



City of La Quinta

CITY / SA/ HA/ FA MEETING DATE: June 16, 2015

ITEM TITLE: APPROVE AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT WITH GRAPHTEK INTERACTIVE FOR FISCAL YEAR 2015/2016 DIGITAL MARKETING SERVICES

AGENDA CATEGORY:

BUSINESS SESSION:

CONSENT CALENDAR: 6

STUDY SESSION:

PUBLIC HEARING:

RECOMMENDED ACTION:

Approve Amendment No. 1 to the Professional Services Agreement with Graphtek Interactive for Fiscal Year 2015/2016 digital marketing services in the amount of \$138,200.

EXECUTIVE SUMMARY:

- Graphtek Interactive (Graphtek) provides digital marketing services.
- The Professional Services Agreement (PSA), which expires June 30, 2015, provides a one-year term with the option to extend for two years.
- The current PSA is in the amount of \$120,000; the amendment will increase that to \$138,200 to address a shift in targeted markets.

FISCAL IMPACT:

Funding is in the Economic Development/Marketing account of the 2015/16 Operating Budget.

BACKGROUND/ANALYSIS:

On June 3, 2014, City Council approved a PSA with Graphtek for a one-year term, with the option to extend for two additional one-year terms, for digital marketing. The services provided include:

- PlayInLaQuinta.com website updates and improvements

- Vacation rental directory
- Add interactive maps
- Increased search engine optimization
- Travel website banner ads
- Social media engagement
 - Facebook
 - Twitter
 - Pinterest
 - Instagram
 - Google+

Based on their expert analysis and available metrics, the strategies have shifted for the 2015/2016 fiscal year as reported during the June 3, 2015 marketing strategies study session. Some of the new strategies include:

- Updates to PlayInLaQuinta.com
 - Additional interactive content
 - Updated photo and video gallery
- Updated “Point-of-view” imagery
- Online Guide to La Quinta
- “Selfie” Spots
- Vacation rental interactive map

If approved, Amendment No. 1 will extend the agreement for one year with an increased cost of \$18,200, to address the shift in target markets.

The Council has increased the 2015/16 marketing budget. Staff is preparing options for future Council consideration and if the Council elects to undertake additional marketing activities that require additional services, staff will bring an amendment to this contract for these services.

ALTERNATIVES:

Council may direct staff to prepare new bid documents for digital marketing services; however, Graphtek has provided excellent service and has a proven track record.

Report prepared by: Tustin K. Larson, Marketing & Events Supervisor
 Report approved for submission by: Edie Hylton, Deputy City Manager

Attachment: 1. Amendment No. 1

**AMENDMENT NO. 1
TO
PROFESSIONAL SERVICES AGREEMENT
FOR DIGITAL MARKETING SERVICES**

THIS AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT FOR DIGITAL MARKETING SERVICES ("Amendment No. 1") is made and entered into as of the first day of July, 2015 ("Effective Date"), by and between the CITY OF LA QUINTA ("City"), a California municipal corporation, and GRAPHTEK INTERACTIVE ("GRAPHTEK" or "Consultant").

RECITALS

- A. On or about July 1, 2014 the City and Consultant entered into that certain Professional Services Agreement for Digital Marketing Services ("Agreement"). The term of the original agreement expires June 30, 2015.
- B. Pursuant to Section 3.4, Term of the original Agreement, the City may extend the term of the agreement upon mutual agreement by both parties.
- C. City and Consultant now wish to amend the Agreement to modify Section 2.1, Contract Sum, Section 3.4, Term, Section 4.1, Representative of Consultant, Exhibit A, and Exhibit B, to address a shift in target markets as identified during the June 2, 2015 City Council marketing strategies study session.

AMENDMENT

In consideration of the foregoing Recitals and the covenants and promises hereinafter contained, and for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

1. SECTION 2.1, CONTRACT SUM, OF THE AGREEMENT IS STRUCK IN ITS ENTIRETY AND AMENDED TO READ:

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with Exhibit "B" (the "Schedule of Compensation") in a total amount not to exceed One Hundred Thirty Eight Thousand Two Hundred Dollars (\$138,200) (the "Contract Sum"), except as provided in Section 1.6. The method of compensation set forth in the Schedule of Compensation may include a lump sum payment upon completion, payment in accordance with the percentage of completion of the services, payment for time and materials based upon Consultant's rate schedule, but not exceeding the Contract Sum, or such other methods as may be specified in the Schedule of Compensation. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, transportation expense, telephone expense, and similar costs and expenses when and if specified in the Schedule of Compensation. Regardless of the

method of compensation set forth in the Schedule of Compensation, Consultant's overall compensation shall not exceed the Contract Sum, except as provided in Section 1.6 of this Agreement, "Additional Services."

