Agenda Item #:\_\_



Staff Report City of Manhattan Beach

TO: Honorable Mayor Ward and Members of the City Council

- THROUGH: Richard Thompson, Interim City Manager
- FROM: Richard Gill, Parks & Recreation Director R.A. Bruce Moe, Finance Director Gina Allen, Recreation Services Manager Gwen Eng, General Services Manager
- **DATE:** January 19, 2010
- SUBJECT: Consideration of Cancellation and Re-Award of a Three-Year Parks and Recreation Activity Guide Printing Services Contract to Direct Advertising Response (Estimated Value \$200,400)

## **RECOMMENDATION:**

Staff recommends that the City Council: a) cancel the remaining portion of the City's contract with American Print Media, b) award a new three-year activity guide printing services contract to Direct Advertising Response with an estimated value of \$200,400, and c) approve a supplemental appropriation of \$11,600 from available unreserved General Fund balance.

## FISCAL IMPLICATION:

Funds totaling \$43,600 were allocated in the FY 2009-2010 Parks & Recreation budget for the activity guide printing services. Due to the higher bid amount with the recommended vendor, the remaining funds are insufficient to fully cover the printing costs for the two remaining issues. Staff is recommending that funds in the amount of \$11,600 be appropriated to cover this shortfall. The required funds for future years' issues will be budgeted accordingly.

## **DISCUSSION:**

The City publishes a quarterly activity guide that presents residents with Parks and Recreation class registration information. Approximately 16,000 copies of the guide are published each quarter. The most recent guide incorporated the City newsletter which was a separate publication for the last few years.

On November 5, 2008, Council approved the award of a three year contract to American Print Media for the printing of the guide. Since then, staff has published four quarterly guides utilizing American Print Media. These guides have been wrought with production problems such as inaccurate proof, incorrect colors on finished piece, fuzzy images and missing images/graphics. Further, they fail to effectively communicate with staff. Staff has made every effort to resolve these issues; however, the vendor's lack of responsiveness has led staff to determine that the