



City Council Report

Date: August 24, 2009
To: City Council
Through: Bryan Raines, Deputy City Manager
From: Edward Quedens, Business Services Director
Subject: Term Supply Contract for Printed Utility Bill Coupons for the Mail & Print Services Division (Contract #2009147)
"Citywide" contract

Purpose and Recommendation

Council is requested to approve the Term Supply Contract for Printed Utility Bill Coupons as recommended. Bid pricing was obtained and evaluated by the Mail & Print Services and Purchasing Divisions.

The Purchasing Division recommends awarding the contract to the lowest, responsive and responsible bidder, Century Graphics, Inc. at \$33,276.30, including applicable sales tax.

Background/Discussion

The City began a pilot program this year allowing local Mesa businesses the opportunity to underwrite the costs of producing the City's Openline newsletter and sponsor other city department events by making advertising space available in the form of coupons inserted in Mesa utility bills every other month.

Openline is a very valuable communication tool with our community and was in jeopardy due to the mid-year budget adjustments. This program is a partnership between the City and private businesses to offset the costs of printing, saving taxpayer dollars. The program is administered by the Public Information and Communication Office and any Mesa business that complies with the City's established sponsorship guidelines and policy can participate in the program.

This contract will provide the coupons that are inserted with the City utility bills every other month. The turnaround time is crucial since these inserts are to be included in the utility bills mailed out to City of Mesa utility customers. There will be a cost savings of \$562 per printing issue for an approximate annual cost savings of \$3,372.00, using the recommended vendor than the present vendor.

Twenty-six (26) responsive bids were received in June 2009.

The initial term of the contract is one-year with four (4) one-year renewals possible. Any price increases are capped by the Producer Price Index (PPI).

Alternatives

Council may choose not to award this purchase and new bids would be obtained.

Fiscal Impact

The cost of printing the coupons is off-set by the revenues generated by the program.

Coordinated With

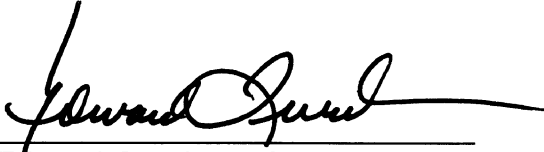
Business Services - Print Services



Pamela Chavez,
Management Assistant II



Jim Ruiz, CPPB
Purchasing Administrator



Edward Quedens, CPPO, C.P.M.
Business Services Director



Bryan Raines,
Deputy City Manager

**CITY OF MESA
AWARD RECOMMENDATION
COLOR PRINTED UTILITY BILL COUPONS
(REQUEST FOR BID #2009147)**

**Century Graphics, Inc.
Phoenix, AZ**

Description	Extended Bid Price
One "Issue" Color Coupons for Utility Bills, 495,000 inserts (165,000 coupons x 3 coupons per issue) per City specifications: 7.5" x 3.375" finished size, 70# paper stock, full-color soy ink colors, PDF output, bindery and turn-around time requirements at 7 – 10 days including proofing <div style="text-align: right;"> \$5,121.00 / each issue <u>\$425.05</u> 8.3% Sales Tax \$5,546.05 </div>	TOTAL \$33,276.30

Non-Responsive Bid Received From:
 Arizona Lithographers – Tucson, AZ (Did not meet specifications: freight pricing not included.)

June 2009 Bid Results:

Century Graphics, Inc. Services Phoenix, AZ	\$30,726.30 (Recommended)
Mark Printing and Graphics Phoenix, AZ	\$33,198.00
Courier Graphics Corp. Phoenix, AZ	\$34,386.00
Heritage Graphics Phoenix, AZ	\$35,514.00
Complete Print Shop, Inc. Phoenix, AZ	\$36,420.00
Cenveo Phoenix, AZ	\$37,386.00
Schuster Print Marketing Tempe, AZ	\$38,382.00
O'Neil Printing Co. Inc. Phoenix, AZ	\$40,668.00
JC Printing/Jiffy Copy Inc. Phoenix, AZ	\$41,394.00
Spherical Marketing Phoenix, AZ	\$44,160.00

Garrette II Chandler, AZ	\$44,936.10
S & L Printing & Mailing Gilbert, AZ	\$46,026.00
Cereus Graphics Inc. Phoenix, AZ	\$46,170.00
Ironwood Lithographers Tempe, AZ	\$47,682.00
Premier Graphics Inc. Phoenix, AZ	\$47,700.00
Hogue Printing Solutions Mesa, AZ	\$48,406.00
United Printing & Mailing Phoenix, AZ	\$50,594.94
Commercial Communications Inc. Tempe, AZ	\$50,935.50
Buse Printing & Advertising Inc. Phoenix, AZ	\$53,976.00
Alphagraphics #291 Tucson, AZ	\$54,000.00
International Minute Press Mesa, AZ	\$54,383.76
GOS Products for Business LLC Phoenix, AZ	\$63,180.00
Signature Offset Boulder, CO	\$65,804.28
Professional Office Services Inc. Waite Park, MN	\$65,857.26
Marketing Services Group Inc. Lutz, FL	\$67,212.00
FedEx Office Mesa, AZ	\$100,120.80