

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

331



FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: *Samuel Wong* 1/15/13
 SAMUEL WONG
 Departmental Concurrence
 DATE: 1/14/13
 NEAL R. KIPNIS
 FORM APPROVED COUNTY COUNSEL

FROM: Economic Development Agency

SUBMITTAL DATE:
January 16, 2013

SUBJECT: Professional Services Agreement with Library Systems and Services, LLC for Provision of County Library Services

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and authorize the Chairman to sign the attached professional services agreement with Library Systems and Services, LLC (LSSI) for the provision of County library services through June 30, 2016; and
2. Authorize the Assistant County Executive Officer/EDA, or designee, to submit for any grant opportunities less than \$25,000 to further the operations of the Riverside County Library System.

(Continued)

Lisa Brandl for

Robert Field
Assistant County Executive Officer/EDA
By: Lisa Brandl, Managing Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 4,916,490	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: County Library Fund 94.6% and Western DIF County Library Book Fund 5.4%	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *Jennifer Sargent*
Jennifer Sargent

County Executive Office Signature

Dep't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

3-13

Prev. Agn. Ref.: 3.12 of 7/31/12

District: ALL

Agenda Number:

RECOMMENDED MOTION: (Continued)

3. Authorize the Assistant County Executive Officer/EDA, or designee, to sign ministerial amendments to the LSSI Agreement that do not make substantive changes to the Agreement and which have been approved by County Counsel.

BACKGROUND:

The Riverside County Library System (RCLS) has been operated under an agreement with Library Systems and Services, LLC (LSSI) since July 1, 1997. The Third Amendment expired on September 30, 2012 with month to month extensions granted until January 31, 2013 to allow time for both parties to negotiate a new agreement. A new agreement has been negotiated for the provision of County Library Services through June 30, 2016. Thereafter, the agreement may be extended annually by written amendment, signed by both parties and approved by the Board of Supervisors for up to an additional two years.

LSSI and EDA have worked closely to manage costs while maintaining library hours and services. The renewed public-private partnership will continue all aspects of operating the Riverside County Library System for the 35 branches and 2 bookmobiles including:

Automated Services and Technology – LSSI will continue to operate the automated library system in conjunction with San Bernardino County Library System, Inyo County Library System, City of Moreno Valley, City of Murrieta, and College of the Desert.

Materials/Books Purchases - \$642,000 per fiscal year is allocated from the Development Impact Fees County Library Book Fund for the purchase of books/materials.

Grants – LSSI will continue to work cooperatively with the county to seek and administer library grants that will enhance library services. All county costs for existing grant funded projects are covered by this agreement.

Outreach Programs – LSSI will continue successful programs, including but not limited to children's programs, story hours, reading clubs, Teen/YA reference and information services and adult programming.

Courier – LSSI will continue to operate four courier routes to facilitate sharing library resources throughout the county and with San Bernardino County.

There are many grant opportunities available on a federal, state, and private level for public libraries and library services such as adult literacy. RCLS would like the ability to submit and administer any such grants less than \$25,000 to expedite these opportunities.

Attachment:

Professional Services Agreement

1 **PROFESSIONAL SERVICES CONTRACT AGREEMENT**
2 **BY AND BETWEEN COUNTY OF RIVERSIDE AND**
3 **LIBRARY SYSTEMS & SERVICES, LLC, FOR LIBRARY SERVICES**
4

5 This Agreement, made and entered into the ____ day of _____, 2013 (“effective
6 date”), by and between LIBRARY SYSTEMS & SERVICES, LLC (“CONTRACTOR”), and
7 the COUNTY OF RIVERSIDE (“COUNTY”). All prior agreements between the parties are
8 replaced in full by this Agreement. The parties agree as follows:

9 **1. Library Services To Be Provided**

10 **1.1** CONTRACTOR shall provide to COUNTY all services outlined and specified in
11 Exhibit B or elsewhere in this Agreement at the prices stated in Exhibit B.

12 **1.2** CONTRACTOR represents that it has the skills, experience, knowledge and
13 professional expertise, necessary to full and adequately perform under this Agreement, and
14 COUNTY relies upon this representation. The performance of CONTRACTOR shall be
15 determined by the ability of Contractor to meet performance standards in exhibits hereto.

16 **1.3** CONTRACTOR affirms that it is fully apprised of all of the work to be
17 performed under this Agreement; and CONTRACTOR agrees it can properly perform this work
18 at the prices stated in Exhibit B. CONTRACTOR is not to perform services or provide products
19 outside of the Agreement for which it shall later seek additional compensation from the
20 COUNTY without prior written consent and approval from COUNTY.

21 **2. Period of Performance**

22 The initial term of the Agreement shall be through June 30, 2016. Thereafter, the
23 Agreement may be extended annually by written amendment, signed by both parties and
24 approved by COUNTY’s Board of Supervisors, for up to an additional total of two years.
25 Nevertheless, either party may terminate the Agreement without cause at any time with 180
26 days written notice to the other party.

