

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

249



FROM: Purchasing and Fleet Services

SUBMITTAL DATE:
November 3, 2010

SUBJECT: APPROVAL OF FY2011-2012 RATE CHANGES FOR CENTRAL MAIL SERVICES

RECOMMENDED MOTION: That the Board of Supervisors:

Approve the proposed fiscal year 2011/12 rates for Central Mail as shown in Attachment A.

BACKGROUND: This Form 11 is for the purpose of setting Central Mail Services rates for fiscal year 2011/12.

(Continued on Page 2)

[Signature]
Robert J. Howdysshell, Director
Purchasing and Fleet Services Department

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/12

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *Serena Chow*
Serena Chow

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Buster and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Stone, Benoit and Ashley
Nays: None
Absent: Tavaglione
Date: January 25, 2011
xc: Purchasing, Auditor

Kecia Harper-Ihem
Clerk of the Board
By: *[Signature]*
Deputy

Prev. Agn. Ref.: | **District:** ALL | **Agenda Number:**

3.30 K

FISCAL PROCEDURES APPROVED
 PAUL ANGLULO, CPA, AUDITOR-CONTROLLER
 BY: *George C. Tabora*
 GEORGE C. TABORA
 Departmental Representative

Policy Policy
 Consent Consent
 Dept's Recomm.:
 Per Exec. Ofc.:

BACKGROUND (Continued)

Central Mail Services operates as an Internal Service Fund (ISF) and as such, must recoup its operating costs through charges to its customers. Central Mail Services derives rates by combining the direct cost of labor and equipment with indirect costs incurred to run and maintain the facility and operation.

Delivery, Pickup and Mail Stops

County entities will be billed according to the number of deliveries, pickups, and mail stops that they have.

Under the proposed rates in Attachment A, customers will be charged \$180/year/mail stop number. This charge covers the cost producing the Mail Stop List, redesigning routes when mail stops are changed, and the costs of sorting to a finer level. Customers are charged \$90 to cancel a mail stop to cover the costs of reproducing the Mail Stop List and redesigning routes.

Each customer will be charged \$8.56 per day per business address for pickup and delivery. This represents no change from the fiscal year 2011 rate.

For example, the Auditor-Controller has four (4) mail stops and two (2) different business addresses. They will be charged $4 \times \$180 = \720 per year for their mail stops and $\$8.56 \times 2 \times 249 \text{ days} = \$4,262.88$ for pickup and delivery services.

Postage

Customers are charged no more than single-piece, non-automated rate for first class postage. For example, customers pay 44 cents for all first class letters weighing no more than one ounce. There is no additional charge to customers for the costs of applying postage, sorting, or transporting the envelopes to the Post Office.

The United States Post Office (USPS) typically establishes new postage rates in May of each year. Central Mail Services will automatically reset postage rates to agree with USPS when a rate change occurs.

Attachment A
Central Mail Services Rate Structure
July 1, 2011

Mail and Shipping Services	
	FY 11-12
First Class Postage:	
Current rates are based on United States Postal Service rates effective May 11, 2009.	
One Ounce Letter with Postage Affixed	\$ 0.44
One Ounce Flat	\$ 0.88
One Ounce Parcel	\$ 1.22
Additional Ounce	\$ 0.17
Card Rate	\$ 0.28
Fed Ex and Other Delivery Services	Cost + .584
Certified, Registered	Cost + .424
Post Office Boxes	Cost
Prepaid Overnight Letter or Legal Envelopes	N/A
Prepaid Packs Packs	N/A
Address Correction Per Envelope	\$ 0.25
Interoffice Pick-up and Delivery Services	
Delivery	
Mail Stop Creation / Retention per year	\$ 180.00
Mail Stop Cancellation	\$ 90.00
Cost per Business Address per day of delivery per customer	\$ 8.56
Folding and Inserting Services	
Folding per Sheet	\$ 0.010
Inserting First Sheet	\$ 0.025
Inserting Additional Sheets	\$ 0.005
Set-up Charge for Jobs Totaling < 600 Sheets	\$ 10.000

Additional Information:

1. Postage is based on published USPS rates and is subject to change
2. USPS rates are shape-based rather than weight-based as of May 14, 2007
3. Folding and Inserting charges are based on cost of vendor-provided service