



City of Eustis

P.O. Drawer 68 • Eustis, Florida 32727-0068 • (352) 483-5430

TO: EUSTIS CITY COMMISSION
FROM: TOM CARRINO, CITY MANAGER
DATE: October 6, 2022
RE: RESOLUTION NUMBER 22-66: APPROVAL OF PURCHASE IN EXCESS OF \$50,000 FOR CUSTOMER SERVICE POSTAGE COSTS

Introduction

Resolution Number 22-66 approves a purchase in excess of \$50,000 for postage needed for the year to send out monthly utility bills and correspondence to the City's approximate 12,500 utility customers.

Recommended Action

Staff recommends approval of the Resolution 22-66.

Background

The approved FY 2022-2023 Budget includes \$72,555 in funding for the procurement of the postage necessary to mail the 12,500 plus monthly customer utility bills. Including other correspondence, this equates to over 150,000 bills sent during the course of the year. The request at this time is for the replenishment of the annual postage. Money will be requested monthly as needed in approximately 6,000 increments. This request can be accommodated by funding in the Customer Service operating account 040-3120-536-30-42.

Alternatives

1. Approve Resolution Number 22-66 and authorize the purchase of postage.
2. Reject Resolution Number 22-66 and reject the purchase of postage.

Discussion of Alternatives

1. Alternative 1 approves the purchase.
 - a. Advantages
 - i. The City can continue its monthly billing cycles without interruption.
 - ii. There will be no loss in utility revenue as a result of billing interruption.
 - iii. Customers will have knowledge of their utility usage, amounts due, and amounts paid.
 - b. Disadvantages
 - i. None.

2. Alternative 2 rejects the purchase.
 - a. Advantages
 - i. None.
 - b. Disadvantages
 - i. Monthly billing cycles will not take place or be significantly interrupted.
 - ii. The City will lose significant amounts of revenue.
 - iii. Customers will no longer have knowledge of their account status.

Budget and Staff Impact

The approved FY 22-66 Customer Service Budget includes the funding necessary for this purchase.

Prepared By:

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Reviewed By:

Nailya (Nelly) Harnisch, Deputy Finance Director