27 **3. Compensation**

28 **3.1** The COUNTY shall pay the CONTRACTOR for services performed, products

1 provided and expenses incurred in accordance with the terms of Exhibit B, or elsewhere in this
2 Agreement. Maximum payments by COUNTY to CONTRACTOR pursuant to this Agreement
3 shall not exceed \$12,149,576 annually, including all expenses. The COUNTY is not
4 responsible for any fees, costs, or professional services (other than taxes for items besides taxes
5 on net income) incurred by the CONTRACTOR above and beyond the payments stated in this
6 Agreement. Unless specifically stated in Exhibit B, COUNTY shall not be responsible for
7 payment of CONTRACTOR's expenses related to the performance and execution of this
8 Agreement.

9 **3.2** The sum representing one-twelfth (1/12) of the annual contract subtotal amount
10 of \$11,157,576 shall be payable prior to the last day of the month in which the services were
11 rendered, upon approval by the Assistant County Executive Officer/EDA, or a designee, of a
12 monthly invoice submitted to COUNTY, as may be adjusted by any credits or prior payments.
13 CONTRACTOR shall be paid for library collection and equipment in accordance with an
14 invoice submitted to the Economic Development Agency (EDA) and shall be reimbursed upon
15 approval by the Assistant County Executive Officer/EDA, or a designee, within thirty (30) days
16 from the date of the receipt of invoice.

17 **3.3** In accordance with California law, the COUNTY obligation for payment of this
18 Agreement beyond the current fiscal year end is contingent upon, and limited by, the
19 availability of COUNTY funding from which payment can be made. No legal liability on the
20 part of the COUNTY shall arise for payment beyond June 30th of each calendar year, unless
21 funds are made available for such payment. In the event that such funds are not forthcoming for
22 any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement
23 shall be deemed terminated and have no further force and effect. In the event of such
24 termination, CONTRACTOR shall be entitled to payment for services rendered prior to
25 termination.

26 **4. Changes to Agreement**

27 **4.1** The Board of Supervisors, or a COUNTY official designated by the Board order,
28 are the only authorized COUNTY representative(s) who may at any time, by written

1 amendment(s), make alterations to this Agreement.

2 **4.2** Any claim by the CONTRACTOR for additional payment related to this
3 Agreement, shall be made in writing by the CONTRACTOR within thirty (30) days of when the
4 CONTRACTOR has, or should have notice of, any actual or claimed change in the work which
5 results in additional and unanticipated cost to the CONTRACTOR. COUNTY shall then review
6 and respond to the claim. Nothing in this section shall excuse the CONTRACTOR from
7 proceeding with performance of the Agreement, even if there has been a change.

8 **5. Termination**

9 **5.1** Either party may terminate the Agreement without cause with 180 days written
10 notice to the other party.

11 **5.2** If either party breaches any material provision of this Agreement and fails to
12 correct the breach within thirty (30) days after receiving notice specifying the breach (or, if the
13 breach cannot be corrected within thirty (30) days, fails to progress diligently toward
14 correction), then the other Party may terminate this Agreement by giving written notice to the
15 breaching Party.

16 **5.3** After receipt of the notice of termination, CONTRACTOR shall:

- 17 (a) Stop all work under this Agreement on the date specified in the Notice of
18 Termination;
- 19 (b) Transfer to COUNTY and deliver in the manner as directed by
20 COUNTY, any materials, reports or other products which, if the
21 Agreement had been completed or continued, would have been required
22 to be furnished to COUNTY; and
- 23 (c) Meet with COUNTY within 10-days of Notice of Termination to
24 immediately develop a reasonable “wind-down” and transition plan that
25 shall allow for departure of the CONTRACTOR and installation of a new
26 vendor and/or system.

27 **5.4** After termination, COUNTY shall make payment only for CONTRACTOR’s
28 performance, up to the date of termination, in accordance with this Agreement and at the rates

1 set forth in Exhibit B.

2 **5.5** CONTRACTOR's rights under this Agreement shall terminate (except for fees
3 accrued prior to the date of termination) upon dishonestly, or a willful or material breach of this
4 Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability
5 for any reason whatsoever to perform the terms of this Agreement.

6 **5.6** The rights and remedies of COUNTY provided in this section shall not be
7 exclusive and are in addition to any other rights and remedies provided by law or this
8 Agreement.

9 **6. Ownership/Use of Contract Materials and Products**

10 The CONTRACTOR agrees that all materials, reports or products in any form, including
11 electronic, created by CONTRACTOR specifically for COUNTY for which CONTRACTOR
12 has been compensated by COUNTY, pursuant to the Agreement, shall be the sole property of
13 the COUNTY; and may be used by the COUNTY for any purpose COUNTY deems to be
14 appropriate. CONTRACTOR agrees not to release or circulate in whole or part such materials,
15 reports or products without prior written authorization of COUNTY.

16 **7. Conduct of Contractor**

17 **7.1** The CONTRACTOR covenants that it presently has no interest, including, but
18 not limited to, other projects or contracts, and shall not acquire any such interest, direct or
19 indirect, which would conflict in any manner, or degree, with CONTRACTOR's performance
20 under this Agreement. The CONTRACTOR further covenants that no person, or subcontractor,
21 having any such interest, shall be employed or retained by CONTRACTOR under this
22 Agreement. CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's
23 interest, if any, which are, or may be perceived as, incompatible with the COUNTY's interests.

24 **7.2** The CONTRACTOR shall not, under circumstances which could be interpreted
25 as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or
26 special favor from individuals or firms with whom the CONTRACTOR is doing business, or
27 proposing to do business, in accomplishing the work under this Agreement.

