



CITY COUNCIL ACTION REPORT

August 2, 2007

TO: Phillip L. Nelson, City Manager

FROM: Susan A. Leirstein, Purchasing Director
Cindy Stewart, Community Affairs Director

SUBJECT: Standard Purchasing Resolution 3 – Exercise Renewal Option –
Printing of City of Troy 2008 Calendar/Annual Report

Background

- On July 10, 2006, a contract to provide printing of the 2007 City Calendar/Annual report was approved with an option to renew for the 2008 Calendar to University Lithoprinters, Inc. of Ann Arbor, MI, the vendor with the highest weighted final score as a result of a best value process. (Council Resolution #2006-07-290-E4b).
- A letter is attached from University Lithoprinters, Inc. indicating their agreement to renew the contract for the 2008 Calendar under the same terms and conditions as the original contract.
- University Lithoprinters is not seeking any price increase to recover for the rising cost of paper.
- Due to the best value process used in evaluating the request for proposal, a market survey was not done; since the City utilizes an evaluation process in which bidders are required to meet minimum specified requirements, along with a weighted score for samples of their work from similar projects.

Financial Considerations

- Funds are available from the Community Affairs Department operating budget, account #748.7901.
- Community Affairs sold \$15,694.00 in ads to offset the cost to produce the 2007 Calendar/Annual Report.

Legal Considerations

- RFQ/RFP 06-16, the printing of the 2007 City Calendar/Annual Report was competitively bid and opened with five bidders responding.

August 2, 2007

To: Phillip L. Nelson, City Manager

Re: Exercise Renewal Option – 2008 Calendar/Annual Report

Policy Considerations

- The City Calendar/Annual Report is an all-encompassing informational and promotional piece used as one of the City's major public relations/marketing tools. It is mailed to approximately 37,000 households and businesses and used as the main piece in our new resident/business welcome packets. Ads are sold to help cover a portion of the printing costs. (Goals II, III & IV).
- The City Calendar can also contain a Citizens Survey Report Card floated into each calendar to measure citizen responses on a number of City services. (Goal I).

Option

- City management recommends the Troy City Council exercise the option to renew for the 2008 calendar with University Lithoprinters, Inc. for an estimated total cost of \$33,825.00 plus \$2,310.00 for the reply card insert under the same prices, terms and conditions, to expire upon successful delivery of the 2008 calendars, in accordance with contract requirements.



City of Troy

July 24, 2007

ATTN: Marilyn Bealafeld
University Lithographers Inc
4150 Varsity Drive
Ann Arbor, MI 48108

Dear Ms. Bealafeld:

On July 10, 2006, the City of Troy entered into contract #20600030-OB with University Lithographers to provide printing and design services to mail 40,000 copies of the 2007 City calendar. The contract may be renewed for the 2008 calendar under the same terms and conditions as the original contract.

Please fax this letter back indicating if University Lithographers wishes to renew this contract for the 2008 calendar. The fax number is (248) 524-3499. A request by City staff to determine the successful bidder's interest in renewing the contract in no way obligates the City. The renewal cannot be exercised without Troy City Council approval and a change to the blanket purchase order issued.

If you have any questions please call me at (248) 524-1147.

CHECK ONE:

University Lithographers Inc is interested in renewing the contract under the same terms and conditions:

(X)

University Lithographers Inc is not interested in renewing the contract:

()

X 
Signed: Authorized Company Representative

Date: 7/30/07

Thank you,
Cindy Stewart
City of Troy
Community Affairs Director

E-10 Hooters Lawsuit

Resolution #2006-07-289-E-10

RESOLVED, That the City Attorney is hereby **AUTHORIZED** and **DIRECTED** to represent the City of Troy in any and all claims and damages in the matter of *In re Hooters of Troy Inc.*, and to **RETAIN** any necessary expert witnesses and outside legal counsel to adequately represent the City.

E-11 Private Agreement for North Hills Christian Reform Church – Project No. 06.915.3

Resolution #2006-07-289-E-11

RESOLVED, That the Contract for the Installation of Municipal Improvements (Private Agreement) between the City of Troy and North Hills Christian Reform Church, is hereby **APPROVED** for the installation of water main and paving on the site and in the adjacent right of way, and the Mayor and City Clerk are **AUTHORIZED TO EXECUTE** the documents, a copy of which shall be **ATTACHED** to the original Minutes of this meeting.

