

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

633



FORM APPROVED COUNTY COUNSEL
DATE: 9/18/14
BY: GREGORY P. PRIAMOS

FROM: Economic Development Agency

SUBMITTAL DATE:
September 18, 2014

SUBJECT: Second Amendment to the Agreement with Library Systems and Services, LLC for Provision of County Library Services, All Districts, [\$1,620,296], County Library Fund 100%

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Second Amendment to the Agreement with Library Systems and Services, LLC (LSSI) for the provision of County library services through June 30, 2016; and
2. Authorize the Chairman of the Board of Supervisors to execute the Amendment to the Agreement.

**BACKGROUND:
Summary**

(Commences on Page 2)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 759,935	\$ 860,361	\$ 1,620,296	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: County Library Fund 100%	Budget Adjustment: No
	For Fiscal Year: 2014/15-2015/16

C.E.O. RECOMMENDATION:

APPROVE

BY:
Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
DATE: 9/18/14
BY: Esteban Hernandez

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: 3-11 of 3/11/14, 3-13 of 1/29/13

District: ALL

Agenda Number:

3-10

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

Economic Development Agency

FORM 11: Second Amendment to the Agreement with Library Systems and Services, LLC for Provision of County Library Services, All Districts, [\$1,620,296], County Library Fund 100%

DATE: September 18, 2014

PAGE: 2 of 3

BACKGROUND:

Summary

On January 29, 2013, the Board of Supervisors approved the Professional Services Agreement with Library Systems and Services, LLC (LSSI) for the provision of County library services through June 30, 2016. On March 11, 2014, the First Amendment was approved to include additional library services for the Palm Desert Library. The Second Amendment incorporates several changes into the Agreement.

The Riverside County Library System (RCLS) includes 35 branches, two bookmobiles and the LSSI Management Office/RCLS Automation Center. LSSI operates a critical courier service for RCLS that distributes books, materials and mail between the branches, throughout the county, on a daily basis. Due to high usage, the vehicles used for courier service are in need of immediate replacement. Repairs have become very costly and it causes a serious delay in service when the courier schedule has to be adjusted due to vehicles out for repair. This Amendment includes a reimbursement for new courier vehicles to be purchased by LSSI in fiscal year 2014/15 for \$132,000. The vehicles will be fully maintained and operated for the duration of the contract by LSSI.

The LSSI Automation Center maintains all of the computers and peripherals for RCLS. As of January 2013, RCLS facilities had 1,224 networked computers for staff and public use. This amendment includes an amount not-to-exceed \$120,000 per fiscal year for reimbursement to a qualified service provider to maintain this equipment. This does not include the purchase of new equipment. Advancements in technology have made it possible to deliver services to our residents in a faster and more efficient manner. This amendment includes \$25,000 per fiscal year for media improvements to the RCLS website and other technology features that will improve the functionality of the system.

RCLS is a central member of the resource-sharing Inland Library System which also includes the Inyo County library system, Santa Clarita, Upland, Victorville and Murrieta city libraries and the College of the Desert. These Inland Library System members maintain a central database using the integrated library system Polaris (remotely hosted by LSSI). RCLS provides network access to Polaris, shared online databases, technical support services to the Murrieta Public Library and College of the Desert through automation service agreements. The City of Moreno Valley was included in these automation agreements but as of September 9, 2013 the city entered into an agreement directly with LSSI for operation of their library, which includes automation services. Therefore, the automation agreement in the amount of \$66,550 per fiscal year has been removed.

LSSI maintains the shared online databases for the Inland Library System. The databases provide crucial services for library patrons such as health and wellness resources, tutoring services, language and learning resources and career transition resources. In previous years, the funding for these databases was covered by Development Impact Fees (DIF). DIF funding has been significantly reduced in recent years due to the downturn in the economy. This amendment includes reimbursement for the databases in the amount of \$126,841 per fiscal year. The County Library Fund will cover the cost for these essential resources and services.

On July 1, 2014, the California minimum wage increased from \$8 to \$9 per hour and on January 1, 2016 it will increase from \$9 to \$10 per hour. The increase mainly impacts the Library Page position. An increase to the LSSI agreement in the amount of \$88,644 for 2014/15 and \$102,790 for fiscal year 2015/16 is necessary to compensate for the change in law. The compensation amount includes the additional wages and payroll taxes.

