further costs would be charged for maintenance.

|  |                     |                                       |
|--|---------------------|---------------------------------------|
| Amount to lease equipment =  | \$ 458.48           | First 3 payments                      |
| Includes meter rental & reset charges, and the maintenance for term of lease | \$ 634.48           | Balance of 57 payments                |
|  | \$ 1.00             | buy out at end of lease period        |
| <br>Buy Out Cost =   | <br>\$ 16,537.00    |                                       |
| Discount   | \$ 25.00            |                                       |
| Tax  | \$ 1,240.28         | Prior to Trade-in Discount of \$25.00 |
| <b>Total</b>   | <b>\$ 17,752.28</b> |                                       |

Buy Out vs Lease = Equipment is \$17,752.28 plus \$15,445.20 for maint. = \$33,197.48 total  
 Lease over 60 mo. period is \$37,540.80 total includes maintenance.  
 Difference = \$4,343.32 more over the 60 month period of lease.

It is this tax collector's recommendation to lease the equipment for the 60 month period, which would include all the maintenance for that lease period. Total amount to budget each year would be \$7,800.00 payable monthly at \$634.48.

There would have to be an appropriation of \$1,400.00 to this years budget, which would represent payments for April, May, & June.

(1)