E-12 Fireworks Permit – Troy Daze Festival

Resolution #2006-07-289-E-12

RESOLVED, That a fireworks permit be **ISSUED** to Mad Bomber Fireworks Productions, of Kingsbury, IN for the display of fireworks at the conclusion of the 2006 Troy Daze Festival.

E-1b Address of “E” Items Removed for Discussion by City Council and/or the Public

E-4 Standard Purchasing Resolutions**b) Standard Purchasing Resolution 8: Best Value Process Award – 2007 Calendar/Annual Report Printing Services**

Resolution #2006-07-290

Moved by Stine

Seconded by Beltramini

RESOLVED, That a contract to provide printing and design services to mail 40,000 copies of the 2007 City calendar with an option to renew for the 2008 calendar year is hereby **AWARDED** to University Lithoprinters, Inc. of Ann Arbor, MI, the vendor with the highest final weighted score, as a result of a Best Value process which the Troy City Council determines as being in the public interest at an estimated cost of \$33,825.00 per year, at unit prices contained in the tabulation opened May 17, 2006, plus \$2,310.00 for the reply card insert; and

BE IT FURTHER RESOLVED, That City Management **INTENDS** to sell advertising in excess of \$11,000.00 to help offset the costs to produce the calendar/annual report; and

BE IT FINALLY RESOLVED, That the City is **AUTHORIZED TO ACCEPT** an increase in paper prices for the 2008 calendar/annual report not to exceed the CPI for the Detroit /Ann Arbor area base year June 2006 or the CPI Inflation Calculator, whichever is lower.

Yes: Stine, Schilling, Beltramini, Fleming
 No: Howrylak, Broomfield
 Absent: Lambert

MOTION CARRIED

Vote on Resolution to Suspend Rules of Procedure for the City Council, Rule #26 – Continued Agenda Items Not Considered Before 12:00 AM

Resolution #2006-07-291
 Moved by Broomfield
 Seconded by Howrylak

RESOLVED, That City Council **SUSPEND** Rules of Procedure for the City Council, Rule #26 - *Continued Agenda Items Not Considered Before 12:00 AM* and **AUTHORIZE** City Council to **EXTEND** the adjournment time to 12:30 AM.

Yes: All-6
 No: None
 Absent: Lambert

PUBLIC COMMENT: Limited to Items Not on the Agenda

REGULAR BUSINESS:

F-1 **Appointments to Boards and Committees: a) Mayoral Appointments: Planning Commission b) City Council Appointments: Advisory Committee for Persons with Disabilities; Ethnic Issues Advisory Board; Library Advisory Board; Parks & Recreation Board; Traffic Committee; and Troy Daze Committee c) Confirmation of City Manager Appointment: Employee Retirement System Board of Trustees and Retiree Health Care Benefits Plan & Trust**

(a) Mayoral Appointments

Resolution #2006-07-292
 Moved by Schilling
 Seconded by Broomfield

RESOLVED, That the following persons are hereby **APPOINTED BY THE MAYOR** to serve on the Boards and Committees as indicated:

Planning Commission

Appointed by Mayor (9) – 3 Year Terms

June 28, 2006

TO: John M Lamerato, Acting City Manager

FROM: Jeanette Bennett, Purchasing Director
Cindy Stewart, Community Affairs Director

SUBJECT: **Agenda Item:** Standard Purchasing Resolution 8: Best Value
Process Award – 2007 Calendar/Annual Report Printing Services

RECOMMENDATION

On May 17, 2006, five (5) proposals were opened to provide Printing & Design Services to mail 40,000 copies of the 2007 City of Troy Calendar/Annual Report with the option to renew for the 2008 calendar year. City management recommends that a contract be awarded to **University Lithoprinters** of Ann Arbor, MI, the bidder providing the best value with the highest final weighted score of 87.92, which included calendar samples and a price scoring evaluation process, at an estimated cost of \$33,825.00 per year at unit prices contained in the attached bid tabulation, plus \$2,310.00 for the reply card insert.

