



Staff Report

City of Manhattan Beach

TO: Honorable Mayor Montgomery and Members of the City Council

THROUGH: *DC* David N. Carmany, City Manager

FROM: Bruce Moe, Finance Director
Gwen Eng, General Services Manager *Car DC*

DATE: May 17, 2011

SUBJECT: Consideration of the Award of a One-Year Extension for Graphic Design Services to Pixel Graphic Design

RECOMMENDATION:

Staff recommends that the City Council award a one-year extension to Pixel Graphic Design to provide graphic design services for the quarterly City Activity guide.

FISCAL IMPLICATION:

The City spends approximately \$14,000 annually on graphic design services for the quarterly guide. This 5% reduction is estimated to save the City \$700 annually.

DISCUSSION:

In March 2011, the City Manager sent letters to City suppliers to consider reducing fees by 5% while maintaining existing service levels. As an incentive, the City would consider extending their contracts.

The City currently contracts with Pixel Graphic Design to provide graphic design work on the quarterly Manhappenings activity guide that presents residents with Parks and Recreation class registration information. This guide requires a minimum of 50 hours monthly of graphic design work, along with specialized software skills. Contracting out this service has been the most cost and time effective method to design this quarterly guide. This vendor has consistently performed well, is responsive, and has provided excellent support during the past two years.

Pixel Graphic Design's contract will expire on February 29, 2012 with two option years remaining. As a result of the City Manager's letter, this vendor has agreed to the 5% reduction effective July 1, 2011, if the City will exercise the first allowable extension. The new contract expiration date will be February 29, 2013. Based on last fiscal year's costs and the remaining contract period, this would equate to approximately \$1,225 in savings to the City.

Staff recommends that the City Council approve a one-year extension to Pixel Graphic Design for Graphic Design Services.