July 7, 2005

City Council Meeting
July 12, 2005

Mayor and Members
of the City Council

EXTENSION OF CONTRACT FOR PUBLICATION OF LEGAL ADVERTISING

Recommendation:

It is recommended that the City Council approve the attached three-year contract for legal publications with the Easy Reader newspaper.

Background:

The current advertising contract with the Easy Reader expired on June 30, 2005. It had been extended for three years in 1999 and again in 2002, based on the City Attorney's legal opinion that since the Easy Reader is an adjudicated newspaper of general circulation published in Hermosa Beach, the City may not use a newspaper published outside the city for its legal publications; and, further, since the Easy Reader is the only newspaper of general circulation published in the city, the City may contract for terms longer than one year.

The Easy Reader has maintained an excellent working relationship with the City and has agreed to an extension of contract for three years. The negotiated rates for the first year are $9.50 per column inch for both legal and display ads and $9 per column inch for subsequent insertions, which are the same rates the City has paid for the past six years. In the event the City requests a display notice to be placed in the editorial section of the newspaper (which so far we have never needed to do), the rate would be $27 per column inch. The Easy Reader has proposed a possible annual increase equal to the CPI for the second and third year of the contract. (See attached letter from the Easy Reader.)

_____
Elaine Doerfling, City Clerk

Noted:

_____
Stephen R. Burrell, City Manager

CITY OF HERMOSA BEACH

CONTRACT FOR SERVICES
NEWSPAPER PUBLICATION OF ALL CITY ADVERTISING

THIS AGREEMENT is made and entered into this 12th day of July, 2005 by and between the **CITY OF HERMOSA BEACH**, hereinafter referred to as "City," and the **EASY READER NEWSPAPER**, hereinafter referred to as "Contractor."

ARTICLE 1. TERM OF CONTRACT

Section 1.01. This agreement will be effective immediately, and will continue in effect through June 30, 2008, unless sooner terminated.

ARTICLE 2. SERVICES TO BE PERFORMED BY CONTRACTOR

Section 2.01. Contractor agrees to perform the services specified in the "Description of Services" attached to this agreement as Exhibit "A" and incorporated by reference herein.

Section 2.02. Contractor agrees to furnish copy for proofing prior to publication, to furnish five free copies of all newspapers containing advertising matter, and to furnish free all affidavits of publications required by City showing the date of publication of such advertising matter, all to be submitted to the City Clerk's office.

Section 2.03. All publications shall be published in the first publication of the paper published after receipt of copy, and succeeding publications, unless otherwise directed. Contractor must be responsible for the correct publication of all legal advertising and in case of error or omission (which is not according to copy as furnished by City) shall republish said matter affected thereby free of charge to City.

ARTICLE 3. COMPENSATION

Section 3.01. In consideration for the services to be performed by Contractor, City agrees to pay Contractor according to the rates as described in Exhibit "A." Contractor shall be paid as soon as possible after receipt of billing but in no event later than 30 days from said date.

ARTICLE 4. TERMINATION OF AGREEMENT

Section 4.01. This agreement shall continue in force until June 30, 2008 and shall thereupon terminate.

Section 4.02. This agreement shall terminate automatically on the occurrence of any of the following events:

1)   Bankruptcy or insolvency of either party;

2)   Termination of City as a public entity; or

3)   Assignment of this agreement by Contractor.

Section 4.03. Should Contractor default in the performance of this agreement or materially breach any of its provisions, City, at City's option, may terminate this agreement by giving written notification to Contractor. For the purpose of this section, material breach of agreement shall include, but not be limited to, the failure to perform the services described in the attached "Description of Services."

Section 4.04. Should City fail to pay Contractor all or any part of the compensation set forth in Exhibit "A" of this agreement on the date due, Contractor, at Contractor's option, may terminate this agreement if the failure is not remedied by City within thirty (30) days from the date payment is due.

ARTICLE 5. GENERAL PROVISIONS

Section 5.01. This agreement supersedes any and all agreements, either oral or written, between the parties hereto with respect to the rendering of services by Contractor for City and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever.

Section 5.02. If any provision in this agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

Section 5.03. If any action at law or in equity, including an action for declaratory relief, is brought to enforce or interpret the provisions of this agreement, the prevailing party will be entitled to reasonable attorneys' fees, which may be set by the court in the same action or in a separate action brought for that purpose, in addition to any other relief to which that party may be entitled.

Section 5.04. This agreement will be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed the within Agreement at Hermosa Beach, California, on the 12th day of July, 2005.

CITY OF HERMOSA BEACH

By_____
　　　　　　　　Mayor

ATTEST:

_____
City Clerk

APPROVED AS TO FORM:　　　　　　**CONTRACTOR:**

_____　　_____
City Attorney　　　　　　　　　　　　Easy Reader

EXHIBIT "A"
THREE-YEAR CONTRACT FOR SERVICES
PUBLICATION OF LEGAL ADVERTISING - COLUMN AND BOXED

The contractor shall print and publish in the Easy Reader Newspaper, a newspaper of general circulation published in the City of Hermosa Beach, all publications of advertising of all kinds required to be published by said City, for the three-year period of July 1, 2005 through June 30, 2008 at the following prices:

COLUMN LEGAL ADS (7 pica wide columns, 6 point type)

From and including July 1, 2005 to and including June 30, 2006 at the following prices:
 At the rate of $9.50 per column inch for the first insertion.
 At the rate of $9.00 per column inch for each subsequent insertion.

From and including July 1, 2006 to and including June 30, 2007 at the following prices:
 Same as FY 2005-06 rates, but may be adjusted upward by an amount equal to the CPI

From and including July 1, 2007 to and including June 30, 2008 at the following prices:
 Same as FY 2006-07 rates, but may be adjusted upward by an amount equal to the CPI

BOXED LEGAL ADS (same as above)

From and including July 1, 2005 to and including June 30, 2006 at the following prices:
 At the rate of $9.50 per column inch for the first insertion.
 At the rate of $9.00 per column inch for each subsequent insertion.

From and including July 1, 2006 to and including June 30, 2007 at the following prices:
 Same as FY 2005-06 rates, but may be adjusted upward by an amount equal to the CPI

From and including July 1, 2007 to and including June 30, 2008 at the following prices:
 Same as FY 2006-07 rates, but may be adjusted upward by an amount equal to the CPI

DISPLAY NOTICE IN EDITORIAL SECTION (12.5 pica width)

From and including July 1, 2005 to and including June 30, 2006 at the following price:
 At the rate of $27 per column inch

From and including July 1, 2006 to and including June 30, 2007 at the following prices:
 Same as FY 2002-03 rate, but may be adjusted upward by an amount equal to the CPI

From and including July 1, 2007 to and including June 30, 2008 at the following prices:
 Same as FY 2003-04 rate, but may be adjusted upward by an amount equal to the CPI