



# **City of Grand Island**

**Tuesday, June 08, 2010**

**Council Session**

## **Item G7**

**#2010-152 - Approving Advertising Contract with the Grand Island Independent**

**Staff Contact: Brenda Sutherland**

# **Council Agenda Memo**

**From:** Brenda Sutherland, Human Resources Director

**Meeting:** June 8, 2010

**Subject:** Approving Advertising Contract with the Grand Island Independent

**Item #'s:** G-7

**Presenter(s):** Brenda Sutherland, Human Resources Director

## **Background**

The City of Grand Island currently advertises in the Grand Island Independent for employment opportunities, legal notices, and display ads. The City has been paying the regular retail rates for these ads.

## **Discussion**

As we are working through a difficult budget year, we have been exploring ways to find savings in the items that we spend on regularly. Advertising is an expenditure that many departments budget for and is one of the larger operational expenses in the Human Resource's budget. After speaking with the Grand Island Independent about better rates for our advertising, the option of an advertising contract was brought forward.

The proposal being brought forward for Council approval is for \$20,000 of advertising for the contract year that will run June 1, 2010 through May 31, 2011. The City is currently spending in excess of this amount annually. This contract will allow the departments that run display or line ads in the Independent to receive a discounted rate. The proposed contract will save \$7 - \$9 per column inch over our current advertising rates. Several departments will benefit from these savings. Legals are not affected by this contract as those rates are regulated by the State and are at a much lower rate than regular advertising rates. We do however get to apply the dollars spent on Legals towards meeting the contract requirements.

When exploring the worst case scenario of what would happen if we didn't meet the requirements of the contract we would still be paying less per column inch than we are presently. Should the City not meet the \$20,000 advertising requirement, our per column

inch rate would be recalculated at the price for the amount we did spend. The bottom line is that we are currently paying top dollar and anything short of that is an improvement. I believe that based on our current level of spending that we will not have a problem meeting the contract requirements.

### **Alternatives**

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

### **Recommendation**

City Administration recommends that the Council approve the advertising contract with the Grand Island Independent.

### **Sample Motion**

Move to approve the advertising contract with the Grand Island Independent.



## Advertising Contract

This agreement is made between The Grand Island Independent, hereinafter referred to as the Publisher, and City of Grand Island, hereinafter referred to as the advertiser.

### Provisions:

This contract is an annual dollar volume agreement based on the advertiser's total planned investment with the Publisher and shall be in effect June 1<sup>st</sup>, 2010 through May 31<sup>st</sup>, 2011. The advertising rates assigned to the volume levels will be consistent with rates published in the most current Rate Card. The provisions of this contract shall consist of (1) the declarations of the agreement contained in this document and (2) the current Advertising Rate Card of The Grand Island Independent, which includes the Publisher's policies. The Publisher additionally stipulates that an advertiser bears full responsibility for the payment of all advertising charges.

### Declarations:

1. In consideration of the Advertiser's agreement to invest \$20,000.00 annually with The Grand Island Independent, the Advertiser will earn the column inch rates according to the current rate card.
2. In the event the Advertiser does not fulfill the dollar volume agreement, the Publisher will invoice the Advertiser for the difference between the rate billed and the rate earned on the inches that have been published.
3. This agreement may be cancelled by either party by providing a 30 day written notice. In the event the contract is terminated prior to fulfillment, the earned rates will be applied to the published inches.
4. Payment is due the 25<sup>th</sup> of the month following publication or services.
5. Additional contract entitlements:

Classified:      Daily \$11.92                      Sunday \$12.15

Retail:              Daily \$15.16                      Sunday \$16.01

The above rates will be in effect until the end of the contract May 31, 2011.

### Authorization:

The terms and conditions of the agreement are hereby ratified and placed into force as agreed upon.

City of Grand Island Account #10022599  
Business Name                      10022600  
10040900; 10043666; 10022601; 10023400  
10039075; 10040440; 10043675; 10040925

Paul Frombgen  
the Independent Representative

5/25/10  
Date

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
the Independent Advertising Director

RESOLUTION 2010-152

WHEREAS, the City of Grand Island advertises with The Grand Island Independent; and

WHEREAS, The Grand Island Independent has offered to contract for a reduced rate per column inch with said contract; and

WHEREAS, the annual commitment required in the contract is \$20,000; and

WHEREAS, the contract year will run from June 1, 2010 through May 31, 2011;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, to approve a one year contract with The Grand Island Independent for advertising.

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Adopted by the City Council of the City of Grand Island, Nebraska, June 8, 2010.

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Margaret Hornady, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
June 3, 2010	☐ City Attorney