



City Council Report

Date: May 21, 2012
To: City Council
Through: Christopher J. Brady
From: Cindy Ornstein, Mesa Arts Center
Subject: 2012-13 Season Brochure Printing and Distribution for the Mesa Arts Center
"Citywide" Contract

Purpose and Recommendation

Council is requested to approve a contract for the Printing and Mailing of the 2012-13 Performing Live Season Brochure as recommended. Quotes were obtained by the Mesa Arts Center.

The Mesa Arts Center recommends awarding the contract to Republic Direct/ Arizona Republic at \$62,567.25, including applicable sales tax.

Background and Discussion

Due to the enormous success of a newsprint insert in area newspapers for the 2011-12 season, the Mesa Arts Center opted to upgrade the paper quality and significantly expand the distribution of this year's brochure.

While quotes using an identical specifications list have been obtained, the time sensitive nature of this project precludes the ability to go through a formal competitive bid process. We are requesting that the Council approve the purchase based on the lowest quote received.

The Mesa Arts Center requested estimates through both the Printing/Graphics unit and the *Arizona Republic* (Republic Direct/Gannett), with the latter approached directly by MAC staff, due to an existing business partnership.

Through the MAC's current partnership with the *Arizona Republic*, Mesa Arts Center will receive \$0.50 in credit from *Arizona Republic* on every dollar spent, which results in \$30,444 in trade/advertising value for use in advertising our programs during the 2012-13 season.

There are also additional cost savings by proceeding with the recommendation for the printing and sorting/ mailing services, as the cost for insertion into the *Arizona Republic* newspaper is determined by the total project investment. So, if the printing is done by a 3rd party, the cost per thousand will be at a much higher rate than if the project is done by the *Arizona Republic*. The insertion cost savings is \$8,432; total insertion cost is \$14,330 (would have been \$22,762 if a third party had printed the brochure).

The purchase includes \$46,557 for printing and \$1,680 for sorting/ mailing, as well as the *Arizona Republic's* insertion cost of \$14,330.

The selected Season Brochure quantity and specifications are:

- Brochure layout: 8 panel, 33.5x10.875, 4/4, 80# satin book, gate fold
 - Brochure sort & mailing: 16,000 w/indicia, 1 opaque tab, sort & mail, fold to 8.375x5.4375 for mailing, MAC provides list
 - Brochure overprint: 9,000 w/o indicia, and fold to 8.375x5.4375 for MAC
 - Brochure insertion: 477,687 w/o indicia, fold to 8.375x10.875 for insertion into newspaper
- Total quantity: 502,687 brochures

Alternatives

Council may choose not to award the contract and we need to proceed with a formal competitive bid, we would need to delay the launch of our public On Sale date by one month, which could negatively impact ticket sales and revenues.

Fiscal Impact

The total amount of \$62,567.25 is available in the Mesa Arts Center budget.

Coordinated With

Business Services Administration

**CITY OF MESA
AWARD RECOMMENDATION
MESA ARTS CENTER PERFORMING LIVE 2012-13 SEASON BROCHURE**

**Republic Direct/Arizona Republic
Tempe, AZ**

Quantity	Description	Extended Bid Price
502,687	Printing of Brochure (502,687 Copies)	\$46,557.25
	Insertion into AZ Republic (477,687 full run)	\$14,330.00
	Postage for 16,000 Mailed Copies	<u>\$1,680.00</u>
	Total Award	\$62,567.25

Quotes Received

(Including Tax but Without Insertion and Postage)

Republic Direct/Arizona Republic (Tempe, AZ) \$46,557.25 (Recommended)

Savings not included in this amount as explained in the report:

Trade/Advertising Credit for the MAC \$30,444

Additional Cost for Newspaper Insertion if printed by another printer \$8,432

Complete Print Shop, Inc. (Phoenix, AZ)	\$45,408.69	
FastSigns (Mesa, AZ)	\$40,898.00	(Non-Responsive – Late)
Century Graphics (Phoenix, AZ)	\$33,169.27	
Di-Mor Business Forms (Phoenix, AZ)	No Quote	