28 **7.3** The CONTRACTOR, or its employees, shall not offer gifts, gratuity, favors, or

1 entertainment, directly or indirectly, to COUNTY employees.

2 **8. Inspection of Service; Quality Control/Assurance**

3 **8.1** All performances (which includes services, workmanship, materials, supplies and
4 equipment furnished or utilized in the performance of this Agreement), shall be subject to
5 inspection and review by the COUNTY, or other regulatory agencies, at all times.
6 CONTRACTOR shall provide adequate cooperation to any COUNTY representative or other
7 regulatory official to permit him/her to determine the CONTRACTOR's conformity with the
8 terms of this Agreement. If any services performed or products provided by CONTRACTOR
9 are not in conformance with the terms of this Agreement, COUNTY shall have the right to
10 require the CONTRACTOR to perform the services or provide the products in conformance
11 with the terms of the Agreement at no additional cost to COUNTY.

12 **8.2** CONTRACTOR shall establish adequate procedures for self-monitoring and
13 quality control and assurance to ensure proper performance under this Agreement; and shall
14 permit a COUNTY representative, or other regulatory official to monitor, assess or evaluate
15 CONTRACTOR's performance under this Agreement at any time upon reasonable notice to
16 CONTRACTOR.

17 **9. Independent Contractor**

18 CONTRACTOR is, for purposes relating to this Agreement, an independent contractor
19 and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed
20 that the CONTRACTOR (including its employees, agents and subcontractors) shall in no event
21 be entitled to any benefits, to which COUNTY employees are entitled, including, but not limited
22 to, overtime, retirement benefits, worker's compensation benefits and injury leave or other leave
23 benefits. There shall be no employer-employee relationship between the parties; and
24 CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made
25 against COUNTY based upon any contention by a third party that an employer-employee
26 relationship exists by reason of this Agreement. It is further understood and agreed by the
27 parties that CONTRACTOR in the performance of this Agreement, is subject to the control or
28 direction of COUNTY merely as to the results to be accomplished and not as to the means and

1 methods for accomplishing the results. CONTRACTOR shall have the sole responsibility to
2 employ, direct, control, supervise, manage, discharge, and compensate all of CONTRACTOR's
3 employees or subcontractors.

4 **10. Subcontract for Work or Services**

5 No contract shall be made by the CONTRACTOR with any other party for furnishing
6 any of the work or services under this Agreement without the prior written approval of the
7 COUNTY; but this provision shall not require the approval of contracts of employment between
8 the CONTRACTOR and personnel assigned under this Agreement, or for parties or firms
9 named in this Agreement.

10 **11. Disputes**

11 The parties agree that a continuous, cooperative working relationship between them is
12 critical for the success of this Agreement. The parties shall attempt to resolve any disputes
13 amicably at the working staff level. If that is not successful, any significant dispute shall be
14 immediately referred to the senior management of the parties. Any significant dispute which is
15 not resolved by the parties shall be decided in accordance with the provisions of the
16 Government Claims Act (Government Code Section 900, et seq.). In addition, at the written
17 request of either party, the parties shall appear before a neutral third party mediator, located in
18 Riverside or San Bernardino County, in an attempt to resolve the dispute. The parties shall
19 equally share the cost of the mediation. The CONTRACTOR shall proceed diligently with the
20 performance of this Agreement pending the resolution of any dispute.

21 **12. Licensing and Permits**

22 CONTRACTOR shall at all times comply with all State or other licensing requirements.
23 CONTRACTOR warrants that throughout the duration of this Agreement, it shall have all
24 necessary permits, approvals, certificates, waivers, and exemptions necessary for performance
25 of this Agreement as required by all applicable laws and regulations.

26 **13. Non-Discrimination**

27 CONTRACTOR shall not discriminate in the provision of services, allocation of
28 benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group

1 identification, race, religious creed, color, national origin, ancestry, physical handicap, medical
2 condition, marital status or sex in the performance of this Agreement; and, to the extent they
3 shall be found to be applicable hereto, shall comply with the provisions of the California Fair
4 Employment Practices Act (commencing with Section 1410 of the Labor Code), the Federal
5 Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C.
6 S1210, et seq.) and all other applicable laws or regulations.

7 **14. Records and Documents**

8 CONTRACTOR shall promptly provide to the COUNTY, reports, documents and
9 information related to this Agreement as reasonably requested by COUNTY.

10 **15. Administration/Contract Liaison**

11 The Assistant County Executive Officer/EDA, or designee, shall administer this
12 Agreement on behalf of COUNTY.

13 **16. Notices**

14 All correspondence and notices required or contemplated by this Agreement, shall be
15 delivered to the respective parties at the addresses set forth below and are deemed submitted
16 three days after being postmarked for deposit in the United States mail, postage prepaid:

17 **COUNTY OF RIVERSIDE**
18 Economic Development Agency
19 Attn: Riverside County Library System
20 3403 10th Street, Suite 500
Riverside, CA 92501

CONTRACTOR
Library Systems & Services, LLC
Attn: Chief Executive Officer
12850 Middlebrook Road, Suite 400
Germantown, MD 20874-5244

21 **17. Force Majeure**

22 If either party is unable to comply with any provision of this Agreement, due to causes
23 beyond its reasonable control, and which could not have been reasonably anticipated, such as
24 act of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable
25 for such failure to comply.