2. **SECTION 3.4, TERM, IS HEREBY AMENDED TO COMMENCE ON JULY 1, 2015 AND TERMINATE JUNE 30, 2016.**
3. **SECTION 4.1.A, REPRESENTATIVE OF CONSULTANT IS HEREBY AMENDED TO REMOVE KATE SPATES, PRESIDENT AND REPLACE WITH MIKE CHELEY, CEO/CREATIVE DIRECTOR, MCHELEY@GRAPHTEK.COM.**
4. **EXHIBIT A OF THE AGREEMENT IS STRUCK IN ITS ENTIRETY AND AMENDED TO READ:**

Exhibit A Scope of Services

Digital Marketing Budget/Plan

Consultant will develop a budget that includes a strategic digital media plan, website management, updates and account management established by the City. The plan will contain specific information on how the Consultant will plan, coordinate, and oversee all online advertising/marketing efforts including, but not limited to, media placement, recommendations, optimizations, reporting, verifying insertion of approved online advertising, and otherwise verify proper execution of digital advertising campaign.

Playinlaquinta.com website

- Create interactive vacation rental map that will only list available properties that are registered for TOT with the City of La Quinta
- Create additional interactive content
- Update image and video galleries with more content
- Monthly content updates including calendar, local attractions, local business specials
- Search Engine Optimization
- Social Integration – add live feeds from social channels

Travel website ad campaign

Consultant has identified a portion of the budget to be used for an advertising campaign with travel resources websites such as Travelocity, Expedia, TripAdvisor, Visit California, Sunset Magazine, Orbitz and other well-visited local sites. Consultant will advise on ad placements and provide an annual campaign timeline and create vibrant, colorful, attractive web ads that get results.

Social Media Management

Consultant will be responsible to maintain the operation of the City's Facebook page, Twitter, Instagram, Pinterest, and Google+ social media networks. Consultant will provide:

- Content creation
 - Consultant will create a monthly communication schedule to be approved prior to scheduling which would include regular posts promoting local events, attractions, businesses, community outreach.
 - Consultant will monitor and reschedule on an as needed basis.

- Build Audience
 - Consultant will use HootSuite (or similar software) to schedule posts using proper hashtags and mentions for greater engagement and increase new likes and follows.
 - Monitor analytics for social media ads to ensure results.
 - Facebook advertising to increase likes to increase likes and advertise new website launch. Goal to increase to 60,000 likes.
 - Twitter advertising: paid advertisements announcing special event/promotion/new website and seeds to jumpstart followers.
 - Increase Instagram followers by 20%.

- Increase Engagement
 - Consultant will monitor the conversations and informally engage with fans.
 - Consultant will create unique, attractive graphic images for use on social media networks.

Monitor and Reporting

Consultant will implement a monthly, quarterly, and annual monitoring and reporting system to assess the effectiveness of the various marketing methods.

5. EXHIBIT B OF THE AGREEMENT IS STRUCK IN ITS ENTIRETY AND AMENDED TO READ:

Exhibit B

Schedule of Compensation

With the exception of compensation for Additional Services, provided for in Section 2.2 of this Agreement, the maximum total compensation to be paid to Consultant under this Agreement is One Hundred Thirty Eight Thousand Two Hundred Dollars (\$138,200) (“Contract Sum”). The Contract Sum shall be paid to Consultant in installment payments made on a monthly basis and in an amount identified in Consultants Schedule of Compensation attached hereto for the work tasks performed and properly invoiced by Consultant in conformance with Section 2.2 of the Agreement.

6. DEFINED TERMS. Except as defined in this Amendment No. 1, all capitalized words and phrases shall have the same meaning ascribed to them in the Agreement.

7. REMAINING TERMS AND CONDITIONS. Except as specifically amended by this Amendment No. 1, all terms and conditions in the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the City and Graphtek have executed this Amendment No. 1 to the Professional Services Agreement for Digital Marketing Services on the respective dates set forth below.

CITY: CITY OF LA QUINTA a California municipal corporation

Frank J. Spevacek, City Manager

Dated

ATTEST:

Susan Maysels, City Clerk

APPROVED AS TO FORM:

William H. Ihrke, City Attorney

CONSULTANT: JNS Media Specialists

By

Dated

Name

Title

Graphtek Interactive
72185 Painters Path, Suite B
Palm Desert, CA 92260