



## CITY COUNCIL STAFF REPORT

DATE: SEPTEMBER 8, 2010 CONSENT CALENDAR

SUBJECT: APPROVE AN ADVERTISING CONTRACT WITH *THE DESERT SUN*  
FOR DISPLAY AND LEGAL ADVERTISING TO JUNE 30, 2011

FROM: David H. Ready, City Manager

BY: City Clerks Department

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### SUMMARY

The City Council will consider the approval of a contract for advertising with *The Desert Sun* for the period ending June 30, 2011 at per unit prices with a minimum of \$36,000 for display and on-line advertising.

### RECOMMENDATION:

1. Approve the Advertising Contract with *The Desert Sun* for legal and display advertising for the period ending June 30, 2011.
2. Authorize the City Manager to execute the Advertising Agreement. A5109.

### STAFF ANALYSIS:

Various City Departments use the *The Desert Sun* for advertising. The bulk of the advertising is legal advertising required by law, as such the City has no other legal advertising choice, as *The Desert Sun* is the only adjudicated publication that qualifies for legal advertising in the City. The rate for legal advertising remains unchanged.

In 2008, City Staff worked with *The Desert Sun* to reduce the City's advertising rates. At that time, the reduced rates were predicated on the requirement that the City would commit to a \$60,000 an annual advertising minimum for display and on-line advertising.

Due to budget constraints, the City has reduced the amount of local display and on-line advertising and can no longer continue to guarantee \$60,000 annual advertising.

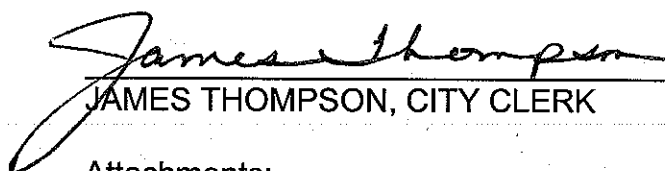
While advertising costs are not entirely predictable, staff estimates \$36,000 annual revenue commitment for this contact year, is well within the City's reach. City Staff

ITEM NO. J.W.

continues to work with the *The Desert Sun*, and the current reduced rates for display and on-line advertising were held, with no rate increases proposed as a result of the decrease in annual advertising commitment.

FISCAL IMPACT:

The advertising requires an annual revenue commitment of the City in the amount of \$36,000 (for display and on-line advertising) for fiscal year 2010-11. Funds are budgeted in various Departments that utilize display advertising, classified advertising, and legal advertising.

  
JAMES THOMPSON, CITY CLERK

  
DAVID H. READY, CITY MANAGER

Attachments:  
Advertising Contract



# The Desert Sun

# ADVERTISING CONTRACT

Account # 212271

Date 08-26-10

THIS AGREEMENT is made on 26 day of August Between The Desert Sun Publishing Co. Inc.,  
(hereinafter called the "Company") City of Palm Springs  
Located at P.O. Box 2743

City: Palm Springs State: CA Zip: 92263

(Type of Business) City Gov (hereinafter called the "Advertiser").