26 **18. EDD Reporting Requirements**

27 In order to comply with child support enforcement requirements of the State of
28 California, the COUNTY may be required to submit a Report of Independent Contractor(s)

1 form **DE 542** to the Employment Development Department (EDD). The CONTRACTOR
2 agrees to furnish the required data and certifications to the COUNTY within ten (10) days of
3 notification of award of Agreement when required by the EDD. This data will be transmitted to
4 governmental agencies charged with the establishment and enforcement of child support orders.
5 Failure of the CONTRACTOR to timely submit the data and/or certificates required, may result
6 in the contract being awarded to another contractor. In the event a contract has been issued,
7 failure of the CONTRACTOR to comply with all federal and state reporting requirements for
8 child support enforcement, or to comply with all lawfully served Wage and Earning
9 Assignments Orders and Notices of Assignment, shall constitute a material breach of
10 Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please
11 call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer
12 Service Office listed in the telephone directory in the State Government section under
13 "Employment Development Department", or access their internet site at www.edd.ca.gov.

14 **19. Hold Harmless/Indemnification**

15 CONTRACTOR shall indemnify and hold harmless, the County of Riverside, its
16 Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board
17 of Supervisors, elected and appointed officials, employees, agents and representatives from any
18 liability, claim, damage or action whatsoever, based or asserted upon, any act or omission of
19 CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out
20 of, or in any way relating to this Agreement, including, but not limited to, property damage,
21 bodily injury, or death. CONTRACTOR shall defend, at its sole cost and expense, including,
22 but not limited to, attorney fees, cost of investigation, defense and settlements or awards, the
23 County of Riverside, its Agencies, Districts, Special Districts and Department, their respective
24 directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and
25 representatives, in any such action or claim. With respect to any action or claim subject to
26 indemnification herein by CONTRACTOR, CONTRACTOR shall, at its sole cost, have the
27 right to use counsel of its own choice and shall have the right to adjust, settle or compromise,
28 any such action or claim, without the prior consent of COUNTY; provided however, that any

1 such adjustment, settlement or compromise in no manner whatsoever, limits or circumscribes,
2 CONTRACTOR's indemnification of COUNTY. CONTRACTOR's obligations hereunder,
3 shall be satisfied when CONTRACTOR has provided to COUNTY, the appropriate form of
4 dismissal (or similar document) relieving the COUNTY from any liability for the action or
5 claim involved. The specified insurance limits required in this Agreement shall in no way limit
6 or circumscribe CONTRACTOR's obligations to indemnify and hold harmless, the COUNTY.

7 **20. Insurance**

8 Without limiting or diminishing the CONTRACTOR's obligation to indemnify or hold
9 the COUNTY harmless, CONTRACTOR shall procure and maintain, or cause to be
10 maintained, at its sole cost and expense, the following insurance coverages, during the term of
11 this Agreement:

12 **20.1 Worker's Compensation**

13 If the CONTRACTOR has employees, as defined by the State of California,
14 CONTRACTOR shall maintain statutory Worker's Compensation Insurance (Coverage A), as
15 prescribed by the laws of the State of California. Policy shall include Employer's Liability
16 (Coverage B), including Occupational Disease, with limits not less than \$1,000,000 per person,
17 per accident. The policy shall be endorsed to waive subrogation in favor of the County of
18 Riverside, and if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement.

19 **20.2 Commercial General Liability**

20 Commercial General Liability insurance coverage, including, but not limited to,
21 premises liability, contractual liability, projects and completed operations liability, personal and
22 advertising injury covering claims which may arise from, or out of, CONTRACTOR's
23 performance of its obligations hereunder. Policy shall name all Agencies, Districts, Special
24 Districts and Departments of the County of Riverside, their respective directors, officers, Board
25 of Supervisors, employees, elected or appointed officials, agents or representatives as
26 Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence,
27 combined single limit. If such insurance contains a general aggregate limit, it shall apply
28 separately to this Agreement, or be no less than two (2) times the occurrence limit.

1 **20.3 Vehicle Liability**

2 If CONTRACTOR's vehicles or mobile equipment are used in the performance
3 of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance
4 for all owned, non-owned, or hired vehicles so used, in an amount not less than \$1,000,000 per
5 occurrence, combined single limit. If such insurance contains a general aggregate limit, it shall
6 apply separately to the Agreement, or be no less than two (2) times the occurrence limit. Policy
7 shall name all Agencies, Districts, Special Districts and the Departments of the COUNTY of
8 Riverside, their respective directors, officers, Board of Supervisors, employees, elected or
9 appointed officials, agents or representatives as Additional Insureds.

10 **20.4 General Insurance Provisions – All Lines**

11 a) Any insurance carrier providing insurance coverage hereunder, shall be
12 admitted to the State of California and have an A M BEST rating of not less and A: VII (A:8)
13 unless such requirements are waived in writing, by the COUNTY Risk Manager. If the
14 COUNTY's Risk Manager waives a requirement for a particular insurer, such waiver is only
15 valid for that specific insurer and only for one policy term.

