



Legislation Text

File #: 23-0015, Version: 1

MOTION TO APPROVE THE SIXTH AMENDMENT TO THE AGREEMENT BETWEEN THE CITY OF PEMBROKE PINES AND THE MCCLATCHY COMPANY, LLC. FOR THE PRINTING OF PEMBROKE PINES CITY CONNECT FOR AN ANNUAL COST NOT TO EXCEED \$31,290.

PROCUREMENT PROCESS TAKEN:

- *Chapter 35 of the City's Code of Ordinances is titled "PROCUREMENT PROCEDURES, PUBLIC FUNDS."*
- *Section 35.28 of the City's Code of Ordinances is titled "CHANGE ORDERS."*
- *Section 35.28(8) states "Notwithstanding the provisions of division (A), the City Manager is not authorized to approve a change order without authorization of the City Commission where the initial purchase required the City Commission's approval and where the sum of all change orders issued under the contract exceeds 5% of the original contract amount or \$25,000."*
- *Section 35.29(F) states "City Commission notification" of the City's Code of Ordinances, "The City Manager, or his or her designee, shall notify the Commission, in writing, at least three months in advance of the expiration, renewal, automatic renewal or extension date, and shall provide a copy of the contract or agreement and a vendor performance report card for the contract or agreement to the City Commission."*
- *Section 35.21 of the City's Code of Ordinances is titled "AWARD OF CONTRACT."*
- *Section 35.21 (A) of the City's Code of Ordinances is titled "City Commission approval."*
- *Section 35.21(A)(1) states, "An initial purchase of, or contract for, commodities or services, in excess of \$25,000, shall require the approval of the City Commission, regardless of whether the competitive bidding or competitive proposal procedures were followed."*

SUMMARY EXPLANATION AND BACKGROUND:

1. On August 31st, 2015, the City entered into an Agreement with The Miami Herald a division of McClatchy Company for an initial two (2) year period, which expired on August 30th, 2017.
2. The City's Administration utilizes The Miami Herald to print Pembroke Pines City Connect Newspaper.
3. Section 8 of the Original Agreement authorizes the renewal of the Original Agreement for additional two (2) year renewal terms upon mutual consent, evidenced by a written Amendment.

4. To date the Agreement has had five (5) amendments extending the term up to and including September 30th, 2023.
5. The printing fee is currently \$4,703 per issue and is being increased to \$5,080 per issue due to the continued increase in newsprint prices. Shipping and handling fee will remain at \$135 per issue.
6. The City's Administration is satisfied with the performance and execution of the Original Agreement, as amended, and recommends the City Commission approve this Sixth Amendment to increase the annual cost from \$29,028 to \$31,290.
7. Request Commission to approve the Sixth Amendment to the Agreement between the City of Pembroke Pines and the McClatchy Company, LLC. for the printing of Pembroke Pines City Connect for an annual cost not to exceed \$31,290.

Reviewed by Commission Auditor.

FINANCIAL IMPACT DETAIL:

- a) **Initial Cost:** \$31,290.00 annual amount based on \$5,080.00 per issue plus \$135.00 for shipping and handling per issue (6 issues per year). 4 issues remaining for this fiscal year.
- b) **Amount budgeted for this item in Account No:** \$31,290.00 - 001-512-0201-547140-0000-000-0000-00315 (Printing - Flyer/Newspaper)
- c) **Source of funding for difference, if not fully budgeted:** No Applicable
- d) **5 year projection of the operational cost of the project:** Not Applicable
- e) **Detail of additional staff requirements:** Not Applicable

FEASIBILITY REVIEW:

A feasibility review is required for the award, renewal and/or expiration of all function sourcing contracts. This analysis is to determine the financial effectiveness of function sourcing services.

- a) **Was a Feasibility Review/Cost Analysis of Out-Sourcing vs. In-House Labor Conducted for this service?** Not Applicable
- b) **If Yes, what is the total cost or total savings of utilizing Out-Sourcing vs. In-House Labor for this service?** Not Applicable