I. The Company is hereby authorized to insert:  
to run in Area(s) as checked below  Retail  Classified  CAP  National

II. Type of Contract:  The Desert Sun Bulk  Attached (See addendum)

- The Advertiser shall purchase a minimum of 36-thousand dollars per next 10 months at the rates indicated on the Company's (net, gross) rate schedule, which is incorporated herein by reference and made part of this Agreement, subject to the rate revision provisions of paragraph (4) below. The Advertiser acknowledges receipt of a copy of Company's rate schedule. In the event that any terms or conditions of the rate schedule conflict with the terms of this Agreement, the terms of this Agreement shall govern.
- The term of the Agreement shall be 10 months from the date hereof, or prior to a rate revision as provided in paragraph (4).
- By committing to purchase a minimum amount of advertising during each term of the Agreement, the Advertiser is being given a special discounted rate. ~~If during the term of this Agreement the advertiser shall use more or fewer pages/inches/columns/lines/dollars/lines than the amount agreed to in paragraph (1) above, Advertiser's rate for all space used during this year shall be reduced or increased, if applicable, to the appropriate earned rate or non-discounted open rate and the Advertiser shall pay, or receive a credit for the difference up to a ceiling of 2 levels. Rebates will be applied to balances due the Company, or credit to be issued for future advertising, if applicable. Initial here: \_\_\_\_\_~~
- The Company reserves the right to increase the contract rate from time to time, as well as realign areas, giving the Advertiser the option of continuing at the new rate or in a realigned area or discontinuing when the new rate or area becomes effective, without penalty rate, provided immediate payment in full is made of all obligations due under the contract prior to the date of discontinuance, and that the Company is notified in writing prior to the effective date of the new rates of Advertiser's intent to discontinue.
- The company may, in its sole discretion, edit classify or reject any time any advertising copy submitted by advertiser.
- Advertiser shall pay for the advertising purchased under this Agreement according to the terms indicated on the Company's statement for the previous billing period's advertisements, or upon presentation of a bill, and, in the event that the Advertiser fails to make timely payment as provided for the invoices, Company may reject advertising copy and/or immediately cancel this contract, and Advertiser agrees to indemnify Company for all expenses incurred in connection with the collection of amounts payable under this contract, including court costs, attorney fees, and 18% interest charge per annum. If this Agreement is canceled due to Advertiser's failure to make timely payment, Company may re-bill the Advertiser for the outstanding balance due at the open or earned contract rates, whichever is applicable.
- This Agreement cannot be invalidated for typographical error, incorrect insertions or omissions in advertising published. The Company agrees to run corrective advertisements for that portion of the first insertion which may have been rendered valueless by such typographical error, wrong insertion or omission. Advertiser shall notify the company of such errors in time for correction before the second insertion. The Company shall not be liable to Advertiser for any loss that results from the incorrect publication or omission of its advertisements. Initial here: \_\_\_\_\_
- Agency commission, if any shall apply to all space charges and adjustments under this contract. If Advertiser utilizes any agency, the Advertiser and the agency shall be jointly and severally liable for payment and for compliance with all of the terms and conditions of this Agreement. All rates quoted are net.
- Advertiser agrees to indemnify, defend, and hold harmless the Company for all Claims (whether valid or invalid), suits, judgments, proceedings, losses, damages, costs and expenses, of any nature whatsoever (including reasonable attorneys' fees) for which the Company or any of its affiliates may become liable by reason of the Company's publication of Advertiser's advertising.
- All advertising copy which represents the creative effort of the Company and/or the utilization of creativity, illustrations, labor, composition or material furnished by it, is and remains the property of the Company including all rights of copyright therein. Advertiser understands and agrees that it cannot authorize photographic or other reproductions, in whole or in part, of any such advertising copy for use in any other medium without the prior written consent of the Company.
- Whenever in the judgment of the Company any advertisement bears resemblance to news matter, or is of such a character as to convey to the reader that it is news, or advertisements in cartoon technique or comic strip form, classification head "advertisement" will be placed over the column.
- A composition charge in addition to contract or transient rates shall be paid by advertiser for intricate layout, copy calling for type to be set on the bias, circles and other difficult composition and revisions of original copy.
- Advertisements in excess of 19 inches in depth shall be billed at a full column.
- The Company shall not be responsible for any drawings, art work, photographs, engraving plates, or mechanicals furnished by the Advertiser to be used in advertisements unless written instructions to return at Advertiser's expense are furnished with order.
- When orders are furnished by agency or Advertiser which contain incorrect rate or conditions the advertising called for will be inserted and charged at the rate in force governing such advertising as provided for in the Company's rate schedule, as may be revised pursuant to Paragraph 4 above and in accordance with the conditions contained herein. If orders are not furnished by agency or advertiser, advertiser agrees to sign an ad authorization form before Company schedule advertising. Initial here: \_\_\_\_\_
- The Advertiser agrees to pay for all special art work and materials furnished by the Company at the request of the Advertiser, and for composition if advertising ordered is not published.
- Advertiser agrees to pay position charges as stated in rate card.
- Specifications on orders for the use of any page or barring the placing of advertising on any page or relating to the kind of news or advertising on the page shall not be guaranteed and shall be treated as requests only.
- Conditions under which advertising is accepted under this contract require that all advertisements running Full Run must be the same in size and in copy except for addresses and appear in all areas specified in this contract within a seven day period. When advertising is used in addition to Full Run it will be charged at the rate at which the Advertiser would be charged under an individual base area contract for the amount of space for the first area at the expanded coverage rate for two or more areas according to the schedule of current advertising rates in effect at the time such space is used. Rebates and short rates do not apply to advertising which is in addition to a Full Run contracted for hereunder, placed in individual areas, nor does such additional advertising space count towards the completion of the Full Run space contract.