(Continued)

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

Economic Development Agency

FORM 11: Second Amendment to the Agreement with Library Systems and Services, LLC for Provision of County Library Services, All Districts, [\$1,620,296], County Library Fund 100%

DATE: September 18, 2014

PAGE: 3 of 3

BACKGROUND:

Summary (Continued)

In the last three years, the cost-of-living has risen by over 6.5%. In order to offset for this increase, a 2% cost-of-living adjustment (COLA) has been added per fiscal year for the LSSI employees that carry out the RCLS mission on a daily basis. The COLA adjustment for 2014/15 is \$214,000 and for 2015/16 the amount is an additional \$218,280. The compensation amount includes the additional wages and payroll taxes.

RCLS was not awarded critical grant funds from the California Department of Education Workforce Investment Act, Title II, Adult Education and Family Leave Act that helps to fund the Adult Literacy Program and English as a Second Language (ESL) classes for fiscal year 2014/15. The Adult Literacy Program is very important in Riverside County as it is estimated that 20 percent of the population is lacking basic literacy skills. ESL classes are vital in assisting immigrants to live cohesively within the community and with the ability to find employment; therefore, an amount of \$70,000 per fiscal year has been included in the amendment to continue these essential programs.

The purchase of new materials for collection development is fundamental to RCLS. As the community changes and grows, the need to reassess and adapt the collection to reflect new and differing areas of interest and concern are necessary. In recent years, DIF funding used to purchase these materials has been reduced but property tax revenue has increased which will allow for the County Library Fund to absorb this cost. An amount of \$50,000 per fiscal year has been added to the amendment for further development of the RCLS collection.

Impact on Residents and Businesses

An increase in operational costs and service programs allows RCLS to operate in a more efficient manner and meet the service needs of residents. Providing excellent library service in a timely manner is part of the RCLS mission.

Additional Fiscal Information

Year One – FY 2014/15	\$ 759,935
Year Two – FY 2015/16	\$ 860,361
Total	\$1,620,296

A budget adjustment is not necessary at this time and no net county cost will be incurred.

1 **SECOND AMENDMENT TO PROFESSIONAL SERVICES CONTRACT**
2 **AGREEMENT**
3 **BY AND BETWEEN COUNTY OF RIVERSIDE AND LIBRARY SYSTEMS**
4 **AND SERVICES LLC FOR LIBRARY SERVICES**

5 This Amendment, made and entered into this ____ day of _____, 2014
6 (“effective date”) by and between LIBRARY SYSTEMS AND SERVICES LLC
7 (“CONTRACTOR”), and the COUNTY OF RIVERSIDE (“COUNTY”). The parties agree as
8 follows:

9 A. Section 3.1 and 3.2 are deleted in their entirety and replaced with the following:

10 **3.1** The COUNTY shall pay the CONTRACTOR for services performed, products
11 provided and expenses incurred in accordance with the terms of Exhibit B-2, or elsewhere in this
12 Agreement. Maximum payments by the COUNTY to the CONTRACTOR pursuant to this
13 Agreement shall not exceed the total amount listed in Exhibit B-2 per fiscal year, including all
14 expenses. The COUNTY is not responsible for any fees, costs, or professional services (other
15 than taxes for items besides taxes on net income) incurred by the CONTRACTOR above and
16 beyond the payments stated in this Agreement. Unless specifically stated in Exhibit B-2,
17 COUNTY shall not be responsible for payment of CONTRACTOR’s expenses related to
18 performance and execution of this Agreement.

19 **3.2** The sum representing one-twelfth (1/12) of the annual “Contract Subtotal A”
20 amount listed in Exhibit B-2, shall be payable prior to the last day of the month in which the
21 services were rendered, upon approval by the Assistant County Executive Officer/EDA, or a
22 designee, of a monthly invoice submitted to COUNTY, as may be adjusted by any credits prior
23 payments. CONTRACTOR shall be paid for reimbursement of literacy program, media,
24 databases and software, new courier vehicles, maintenance of computers and peripherals,
25 additional library services for Palm Desert, and library collection and materials in accordance
26 with an invoice submitted to the Economic Development Agency (EDA) and shall be reimbursed
27 upon approval by the Assistant County Executive Officer/EDA, or a designee, within thirty (30)
28 days from the date of the receipt of the invoice. CONTRACTOR shall be paid for

1 reimbursement of library equipment with prior written approval of purchases, in accordance with
2 an invoice submitted to EDA and shall be reimbursed upon approval by the Assistant County
3 Executive Officer/EDA, or a designee, within thirty (30) days from the date of the receipt of the
4 invoice.