16 b) The CONTRACTOR's insurance carrier(s) must declare its insurance
17 deductibles or self-insured retentions. If such deductibles, or self-insured retentions exceed
18 \$500,000 per occurrence, such deductible and/or retentions, shall have the prior written consent
19 of the COUNTY Risk Manager, before the commencement of operations under this
20 Agreement. Upon notification of deductibles or self-insured retentions unacceptable to the
21 COUNTY, and at the election of the COUNTY's Risk Manager, CONTRACTOR's carrier(s)
22 shall either: 1) reduce, or eliminate such deductibles or self-insured retention's as respects this
23 Agreement with the COUNTY; or, 2) procure a bond which guarantees payment of losses and
24 related investigations, claims administration and defense costs and expenses.

25 c) CONTRACTOR shall cause CONTRACTOR's insurance carrier(s) to
26 furnish the COUNTY of Riverside with either: 1) a properly executed original Certificate(s) of
27 Insurance and certified original copies of Endorsements effecting coverage as required herein;
28 or, 2) if requested to do so orally, or in writing by the COUNTY Risk Manager, provide

1 original, certified copies of policies, including all Endorsements and all attachments thereto,
2 showing such insurance is in full force and effect. Further, said Certificate(s) and policies of
3 insurance shall contain the covenant of the insurance carrier(s), that thirty (30) days written
4 notice shall be given to the COUNTY of Riverside, prior to any material modification,
5 cancellation, expiration or deduction in coverage of such insurance. In the event of a material
6 modification, cancellation, expiration or reduction in coverage, this Agreement shall terminate
7 forthwith, unless the COUNTY of Riverside receives, prior to such effective date, another
8 properly executed, original Certificate of Insurance and original copies of Endorsements or
9 certified original policies, including all Endorsements and attachments thereto, evidencing
10 coverage's set forth herein, and the insurance required herein, is in full force and effect.
11 ***CONTRACTOR shall not commence operation until the COUNTY has been furnished with***
12 ***the original Certificate(s) of Insurance and certified, original copies of Endorsements or***
13 ***policies of insurance, including all Endorsements and any and all other attachments as***
14 ***required in this Section. An individual authorized by the insurance carrier to do so on its***
15 ***behalf, shall sign the original Endorsements for each policy and the Certificate of Insurance.***

16 d) It is understood and agreed to by the parties hereto, and the insurance
17 company(s), that the Certificate(s) of Insurance and policies, shall so covenant and shall be
18 construed as primary insurance, and the COUNTY's insurance and/or deductibles, and/or self-
19 insured retention's, or self-insured programs, shall not be construed as contributory.

20 e) The COUNTY's Reserved Rights-Insurance, if during the term of this
21 Agreement, or any extension thereof, there is a material change in the scope of services; or,
22 there is a material change in the equipment to be used in the performance of the scope of work
23 (such as the use of aircraft or watercraft), the COUNTY reserves the right to adjust the types of
24 insurance required under this Agreement and the monetary limits of liability for the insurance
25 coverage's currently required herein, if: in the COUNTY Risk Manager's reasonable judgment,
26 the amount or type of insurance carried by the CONTRACTOR has become inadequate.

27 f) CONTRACTOR shall pass down the insurance obligations contained
28 herein, to all tiers of subcontractor working under this Agreement.

1 g) The insurance requirement contained in this Agreement may be met with
2 a program(s) or self-insurance acceptable to the COUNTY.

3 **21. General**

4 **21.1** CONTRACTOR shall not delegate or assign, any interest in this Agreement,
5 whether by operation of law or otherwise, without the prior written consent of COUNTY.

6 **21.2** Any waiver by COUNTY of any breach, of any one or more of the terms of this
7 Agreement, shall not be construed to be a waiver of any subsequent or other breach of the same
8 or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full
9 and complete compliance with any terms of this Agreement, shall not be construed as in any
10 manner, changing the terms or preventing COUNTY from enforcement of the terms of this
11 Agreement. CONTRACTOR shall always be required to fully comply with all terms of this
12 Agreement.

13 **21.3** In the event the CONTRACTOR receives payment under this Agreement, which
14 is later disallowed by COUNTY for nonconformance with the terms the this Agreement, the
15 CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at
16 its option, the COUNTY may offset the amount disallowed from any payment due to the
17 CONTRACTOR.

18 **21.4** CONTRACTOR shall not provide partial delivery of services or products unless
19 specifically stated in this Agreement.

20 **21.5** The CONTRACTOR warrants that is has good title to all materials or products
21 used by CONTRACTOR, or provided to COUNTY pursuant to this Agreement, free from all
22 liens, claims or encumbrances.

23 **21.6** Nothing in this Agreement shall prohibit the COUNTY from acquiring the same
24 type, or equivalent equipment, products, materials or services from other sources, when deemed
25 by the COUNTY to be in its best interest.

26 **21.7** CONTRACTOR shall comply with all applicable Federal, State and local laws
27 and regulations. CONTRACTOR will comply with all applicable COUNTY policies and
28 procedures. In the event that there is a conflict between the various laws or regulations that may

1 apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

2 **21.8** CONTRACTOR shall comply with all safety and health ordinances, statutes or
3 regulations which apply to performance under this Agreement.