20. In the event any federal, state, or local taxes are imposed on the printing of advertising material or on the scale of advertising space, such taxes shall be assumed and paid by the Advertiser.

21. This agreement may not be assigned or transferred by Advertiser/agency

22. At the Company's sole discretion, the effectiveness of this agreement is subject to a satisfactory credit check of the Advertiser and/or its agency. Company may require advance payment for all advertising placed by Advertiser or its agency if periodic credit checks are not satisfactory.

23. PLEASE MAKE NOTE BEFORE SIGNING: This agreement is a special rate contract. By agreeing in Paragraph 1 to place at least a specified amount of advertising within the Newspaper during each term of this agreement, you as the Advertiser have been given special discounted rate. If you are unable to fulfill this obligation within the term of this Agreement (i.e. if you don't place the amount of advertising you have committed to in Paragraph 1), within the period set forth in this Agreement, the amount of advertising you do place may not qualify you for any discount than the offered herein. THIS COULD RESULT IN ADDITIONAL CHARGES TO YOU AS THE ADVERTISER! By signing this Agreement, you are acknowledging that you are hereby agreeing to pay any such additional "short rate" charges. [This Agreement renders void any statements concerning liability which appear on correspondence from the Advertiser or this agency and is irrevocable without the written consent of the Company's credit department. It is further agreed that the Company does not accept advertising orders or space reservations claiming sequential liability.]

24. This agreement constitutes the complete understanding of the parties and supersedes all prior agreements, understandings, negotiations and/or arrangements between the parties and cannot be amended except in writing and signed by both parties. This Agreement shall be governed by and construed in accordance with the laws of the state of California.

(Sales Representative, Name & No.)  
Anthony Rios #006  
Department Manager  
Dayna Smith  
Date 08-26-10

**AGENCY**

**ADVERTISER**

Name  
Address  
Corp. Name if different  
Phone Number  
x  
Title and Signature  
x  
Date

City of Palm Springs  
Name  
P.O. Box 2743, Palm Springs, CA. 92263  
Billing Address  
Corp name if Different  
760-323-8204  
Phone Number  
x  
Signature  
x  
Print Name & Title  
x  
Date

**MASTER FILE MAINTENANCE**

Non-Profit     Agency     Political

Account No. \_\_\_\_\_  New Account

New Contract  
 Upgrade From \_\_\_\_\_  
 Downgrade From \_\_\_\_\_  
 Renewal

**Umbrella Contract For:**  
\_\_\_\_\_

Effective Date  
Prepared by  
A. Rios  
Approved by

**Fax Disclosure**

You may request that *The Desert Sun* not send any future advertisements to a fax machine. Our failure to comply with your request within 30 days is unlawful. To request that *The Desert Sun* does not send any future advertisements to a fax machine, you must call (760) 778-4634, fax the request to (760) 778-4546 or send the request to [faxoptout@thedesertsun.com](mailto:faxoptout@thedesertsun.com) and tell us the number(s) of the fax machine.

# The Desert Sun

mydesert.com

This Advertising contract addendum is entered into by the City of Palm Springs and The Desert Sun as of January 1, 2010. This addendum is effective July 2010 through June 30, 2011.

The following current account City of Palm Springs [212271] and all departments assigned by the City to include – 1114, 1150, 1231, 1270, 1400, 2510, 2550, 2710, 3010 and 6003.

This Advertising contract addendum becomes Paragraph 24 of the Advertising Contract between the City of Palm Springs and The Desert Sun.

**Paragraph 1 of the Advertising Contract is amended to read:**

1. The Advertiser shall purchase a minimum of \$36,000 per the next 12-months at the rates and discounts as indicated below: [Rates are based on a \$36,000 revenue commitment.] For services not listed, the rate shall be set forth at the rates indicated on the Company's (net) rate schedule which is incorporated herein by reference and made part of this Agreement, subject to the rate revision provision of paragraph 4 below. The Advertiser acknowledges receipt of a copy of Company's rate schedule. In the event that any terms or conditions of the rate schedule conflict with the terms of the Agreement, the terms of the Agreement shall govern.