Although University Lithoprinters is not the lowest total bidder, price is just one component in the “Best Value” approach to a Request for Proposal process. The award recommendation was based upon the vendor offering the best combination of a variety of factors; not simply the lowest bidder meeting certain minimal requirements. A best value approach addresses ability, experience, and quality issues leading to a successful contract and reduction in risk of poor service for such high profile PR tools as the City Calendar.

BACKGROUND

On September 22, 2003, University Lithoprinters was awarded the contract to provide the 2004 City Calendar/Annual Report. An option to renew printing services for the 2005 and 2006 Calendar/Annual Report was exercised. Cost for the 2006 calendar was \$38,650.00. This included 40,000 calendars plus minor corrections to proof throughout the process.

The calendar size is 8 ½ x11 (a cost savings measure instituted in 2004) and has a reply card as an option. The estimate for the 2007 calendar would be \$33,825.00 or \$36,135.00 with the reply card.

We have also sold advertising in the 2005 and 2006 City Calendars to help offset printing costs. The total amount collected in 2006 was \$11,335.00 for the advertising insert. We intend to sell advertising again for the 2007 calendar to help offset costs and anticipate collecting a comparable amount.

June 28, 2006

To: John M Lamerato, Acting City Manager

Re: Award Recommendation - Printing Services – City Calendar

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SUMMARY

After completing the evaluation process, University Lithoprinters received the highest recommendations from the committee. In an effort to achieve the most positive image for our City Calendar and personnel working in the field, and supply the best service, proper quality at the right price; a best value approach was used to evaluate and award the contract.

University Lithoprinters received the highest recommendations from the committee consisting of the Community Affairs Director, Community Affairs Officer and Finance Department Account Clerk. They received superior marks based on their quality samples. University Lithoprinters has serviced many other municipalities on similar projects of comparable magnitude. City calendars they produced within the last five years include Troy, Westland, Dearborn, Warren, and Novi. Not only did this company furnish the most impressive and complete proposal package; they as well as their designer received outstanding endorsements from the Cities of Novi, Dearborn, Warren and Westland when we called them inquiring about their calendar printer. University Lithoprinters also produced calendars for The Masarati Club, Consumers Energy, University of Michigan and the Detroit Free Press. The Community Affairs Department staff has worked with University Lithoprinters and Graphic Visions on a number of projects and is very impressed with their professionalism, creativity, cooperation and timeliness. University Lithoprinters has their own bindery and does the mail prep in house.

BUDGET

Funds are available from the operating budget in the Community Affairs Department a/c# 748.7901.

120 Vendors notified via the MITN System

122 Notices distributed by mail and email to prospective bidders

1 Vendor Walked-In

5 Proposals Received

Opening Date -- 5/17/06
Date Prepared -- 5/22/06

CITY OF TROY
TABULATION
PRINTING 2007 CALENDAR/ANNUAL REPORT

RFP-COT 06-16
Pg 1 of 2

FIRM NAME:

Dearborn Lithograph, Inc.	TGI Direct	University Lithoprinters Inc.
101178360	35644763	111781
\$1,500.00	\$1,500.00	\$1,500.00

Check Number
Amount

PROPOSAL: Furnish and deliver to a designated mailing service 40,000 copies of the City of Troy Year 2007 Calendar / Annual Report, including graphic design services, presswork, packaging, delivery, etc.....