4 **21.9** CONTRACTOR shall comply with all requirements of the Occupational Safety
5 and Health Administration (OSHA) standards and codes as set forth by the U. S. Department of
6 Labor and the State of California (Cal/OSHA).

7 **21.10** This Agreements shall be governed by the laws of the State of California. Any
8 legal action related to the performance or interpretation of this Agreement shall be filed only in
9 the Superior Court of the State of California, or the U. S. District Court, located in Riverside,
10 California, and the parties waive any provision of law providing for a change of venue to
11 another location. In the event any provision in this Agreement is held by a court of competent
12 jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless
13 continue in full force without being impaired or invalidated in any way.

14 **21.11** This Agreement, including any attachments or exhibits, constitutes the entire
15 Agreement of the parties with respect to its subject matter and supersedes all prior and
16 contemporaneous representations, proposals, discussions and communications, whether oral or
17 in writing. This Agreement may be changed or modified, only by a written amendment, signed
18 by the authorized representative of both parties.

19 **22. County Obligations**

20 **22.1** COUNTY shall be responsible for negotiating and administering leases for
21 library branches. Payments for branch leases are the COUNTY's responsibility.

22 **22.2** COUNTY shall be responsible for negotiating and administering contracts for
23 appropriate level of landscape maintenance and janitorial service at library branches. Payment
24 to the providers of these services shall be made directly by the COUNTY.

25 **22.3** COUNTY shall provide the facilities and furniture as necessary to properly
26 operate the libraries.

27 ///

28 ///

1 **22.4** COUNTY shall indemnify and hold harmless CONTRACTOR, its officers, employees
2 and agents from any liability for personal injury (including wrongful death) or damages arising
3 out of COUNTY's failure to perform facility maintenance. However, such indemnification and
4 hold harmless will only apply if CONTRACTOR has met its entire obligation as custodian of
5 the property associated with the library as set forth in the Agreement and the exhibits hereto.

6 **23. Exhibits**

7 The following exhibits are attached to, and made part of this Agreement:

8 Exhibit A – Ownership, Reporting, Policies, Asset Management

9 Exhibit B – Services and Compensation

10 Exhibit C – Financial Operation

11 Exhibit D – Staffing and Volunteers

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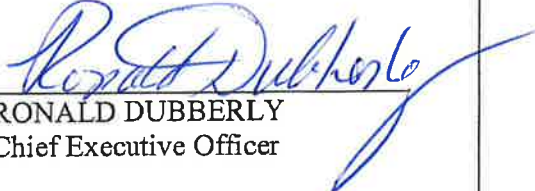
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IN WITNESS WHEREOF, COUNTY and Library Systems & Services, LLC, have
executed the Agreement as of the Effective Date.

COUNTY OF RIVERSIDE

By: _____
JOHN J. BENOIT, Chairman
Board of Supervisors

LIBRARY SYSTEMS & SERVICES, LLC

By: 
RONALD DUBBERLY
Chief Executive Officer

ATTEST:
KECIA HARPER-IHEM
Clerk of the Board

By: _____
Deputy

APPROVED AS TO FORM:
PAMELA J. WALLS
County Counsel


By: 
NEAL KIPNIS, Deputy

Exhibit A

Ownership, Reporting, Policies, Asset Management

1. Library System Ownership. The Riverside County Library System ("RCLS") is at all times, the property of the County of Riverside, California ("COUNTY") and operates under the authority of County of Riverside Economic Development Agency ("EDA"). Pursuant to this Agreement, Library Systems & Services, LLC ("CONTRACTOR"), is a County Contractor, hired to operate the Riverside County Library System ("RCLS"), as governed by the ordinances, regulations and policies of the COUNTY and its Board of Supervisors.

- A) The Assistant County Executive Officer/EDA, or his designee, will administer the provisions of the contract and oversee the performance of CONTRACTOR in providing the functions contained in the Agreement. At all times, EDA staff shall be responsible for overseeing the contract, CONTRACTOR, and RCLS to ensure timely delivery of services to the COUNTY.
- B) COUNTY owns the name "Riverside County Library System" and the RCLS logo. Except where specifically stated otherwise in this Agreement, COUNTY owns all assets purchased or developed specifically for the COUNTY, including furniture, technology and electronics, software licenses, intellectual property, programs and special services related to performance of this Agreement.

2. Corporate Status. CONTRACTOR shall promptly report to the Assistant County Executive Officer/EDA, or his designee, any material changes in its ownership.

- A) CONTRACTOR conflicts of interest, potential conflicts of interest, or the appearance of conflicts of interest shall be reported immediately to the Assistant County Executive Officer/EDA, or his designee.
- B) CONTRACTOR shall mark all documents or program marketing materials as "LSSI, LLC , Provider of Library Services for Riverside County."

3. Annual Reporting. By August 15 of each year, CONTRACTOR shall provide a cumulative annual certified financial statement for the previous COUNTY fiscal year.

4. Integrated Library System Access. CONTRACTOR shall enable the Integrated Library System ("ILS") to provide financial reports directly to EDA Accounting and Finance Division for purposes of audits by COUNTY at any time.

5. County Rules and Regulations. CONTRACTOR acknowledges that it is subject to the authority of the Riverside County Board of Supervisors and will follow and fully comply with all applicable ordinances, regulations, and policies of the COUNTY in all of CONTRACTOR's operations.

