

City Council Report

Date: May 4, 2020
To: City Council

Through: Michael Kennington, Deputy City Manager/Chief Financial Officer

From: Edward Quedens, Business Services Director

Matt Bauer, Procurement Administrator

Subject: Two-Year Renewal to the Term Contract for Printing and Mailing of Election

Publicity Pamphlets for the City Clerk's Office (Citywide)

Recommendation

Council is requested to approve the contract renewal as recommended.

The City Clerk's Office and Purchasing recommend authorizing the renewal with Century Graphics, Inc., at \$70,000 annually, based on estimated usage.

Background / Discussion

This contract provides printing and mailing services for the City's election publicity pamphlets. These services will be needed for the City's next General Election to be held on November 3, 2020, as well as any special elections the City Council may call. Publicity pamphlets are distributed to all Mesa households with registered voters.

Century Graphics, Inc. is requesting an increase of about 24% which is in line with all the paper, material and labor increases over the last three years, with paper being the largest cost driver. The cost of paper has increased 21% since August of 2017. The cost of paper is very volatile right now and paper companies cannot say for certain that there will not be any changes in pricing for the upcoming year. The minimum wage has also increased several times since this contract was awarded which affects the mail prep charge. Mailing prices have also gone up because of one of the largest mailers in the State closing its doors.

The City has been satisfied with vendor's performance and services provided. The new pricing will be firm for the remainder of the contract term (Years 4 and 5) and then the contract will be re-bid. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

Purchase Information

Action: Renewal (2-year term)

Procurement Type: Request for Proposals

Contract Number: 2017146

Original Council Award Date: 6/26/2017 Initial Contract Term: Three years

Possible Renewals: None

Funding Source: City Clerk's Office operating budget.