



City of Culver City

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Staff Report

File #: 16-758, **Version:** 1

Item #: C-11.

CC - Approval of a Professional Services Agreement with Beyond Direct Marketing LLC for Fiesta La Ballona Marketing Services for a Two-Year Term Ending on March 31, 2019 for an Aggregate Not-to-Exceed Amount of \$33,000 Over the Two-Year Term, with Three Additional One-Year Options, Contingent Upon Performance.

Meeting Date: March 27, 2017

Contact Person/Dept: Susan Obrow/PRCS
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Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☒ No ☐

Public Hearing: ☐

Action Item: ☐

Attachments: Yes ☒ No ☐

Commission Action Required: Yes ☐ No ☒

Public Notification: (E-Mail) Meetings and Agendas - City Council (03/22/17); Fiesta La Ballona Committee (03/22/17); Beyond Direct Marketing LLC (03/22/17); Fiat Luxx Productions (03/22/17)

Department Approval: Daniel Hernandez, PRCS Director (03/17/17)

RECOMMENDATION

Staff recommends the City Council approval of a professional services agreement with Beyond Direct Marketing LLC (BDM) for Fiesta La Ballona (the "Fiesta") marketing services for a two-year term ending on March 31, 2019 for an aggregate not-to-exceed amount of \$33,000 over the two-year term, with three additional one-year options, contingent upon performance.

BACKGROUND

The Fiesta La Ballona is a three-day community event that typically occurs at the end of August each year. This year Fiesta will be held on Friday, August 25, Saturday, August 26, and Sunday, August 27, 2017. Although the Fiesta is a three-day event, City staff and the Fiesta La Ballona Committee (the "Committee") spend approximately eleven months of the year, planning, promoting, preparing, implementing and finally, wrapping-up and reporting on the Fiesta. Everyone takes a break during

the month of September and the cycle begins again in October. Because of these ongoing efforts and the timing of the event, expenditures for each annual Fiesta are posted during two City fiscal years.

Each fiscal year, the City Council sets the Fiesta budget based on a recommendation from the Parks, Recreation and Community Services (PRCS) Department and the marketing contractor advises staff on how to use the marketing funding in the most strategic way. Beyond Direct Marketing has been the provider of Fiesta La Ballona marketing services for the past five years, with the most recent agreement expiring on August 31, 2016.

On December 22, 2016, a Request for Proposals (RFP) for marketing services was released and noticed following the City's standard practice. The general provisions of the RFP were to provide as-needed services for the Fiesta. In the RFP, staff estimated that the annual budget to market one Fiesta is \$16,500. However, considering the recent improvements in Fiesta revenue and the possibility of additional marketing opportunities in this Centennial year, staff may request an increase in the Fiscal Year 2017/18 marketing budget, with the understanding that it will be off-set by revenue.

DISCUSSION

The RFP's Scope of Services (Scope) required that the Contractor review the marketing plan, production calendar and budget with the City on an ongoing basis throughout the process of planning and implementing the event, and that the City will set the final budget amount and provide the final approvals for all marketing materials and costs. The RFP provided for a term of two years, beginning on April 1, 2017 and terminating on March 31, 2019, with three additional one-year options, contingent on performance. During that two year period, the Contractor is responsible for preparing press releases and purchasing advertising space, as well as designing, printing and producing all marketing collateral needed to promote Fiesta 2017 and Fiesta 2018.

Beyond Direct Marketing and Fiat Luxx Productions submitted proposals. Both firms agreed to use the existing design work, engage local and regional vendors, and travel to Culver City for meetings and the event. The proposals were evaluated by the Special Events Coordinator, the PRCS Department Director, and the Fiesta Committee Chair. The review was conducted with emphasis on the areas of qualifications and experience, questions and responses to the Scope, fee schedule, references, and insurance. The Special Events Coordinator spoke with the owner of each firm, via telephone, to review more aspects of the scope in depth and contacted references for each company.

A review of the proposals along with each firm's proposed budget is provided as Attachment 1. As noted on the Attachment, Beyond Direct Marketing quoted a price of \$18,625.00 for Fiesta 2017. Because BDM is familiar with the City's practice of refining the marketing program during the planning process, the company's owner, Kimberly Knab, provided a range of options to give staff flexibility in focusing the marketing plan.

Fiat Luxx Productions (Fiat Luxx) provided the lowest quote of \$14,200.00 for Fiesta 2017. However, the quote lacked the budget detail of Beyond Direct Marketing, so it is not clear if all of the necessary marketing components are included in the proposal or what the cost is for each individual task. Unfortunately, the follow-up call by staff did not clarify of this matter and no additional supporting

materials were submitted by the company. In addition, Fiat Luxx has less experience with event promotion of this scale.

Staff recommends that the City Council approve an agreement with Beyond Direct Marketing as the best qualified company to serve the City. This company's selection will enable the City to further enhance Fiesta, for the community and the region, without any delay or training period. Pursuant to the Culver City Municipal Code, price alone shall not be the determining factor but shall be considered along with other factors, including, but not limited to, prior experience and the particular needs of the City for the services to be provided.

Beyond Direct Marketing LLC

Beyond Direct Marketing, owned and operated by Kimberly Knab, has been the marketing contractor for Fiesta since 2012. BDM is a small boutique agency, specializing in serving non-profit clients with strategic marketing programs. The company prepared a new design brand for Fiesta in 2012 and has developed robust marketing and public relations campaigns since then. The current proposal was based on the 2016 campaign and includes digital and print advertising, Metro and Culver CityBus advertising, street and pole banners, press releases and publicity pitches, T-shirt printing, posters, postcard-style flyers and the event program. BDM has worked effectively with the City staff and the Fiesta Committee members and has consistently produced excellent results. Design samples were included in the proposal. The company will move from the Los Angeles area to Colorado in April. The owner will retain Los Angeles clients and continue to meet with clients in this region. The owner will attend the Fiesta in 2017 and 2018 in order to participate fully in an evaluation of the work.

FISCAL ANALYSIS

As noted earlier, expenditures for each annual Fiesta are posted during two fiscal years. The new marketing contract would provide payments to Beyond Direct Marketing in three fiscal years.

Total amounts, per Fiscal Year, are as follows:

FY 2016/17: \$8,250 - To begin work on Fiesta 2017

FY 2017/18: \$16,500 - To complete work on Fiesta 2017 & begin work on Fiesta 2018

FY 2018/19: \$8,250 - To complete work on Fiesta 2018

\$33,000 Total Contract Amount

There are currently sufficient funds in the City Council Adopted Fiscal Year 2016/17 Fiesta La Ballona budget (Community Events - Fiesta La Ballona) in accounts 10130285.517300 (Advertising and Public Relations) and 10130285.619800 (Other Contractual Services) for the first payment to Beyond Direct Marketing. Staff will request the remaining funds to fulfill the contract during the next two budget cycles.

ATTACHMENTS

1. 2017-03-27 - ATT 1 Fiesta La Ballona Marketing Services Proposal Review with Proposed

Budgets

MOTION

That the City Council:

1. Approve a professional services agreement with Beyond Direct Marketing LLC for Fiesta La Ballona marketing services for a two-year term ending on March 31, 2019 for an aggregate not -to-exceed amount of \$33,000 over the two-year term, with three additional one-year options, contingent upon performance; and,
2. Authorize the City Attorney to review/prepare the necessary documents; and,
3. Authorize the City Manager to execute such documents on behalf of the City; or
4. Provide other direction to the City Manager as deemed appropriate.