Exhibit A

Ownership, Reporting, Policies, Asset Management

- A) EDA will provide the appropriate manuals for COUNTY procedures which may be on COUNTY's Intranet, or otherwise available only through the COUNTY. Other COUNTY ordinances, regulations or rules are available on COUNTY's Website.
- 6. Library Foundation of the County.** The Riverside County Library Foundation is the sole property of COUNTY.
- 7. Asset Management.** CONTRACTOR shall be responsible for protection from loss, damage, misappropriation and negligent misuse by its staff of all COUNTY owned assets which are under CONTRACTOR's control or possession (except normal wear and use). Any purchases of assets for the RCLS shall be subject to prior review and approval by EDA staff. Assets include, but are not limited to, cash and checks, financial records, computers, copiers, projectors and other electronic equipment, shelving, book carts, furniture and floor coverings, artwork, buildings and grounds .
- A. CONTRACTOR shall develop in collaboration with COUNTY, written security policies and procedures for its staff for daily securing of all assets in each library. Policies and procedures shall require CONTRACTOR's staff to report immediately to CONTRACTOR any loss of/or significant damage to COUNTY owned assets, excepting library collection, of \$250 value or more.
- B. CONTRACTOR shall report in writing (including email) to EDA staff, any loss of/or significant damage to COUNTY owned assets, excepting library collection, of \$250 value or more, within 24 hours of discovery.
- C. CONTRACTOR shall not relocate to another location or refer any COUNTY owned assets, excepting library collection, of \$250 value or more, to "surplus" status without prior consultation and approval by COUNTY.
- D. CONTRACTOR shall cooperate with and enable EDA staff in the inventorying, photographing and tagging of all COUNTY assets in its control and possession as may be required to secure COUNTY owned assets or by COUNTY procedures.
- 8. Marketing, Public Relations and Communication.** COUNTY shall have final approval for marketing all projects and programs related to the RCLS.
- 9. Brand Management, Marketing, and Publicity.** COUNTY shall have sole responsibility for managing the RCLS "brand".
- A) CONTRACTOR shall ensure that the COUNTY logo will appear on all communications, publications, websites, documents, applications, or other

Exhibit A

Ownership, Reporting, Policies, Asset Management

printed materials for internal or external audiences that may refer to the RCLS.

- B) All forms used by RCLS in the ordinary course of business, including, but not limited to, forms used for library card applications, instructions and agreements for Flash Books printing, and community room reservations shall be reviewed and approved by COUNTY prior to dissemination to, or use by the public.
- C) All media contacts or requests for interviews regarding the RCLS shall be through the EDA's designated Media Relations staff only. All requests for information or interviews by third parties shall be reviewed in advance by EDA staff.
- D) EDA staff and CONTRACTOR will regularly meet to review programs and will mutually plan and execute marketing strategies for those programs.
- E) Marketing of library events and programs and the maintenance of the RCLS website shall be executed by CONTRACTOR with approval by EDA staff. CONTRACTOR shall have primary responsibility for managing the RCLS Website and County Library newsletter.

Exhibit B

Services and Compensation

- 1. Library Core Services.** Services which organize and conduct the daily routine and expected business of the RCLS, are the full responsibility of CONTRACTOR. These include, but are not necessarily limited to, the following:
 - A) Provide appropriate staff to operate each library building during public hours, or during hours as agreed upon, between EDA and CONTRACTOR.
 - B) Perform general operations including, but not limited to, conducting library business in the local and broader COUNTY communities.
 - C) Provide information, reference and programming services appropriate for the local community including, but not limited to, children's programs, story hours, reading clubs and Teen/YA and adult programming.
 - D) Selection of materials appropriate for the local community, in accordance with the Collection Selection Policy approved by the COUNTY, acquisition and processing of collection content in physical and electronic forms.
 - E) Courier service within the Riverside County Library System.
 - F) I.T. services including, but not limited to, maintenance of I.T. equipment provided by the COUNTY, and provision and operation of the LSSI-Master-Licensed Polaris ILS System.
 - G) Management of e-rate discounted telecommunication Federal program.
- 2. Western County Bookmobile.** This agreement provides for full operational funding of the Western County Bookmobile, including Saturday bookmobile service.
- 3. Coachella Valley Bookmobile.** This agreement provides for full operational funding of the Coachella Valley Bookmobile, including Saturday bookmobile service.
- 4. CONTRACTOR and EDA will Collaborate to Implement:**
 - A) Literacy Initiatives, ESL and Citizenship Classes, including recruitment of staff, volunteers and participants; acquisition of books and materials to support the programs.
 - B) Grants, including researching, writing and reporting outcomes of awarded grants.