VENDOR QUESTIONNAIRE: (Yes or No)	Yes	Yes	Yes
SAMPLE CALENDAR: (Yes or No)	Yes	Yes	Yes
SAMPLE PAPER: (Yes or No)	Yes	Yes	Yes
STOCK	Option A	Complete for the Sum of:	
		\$ 29,044.00	\$ 32,599.00
		\$ 592.50	\$ 815.00
			\$ 550.00
			Troy calendar
ALTERNATE	Option B	Quoting On Cover Stock	
		Omni Gloss	Euro Art 80# Gloss
		Omni Silk	Euro Art 70# Dull
		M-Real	Millcraft
		\$ 26,802.00	\$ 30,982.00
		\$ 534.80	\$ 775.00
			\$ 535.00
			Novi calendar
			80 lb Creator Gloss
			80 lb Creator Silk
			Torraspapel USA, Inc.
OPTIONAL:			
Reply Card	Option A	Complete for the Sum of:	
		\$ 1,981.92	\$ 2,398.00
		\$ 42.98	\$ 59.95
			\$ 20.00
ALTERNATE	Option B	Quoting On Cover Stock	
		Omni Matte	75# White, uncoated
		Blank	N/A
		M-Real	Wausau
		\$ 1,711.00	\$ 1,397.00
		\$ 36.28	\$ 34.92
			Blank
ADDITIONAL COSTS:			
SCANS: Cost for each color photo over 65 color scans	\$25.00 /scan	\$0.00 /scan	\$45.00 /scan
EDIT CHARGES: Hourly rate for edits	\$ 55.00	\$ 75.00	\$ 85.00
DELIVERY DATE: Can meet schedule	XX	XX	XX
Dec 11th Cannot meet but offers			
TERMS:	Net 30 Days	Net 30 Days	Net 30 Days
DELIVERY DATE:	12/11/2006	5/17/2006	12/11/2006
EXCEPTIONS:	Blank	N/A	Any paper cost increases will be documented & presented to the City
ACKNOWLEDGEMENT: Y or N	Yes	Yes	Yes
ADDENDUM #1 Y or N	Yes	Yes	Yes

ATTEST:

Laura Campbell
Susan M. Davis
Linda Bockstanz

Jeanette Bennett
Purchasing Director

FIRM NAME:	* University Lithoprinters	Grand River Printing	Brophy
	Option C		
Check Number	111781	453266	567005098
Amount	\$1,500.00	\$1,500.00	\$1,500.00

PROPOSAL: Furnish and deliver to a designated mailing service 40,000 copies of the City of Troy Year 2007 Calendar / Annual Report, including graphic design services, presswork, packaging, delivery, etc.....

VENDOR QUESTIONNAIRE: (Yes or No)	Yes	Yes	Yes
SAMPLE CALENDAR: (Yes or No)	Yes	Yes	No
SAMPLE PAPER: (Yes or No)	Yes	Yes	Yes
STOCK	Option A	Complete for the Sum of: Cost per Additional (M) : Per Specifications	n/a
			Blank
			Blank
			\$ 64,200.00
			\$ 578.00
			Paper Not Available in Web
			Dearborn calendar
ALTERNATE	Option B	Quoting On Cover Stock Quoting on Text Stock Manufactured by:	Commerce Gloss 80#
			80# #2 Gloss
			Commerce Gloss 80#
			Commerce Dull 80#
			70# #2 Gloss
			Commerce Dull 80#
			SAPPI
			Productolith
			Sappi
		Complete for the Sum of:	\$ 33,825.00
		Cost per Additional (M) :	\$ 34,617.08
			\$ 62,661.00
			\$ 535.00
			\$ 865.00
			\$ 595.00
OPTIONAL:			
Reply Card	Option A	Complete for the Sum of: Cost per Additional (M) : Per Specifications	\$ 2,310.00
			\$ 2,767.00
			\$ 2,345.00
			\$ 20.00
			\$ 69.00
			\$ 43.00
ALTERNATE	Option B	Quoting On Cover Stock Quoting on Text Stock Manufactured by:	Blank
			N/A
			Per Xpedx - No comparable
			Blank
			N/A
			alternate stock at this price
			Blank
			N/A
			level
ADDITIONAL COSTS:			
SCANS: Cost for each color photo over 65 color scans	\$45.00	/scan	\$25.00 /scan
			\$55.00 /scan
EDIT CHARGES: Hourly rate for edits	\$ 85.00		\$ 80.00
			\$ 75.00
DELIVERY DATE	XX		XX
Dec 11th			XX
TERMS:	Net 30 Days		Net 30
			60 Days
DELIVERY DATE:	12/11/2006		12/11/2006
			5/17/2006
EXCEPTIONS:	Any paper cost increases will be documented & presented to the City		Blank
			Samples: have not been involved in printing of a calendar within the past few years.
ACKNOWLEDGEMENT: Y or N	Yes		Yes
			Yes
ADDENDUM #1 Y or N	Yes		Yes
			Yes

NO BIDS:
Caldwell Printing

*** DENOTES BEST VALUE PROPOSAL**



EXECUTIVE SUMMARY PRINTING 2007 CALENDAR

STATISTICS:

- ◆ 120 Vendors notified via the MITN System
- ◆ 122 Notices were distributed by mail and e-mail to prospective bidders
- ◆ 1 Vendor Walked-In
- ◆ 5 proposals were received
- ◆ University Lithoprinters was the most qualified bidder by receiving the highest weighted score

The following bidders submitted a proposal and received the indicated final scores:

COMPANY	SCORE
University Lithoprinters	87.92 **
Dearborn Lithograph	82.4
Grand River Printing	69.92
TGI Direct	69.36
Brophy	28.88

Attachments:

Weighted Final Scoring Including "Sample" and Price Scoring
Evaluation Process

WEIGHTED FINAL SCORING PRINTING 2007 CALENDAR

Final Score Calculation:

$$\begin{aligned}
 &40\% \times \text{Price Score} \\
 &60\% \times \text{Sample Score} - \text{Weighted Average} \\
 &100\% \quad \text{Final Weighted Score}
 \end{aligned}$$

* In order to equate the price to the weighted evaluation process scoring, the prices had to be converted into a score with the base of 100

SAMPLE SCORE (60%)

Raters:	1	2	3	AVERAGE
Vendors:				
Dearborn Lithograph	60	63	89	70.67
Brophy	67	71	74	70.67
TGI Direct	58	66	54	59.33
Grand River Printing	73	39	96	69.33
University Lithoprinters	98	96	98	97.33

PRICING SCORES (40%) – Option B

Vendors:	FORMULA: $[1 - (\text{Proposal price} - \text{low price}) / \text{low price}] \times \text{available points}$		
Dearborn Lithograph	$[1 - (26802 - 26802) / 26802] * 100$		100
Brophy	$[1 - (62661 - 26802) / 26802] * 100$		-33.8
TGI Direct	$[1 - (30982 - 26802) / 26802] * 100$		84.4
Grand River Printing	$[1 - (34617.08 - 26802) / 26802] * 100$		70.8
University Lithoprinters	$[1 - (33825 - 26802) / 26802] * 100$		73.8

FINAL WEIGHTED SCORE:

VENDORS:	University ** Lithoprinters	Dearborn	Grand River Printing	TGI Direct	Brophy
Score					
PRICE SCORE: (x .40) =	29.52	40	28.32	33.76	-13.52
SAMPLE SCORE: (x .60) =	58.40	42.40	41.60	35.60	42.4
Final Score:	87.92	82.4	69.92	69.36	28.88

** HIGHEST RATED VENDOR – RECOMMENDED AWARD



SELECTION PROCESS

CRITERIA FOR SELECTION

The identified City Committee will review the proposals. The City of Troy reserves the right to award this proposal to the company considered the most qualified based upon a combination of factors including but not limited to the following:

- A. Compliance with qualifications criteria
- B. Completeness of the proposal
- C. Financial strength and capacity of the printer
- D. Correlation of the proposals submitted to the needs of the City of Troy
- E. Any other factors which may be deemed to be in the City's best interest
- F. Evaluation Process

Phase 1: Qualifications Evaluation.

Bidders will be required to meet minimum established criteria in order to go to the second phase of the process.

Phase 2: Sample Evaluation Process.

- o The City Committee will use a weighted scoring sheet to evaluate the required submitted samples.
- o Each Committee Member will calculate a weighted score.
- o The scores of the three Committee Members will be averaged into one score for each bidder for this phase of the process.

Phase 3: Price

Points for price will be calculated as follows:

FORMULA:

$$[1 - (\text{Proposal price} - \text{low price}) / \text{low price}] \times \text{available points}$$

Phase 4: Final Scoring and Selection

The highest final weighted scored will be the printer recommended to the Troy City Council for Award.

$$\begin{array}{r} 40\% \times \text{Price Score (100 pt. Base)} \\ 60\% \times \text{Sample Calendar Score (100 pt. Base)} \\ \hline 100\% \end{array} \quad \begin{array}{r} = \\ = \\ \text{Final Weighted Score} \end{array}$$

Note: The City of Troy reserves the right to change the order or eliminate an evaluation phase if deemed in the City's best interest to do so.