**Display Advertising Rates**

Monday-Thursday \$36.75/ inch  
Friday-Sunday \$44.50/ inch  
Regular rate card discounts apply.

**Festival of Lights Ad Match**

The Desert Sun will match any ads placed for the Festival of Lights up to 126 column inches in The Desert Sun or Community Weekly papers only.

**Color**

***Courtesy Color Rates for any ad sized over 63 column inches or larger***

Full color \$800/ ad  
Two color \$550/ ad  
One color \$450/ ad

***Courtesy Color Rates for any ad size less than 63 column inches***

Full color \$14/ inch  
Two color \$11/ inch  
One color \$ 8/ inch

**Palm Springs Sun Position**

Palm Springs Sun Full page/Full Color \$600 per ad

The ad size is (6 column inch W X 10-inches T) 60 column inches / Full color. This advertising position targets readers for information in the Palm Springs Sun 47,000 readers per issue.

**\*A courtesy \$10 per column inch rate will be extended for any additional ads running in any of the Community Weekly Papers**

**Online Advertising**

Palm Springs Page 50% Sponsorship Ldr Brd (728x90 pixels) &Skyscraper(160x600pixels) **\$308 month**

This advertising position targets viewers searching for info on the Palm Springs page of mydesert.com with an estimated 40,000 impressions per month.

Any change in program will require materials 72 hours prior to live date.

\*The cost is based on 40-thousand impressions and if the impressions increase the monthly cost will be re-visited

**Palm Springs Sun Newsletter**

The Palm Springs Sun covers both non-subscribers and Desert Sun home delivery subscribers each week on Friday. A total of 17,500 copies are delivered.

- 4 page spread, including full color on Kraft Paper  
4 issues during the next 12 months \$3750/ issue
  - 6 page spread, including full color on Kraft Paper  
4 issues during the next 12 months \$4800/ issue
  - 8 page spread, including full color on Kraft Paper  
4 issues during the next 12 months \$5,200/ issue
  - Over run option: 1000 copies \$250
  - Production fee (Includes 8 hours of production) \$300/ issue
  - Articles, photos and all other information would be provided by City of Palm Springs.
  - Additional production time \$75/ hour
- Deadline for each issue of camera ready materials would be 10 business days prior to publication**

**Desert Magazine 2-Page Advertorial**

Desert Magazine covers all home subscribers and single copy readers and is published the last Sunday of every month.

- 2-page Advertorial -10-consecutive issues, Full Color \$25,500
  - Articles, photos and all other information would be provided by City of Palm Springs.
  - Production fee (Includes 8 hours of production)
- Deadline for each issue of camera ready materials would be 30 days prior to publication**

**How Green is Coachella Tabloid Product at the City's discretion**

This is a Special Section tabloid publishing on April 18<sup>th</sup> focusing on Green Cities, Businesses and Products available in the Coachella Valley

- Back cover / Full Color if available \$2250
- Full Page / Full Color \$1850

**TERMS AND CONDITIONS**

- 1) No other discounts apply.

**Paragraph 2 of the Advertising Contract is amended to read:**

The terms of the Agreement shall be for a period of twelve (12) months commencing on July 1, 2010 through June 30, 2011.

**Below reflect your Classified rates and do count towards contract fulfillment**

**Affidavit Fee** \$10/per affidavit

Effective 03-01-10 an affidavit processing fee will be charged per affidavit.

**Legal Advertising Rates** 83¢ / line

**Classified Advertising Rates**

Recruitment Line Rate \$3 / line

30 day CareerBuilder.com Job Posting must be purchased in conjunction with each recruitment ad for \$225

Classified Public Notice Line Rate 75¢ / line

**ACCEPTED**

**CITY OF PALM SPRINGS**

**THE DESERT SUN**

\_\_\_\_\_  
David H. Ready, City Manager

\_\_\_\_\_  
Dominique Shwe, Advertising Director

ATTEST:

\_\_\_\_\_  
Sherri Maurer, Controller

\_\_\_\_\_  
James Thompson, City Clerk

\_\_\_\_\_  
Richard A. Ramhoff, Publisher