



# CITY COUNCIL AGENDA REPORT

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MEETING DATE: MAY 2, 2006

ITEM NUMBER:

**SUBJECT:** AWARD OF FORMAL BID ITEM NO. 1096 FOR A THREE-YEAR PRICE AGREEMENT FOR "RECREATION REVIEW" BROCHURE PRINTING.

**DATE:** APRIL 14, 2006

**FROM:** FINANCE DEPARTMENT- FINANCIAL PLANNING DIVISION

**PRESENTATION BY:** MARC R. PUCKETT, DIRECTOR OF FINANCE

**FOR FURTHER INFORMATION CONTACT:** TERESA M. ROMERO AT 714/754-5227

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## **RECOMMENDATION:**

Staff recommends the award of Formal Bid No 1096 for a three-year price agreement for "Recreation Review" Brochure Printing, to Westminster Press Inc, 4906 W. First Street, Santa Ana, California, 92703 for a total not-to-exceed \$30,100 annually.

## **BACKGROUND:**

The existing one-year contract for brochure printing expired December 31<sup>st</sup>, 2005. In reviewing the previous one-year contracts, staff determined the City's annual usage warranted a three-year firm-fixed pricing agreement to maximize the City's cost savings.

As required by the City of Costa Mesa Municipal Code, the "Notice Inviting Bids for 'Recreation Review' Brochure Printing" solicited qualified vendors listed on the Bidders' List, including vendors requesting a bid package. Five prospective bidders were invited to bid. A "Notice Inviting Bids" was also published on the City of Costa Mesa web site, public bulletin board in City Hall, and in the Daily Pilot. On April 3, 2006, the City Clerk received and read five bid submittals.

## **ANALYSIS:**

Of the five bid responses received, Westminster Press Inc. (*incumbent*) submitted the lowest responsive and responsible bid. Bid Tabulation is provided in Attachment I. The tabulation indicated Westminster Press Inc. was competitive. Based on an annual expenditure of \$29,368.00 and the Consumer Price Index, awarding a three-year price agreement would generate the following savings: \$511.23 for the first contract year; \$1,031.44 for the second year; and \$1,560.68 for the third year; or a total savings of \$3,103.40. Finally, Purchasing staff verified Westminster Press' references and based on the favorable responses, staff concluded the proposal was the best overall value for the City.

**ALTERNATIVES CONSIDERED:**

Staff considered various alternatives for contracting brochure printing services. One alternative was to continue the one-year contract practice, as in previous years. However, maintaining one-year contracts in lieu of a three-year contract would yield minimal savings on the City's behalf. Another alternative was to convert from conventional print processing to digital processing. Although this will eventually be the most cost-effective method, for the immediate future, digital processing is more costly and would not achieve any cost savings. Therefore, Purchasing staff does not recommend the above alternatives.

**FISCAL REVIEW:**

The FY 05-06 adopted budget provides funding for the expenditure of \$30,100 for printing the "Recreation Review" brochure.

**LEGAL REVIEW:**

There is no legal review required for this award.

**CONCLUSION:**

Staff recommends that the City Council approve the three-year price agreement for "Recreation Review" Brochure Printing, to Westminster Press Inc.

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MARC R. PUCKETT  
Director of Finance

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TERESA M. ROMERO  
Buyer

Attachments: [Attachment I, Bid Tabulation](#)

Distribution: City Manager  
Administrative Services Director  
Deputy City Clerk