Exhibit B Services and Compensation

- 5. Administrative Meetings.** CONTRACTOR authorized administrative / management staff and the EDA staff will meet to review operations, decide strategic planning, and resolve any questions or concerns.
- 6. Customer Grievance and Complaint Resolution.** CONTRACTOR will notify EDA staff immediately, of any high priority customer grievances or complaints. CONTRACTOR and EDA will promptly meet and confer to develop appropriate responses to such customer grievances or complaints. CONTRACTOR will supply pertinent procedures for EDA approval, which will not unreasonably be withheld.
- 7. Contract Expense Summary**

Riverside County Library System (RCLS)

Operations/Automation/Courier	\$10,700,000
City of Moreno Valley Automated Services	\$ 66,550*
City Murrieta Automated Services	\$ 128,840
College of the Desert Automated Services	\$ 87,186
La Quinta Museum (not-to-exceed)	\$ 175,000

Contract Subtotal **\$11,157,576**

Developer Impact Fees (DIF) Program Fund

Library Collection	\$642,000
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County Library Fund

Library Collection and Equipment (not-to-exceed)	\$350,000
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TOTAL **\$12,149,576**

*subject to city approval

Exhibit C

Financial Operations

1. Revenue

- A) CONTRACTOR will utilize a cash deposit procedure acceptable to the COUNTY and will implement any changes and revisions within 30 days upon execution of this Agreement. EDA Finance will supply necessary policies and procedures, financial forms and samples with EDA approval not unreasonably withheld.
- B) CONTRACTOR will ensure that all library branches are managed with consistent COUNTY financial procedures and will verify continued consistency on an annual minimum basis. EDA Finance will supply necessary policies and procedures, financial forms and samples with EDA approval not unreasonably withheld.
- C) CONTRACTOR will cover in full all cash shortages or theft of cash and deposits for RCLS' daily bank deposits.
- D) EDA Finance will review cash handling procedural compliance and deposit accuracy at least on an annual basis.

2. Reports

- A) Unique Management – Collection Accounts. Unique Management will be asked to provide payment and send reports of collections directly to EDA Finance, and provide CONTRACTOR with the report copies.
- B) Gifts & Donations –CONTRACTOR will provide a worksheet monthly detailing the current donation receipts and approved expenditures which is reconcilable to CONTRACTOR reimbursement invoices.
- C) CONTRACTOR, using Allocation of Compensation Report, will provide detailed RCLS cumulative revenue and expense financial reports by library branch to EDA Finance quarterly. An annual report will be submitted within 45 days of the close of COUNTY's fiscal year.

3. Invoices

- A) For reimbursement invoices, CONTRACTOR will provide EDA Finance, a summary page which lists all expenses itemized with a total that matches the invoice. Back up documentation for each charge must include proof of payment and a copy of the invoice being reimbursed.

Exhibit C

Financial Operations

- B) CONTRACTOR will use due diligence to submit all reimbursement claims to Riverside County EDA Finance in a timely manner. Reimbursement invoices shall not be submitted more than 120 days after the original expense.
4. **Grant Management.** Per Board Policy A-30, Section 4a., Board of Supervisor's authorization will be sought on all "Pre-application, grant letter of intent, grant renewal, or grant amendment to any federal, state, or other grantor agency that obligates county funds for the grant, which is NOT already specifically budgeted in the current fiscal year." EDA shall be responsible for obtaining authorization.
- a. A copy of all grant applications, budgets, awards, extensions, regulations, and reports will be provided to EDA Finance.
 - b. All grant invoices will be submitted to EDA Finance with a copy of the actual grant claim submitted or the grant summary sheet which lists all expenses itemized with a total that matches the invoice.
5. **Library Collection.** CONTRACTOR will be responsible for the selection, acquisition, cataloging, classification, and processing of all collection materials in all formats and forms for the RCLS. CONTRACTOR'S selection of all books, media and other materials and e-content for the RCLS will be in accordance with the Collection Selection Policy as approved by the COUNTY. CONTRACTOR will be responsible for expending the funds provided annually through this Agreement. CONTRACTOR will receive a \$5.00 processing fee per item for the processing of new books, media and materials per this Agreement.

Exhibit D Staffing and Volunteers

- 1. Staff Development and Training.** CONTRACTOR will provide training of all library staff for reference and programming services appropriate for the local community including, but not limited to, children's programs, story hours, reading clubs and Teen/YA and adult programming. Documentation of training of staff shall be submitted to EDA staff.
- 2. CONTRACTOR'S Authorized Representatives.** Upon signing of this agreement, CONTRACTOR will immediately make known to COUNTY in writing who is authorized to represent CONTRACTOR for specific major functions under this Agreement. CONTRACTOR will report to EDA staff, any changes in management staff at each library.
- 3. Hiring Approval.** All library staff members, including library managers, zone managers and support staff are employees of CONTRACTOR. They are recruited, hired, evaluated and terminated by the CONTRACTOR. CONTRACTOR will submit at its own expense all librarians, managers, and full-time staff, who work for RCLS, to appropriate background screening and offers of employment shall be contingent upon successfully passing all background screening.
- 4. Volunteers:** CONTRACTOR shall recruit, train and monitor its volunteers at each of the libraries managed by the CONTRACTOR. Those volunteers who are recruited and selected by the CONTRACTOR, and those who apply directly to volunteer their services at the local library sites, are the responsibility of the CONTRACTOR. The names of all active volunteers shall be submitted quarterly to EDA staff, along with documentation of training for volunteers. CONTRACTOR will ensure that all volunteers specifically recruited for children's programs, activities, and tutoring involving minors less than 18 years of age shall clear all background screening before becoming active program volunteers. All programs and activities involving minors shall include a member of CONTRACTOR's regular staff being present in addition to volunteers.