



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Authorize the issuance of a Purchase Order for the Purchase of Four Printed Seasonal Activity Guides (F18-026) for the Department of Library and Community Services

REPORT IN BRIEF

Approval is requested to issue a purchase order to Almaden Press of Santa Clara, in the amount of \$110,240 for printing, labeling and mailing services for four seasonal printed activity guides and to authorize the City Manager to issue change orders within the proposed bid award amount.

EXISTING POLICY

Pursuant to Chapter 2.08 of the Sunnyvale Municipal Code, City Council approval is required for contracts exceeding \$100,000.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

The Department of Library and Community Services (LCS) produces three editions of Activity Guides and one summer camp/aquatic brochure annually that are mailed to previous participants and City residents. The guides are the primary marketing mechanism for promoting upcoming Community Services programs, classes and activities and are a critical means for residents (and participating non-residents) to register for programs offered throughout the year. As such, the printed Activity Guides are a vital revenue-generating mechanism for LCS.

A competitive Invitation for Bid (F18-026) was issued on September 1, 2017 to produce four Activity Guides covering the period Fall 2017 through Summer 2018. While specifications were being developed, it was noted that the Activity Guide could play a key role in the City's re-branding effort given its mass distribution to City households and the timing of the roll-out of the City's branding efforts. At the same time, LCS identified a desire to pilot variations to its publication of the guides in terms of the quality of materials as well as the method of distribution (for example, mailing to targeted audiences based on seasonality of activities versus mailing to a consistent quantity of households based on prior registration in programs). The Activity Guide represents a significant investment of marketing dollars and the Department would like the opportunity to evaluate the correlation between the distribution of the guides, program enrollment and revenue generation. A pilot that would allow for variances in materials and quantities distributed would allow for such an evaluation.

In consideration that each of the four publications might require an adjustment to the number of printed guides originally bid and/or changes in materials used, quotes for “alternative” bid amounts and optional services to identify pricing to account for these changes were required in the bid responses.

One bid response was received from Almaden Press and publicly opened on September 13, 2017. The bid amount of \$110,240, as shown on Attachment 1 Bid Summary to the report, is higher than the budgeted amount of \$59k. The higher cost can be attributed to two factors: 1) cost escalation (it has been two years since the last bid process); and 2) proposed revisions to the quality and quantity of materials to be produced.

The Department of Library and Community Services proposes to bridge the gap between the current appropriation and the proposed bid amount on a one-time basis using program savings within the Department. Any on-going funding gap would be addressed through the normal budget process considering the pilot results for additional marketing efforts.

In order to efficiently process and execute changes to the publication amounts of each activity guide within this purchase order, it is recommended that the City Manager be delegated the authority to execute and approve change orders within the proposed bid award amount of \$110,240.

FISCAL IMPACT

Funding for the purchase of printing services for the activity guides and the brochure is allocated in the Arts and Recreation Program.

Funding Source

The Arts and Recreation Program is funded in the General Fund.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

1) Authorize the issuance of a Purchase Order in the amount of \$110,240 to Almaden Press to produce four Printed Seasonal Activity Guides; and 2) Authorize the City Manager to approve change orders to the Purchase Order within the bid amount of \$110,240.

Prepared by: Gregory S. Card, Purchasing Officer

Reviewed by: Timothy J. Kirby, Director of Finance

Reviewed by: Cynthia E. Bojorquez, Director of Library and Community Services

Reviewed by: Teri Silva, Interim Assistant City Manager

Approved by: Kent Steffens, Interim City Manager

ATTACHMENTS

1. Bid Summary
2. Draft Purchase Order