



Administrative Services
Purchasing Division

NOV 18 2004

October 15, 2004

First Class Direct, Inc.
Attn: Patty Coldwater
760 SE Frontage Road
Ft. Collins, CO 80524

Re: Bid #5643 Insert Mailing & Courier Service

The City of Fort Collins wishes to extend the agreement term for the above captioned proposal per the existing terms and conditions, including Exhibit C (attached). The term will be extended for one (1) additional year, January 1, 2005 through December 31, 2005.

If the renewal is acceptable to your firm, please sign this letter in the space provided and return it to the City of Fort Collins, Purchasing Division, P. O. Box 580, Fort Collins, CO 80522, within the next fifteen days. **If delivered**, please deliver to 215 North Mason Street, 2nd Floor, Fort Collins, CO 80524. **If mailed**, the mailing address is P.O. Box 580, Fort Collins, Colorado 80522-0580.

If this renewal is not acceptable with your firm, please send us a written notice stating that you do not wish to renew the bid. If you have any questions regarding this renewal, please contact David Carey, C.P.M., Buyer, at 970-416-2191.

Sincerely,

James B. O'Neill II, CPPO, FNIGP
Director of Purchasing and Risk Management

Patty Coldwater
Signature

11/16/04
Date

(Please indicate your desire to renew Bid #5643 by signing this letter and returning it with a current copy of insurance forms within 15 days to the Purchasing Division.

We simplified our pricing to make billing easier for both the city and us. Invoices will still be itemized but effectively there are two common rates 44.00/m for regular bills, and 54.00/m for everything else. In an average month this amounts to a 5.5% increase. We hadn't changed prices since 2002.

Thanks! Patty

EXHIBIT C

UTILITY BILLING:

REGULAR.
FOLD STATEMENT,
INSERT STATEMENT, REPLY ENVELOPE, NEWSLETTER, AND 1 ADDITIONAL INSERT
SEAL
MAILS ON PERMIT #1 ~~\$ 39.00/M~~ 44.00/m

ELECTRONIC FUNDS TRANSFER.
SAME AS ABOVE WITHOUT RETURN ENVELOPE
SEAL
MUST BE PRESORTED TO QUALIFY FOR AUTOMATED 3 DIGIT RATE. ~~\$ 92.00/M~~ 54.00/m

FINAL BILLS.
FOLD STATEMENT,
INSERT STATEMENT, REPLY ENVELOPE,
SEAL
MUST BE PRESORTED TO QUALIFY FOR AUTOMATED 3 DIGIT RATE. ~~\$ 92.00/M~~ 54.00/m

DELINQUENT NOTICE.
FOLD STATEMENT,
INSERT STATEMENT, REPLY ENVELOPE,
SEAL
MUST BE PRESORTED TO QUALIFY FOR AUTOMATED 3 DIGIT RATE. ~~\$ 92.00/M~~ 54.00/m

PROPERTY OWNER NOTICE.
FOLD STATEMENT,
INSERT STATEMENT,
SEAL
MAILS AT FULL RATE. ~~\$ 37.00/M~~ 54.00/m

NEW CUSTOMER LETTERS.
FOLD PERSONALIZED LETTER,
INSERT LETTER, WATER & WASTEWATER RATES, RESIDENTIAL ELECTRIC RATE
BROCHURE,
SEAL
MUST BE PRESORTED TO QUALIFY FOR AUTOMATED 3 DIGIT RATE. ~~\$ 92.00/M~~ 54.00/m

ADDITIONAL INSERT REQUIRING FOLDING \$ 17.00/M

ADDITIONAL INSERT NOT REQUIRING FOLDING \$ 5.00/M

COST TO ADDRESS, TAB, SORT LETTER SIZE SELF MAILER.

NOT REQUIRING FOLDING

\$ 87.00M

COST TO ADDRESS, TAB, SORT LETTER SIZE SELF MAILER
REQUIRING FOLDING

\$101.00/M

COURIER SERVICE:

PRPA TO VENDOR

\$ 15.00 /Ea. Trip

PRPA TO UTILITY BILLING

\$ 15.00/Ea. Trip

UTILITY BILLING TO VENDOR

\$ 15.00/Ea. Trip

WAREHOUSING

\$ 17.00/pallet/M