5 B. Exhibit B-2 is attached to this Amendment and replaces Exhibit B attached to the
6 Agreement.

7 All other terms and conditions of the Agreement shall remain unchanged, and shall
8 remain in full force and effect.

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1 **IN WITNESS WHEREOF, COUNTY and Library Systems and Services LLC** have
2 executed this Agreement as of the Effective Date.

3
4 **COUNTY OF RIVERSIDE:**

CONTRACTOR:
LIBRARY SYSTEMS AND
SERVICES LLC

5
6 By: _____
7 Jeff Stone, Chairman
8 Board of Supervisors

By: Steven Field

9 **ATTEST:**
10 **Kecia Harper-Ihem**
11 **Clerk of the Board**

12 By: _____
13 Deputy

14 **APPROVED AS TO FORM:**
15 **Gregory P. Priamos**
16 **County Counsel**

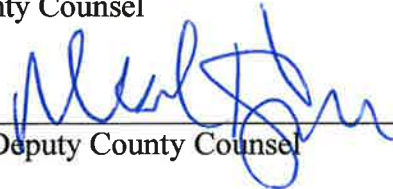
17 By: 
18 Deputy County Counsel

Exhibit B-2

Services and Compensation

Exhibit B attached to the Agreement is deleted in its entirety and replaced with the following:

- 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) Provide appropriate staff to operate the adult literacy program including ESL classes.
 - E) 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.
 - F) Courier service within the Riverside County Library System. Agreement includes the reimbursement for new courier vehicles to be purchased by CONTRACTOR in fiscal year 2014-2015 for \$132,000. The vehicles will be fully maintained, owned and operated by CONTRACTOR for use in performance of services under the agreement. Should agreement end prior to June 30, 2019, the CONTRACTOR will reimburse COUNTY for a prorated amount based on depreciation in Kelley Blue Book, or as otherwise agreed by both parties.
 - G) I.T. services including, but not limited to, maintenance of the I.T. equipment provided by the COUNTY, and provision and operation of the LSSI-Master-Licensed Polaris ILS System.
 - H) 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 special event bookmobile service.
- 3. Coachella Valley Bookmobile** – This agreement provides for full operational funding of the Coachella Valley Bookmobile, including special event bookmobile service.
- 4. CONTRACTOR and EDA will collaborate to implement:**



Exhibit B-2

Services and Compensation

- A) Literacy Initiatives, ESL, Citizenship Classes, including recruitment of staff and volunteers and participants: acquisition of books and materials to support the programs.
 - B) Grants, including researching, writing and reporting outcomes of awarded grants.
- 5. Administrative meetings.** CONTRACTOR's 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.

**Riverside County Library System
Exhibit B-2 "Services and Compensation"**

7. Contract Expense Summary (Budget)

Contract Expense Summary in Exhibit B attached to Agreement is deleted in its entirety and replaced with the following:

Line Item	1/29/13 - 6/30/13	FY 13/14	FY 14/15	FY 15/16
Operations/Automation/Courier	4,458,333	10,700,000	10,700,000	10,914,000
COLA (2%) Includes Payroll Taxes	-	-	214,000	218,280
City of Moreno Valley Automated Services*	27,729	12,571	-	-
City of Murrieta Automated Services	53,683	128,840	128,840	128,840
College of the Desert Automated Services	36,328	87,186	87,186	87,186
La Quinta Museum (not-to-exceed)	72,917	175,000	175,000	175,000
Increase in California minimum wage from \$8 to \$9 on July 1, 2014 and \$9 to \$10 per hour January 1, 2016	-	-	88,644	102,790
Contract Subtotal "A"	4,648,990	11,103,597	11,393,670	11,626,096
Reimbursement for Literacy Program	-	-	70,000	70,000
Reimbursement for Media Improvements	-	-	25,000	25,000
Reimbursement for Databases and Software	-	-	126,841	126,841
Reimbursement for new courier vehicles (includes modifications, DMV fees, tax, and wrap)	-	-	132,000	-
Maintenance of Computers and Peripherals for staff and public use (Reimbursement of actual costs to qualified service provider)	-	-	120,000	120,000
Total Reimbursement and Maintenance	-	-	473,841	341,841
Contract Subtotal	4,648,990	11,103,597	11,867,511	11,967,937
Additional Library Services for Palm Desert (First Amendment)				
Events Coordinator	-	27,500	27,500	27,500
Volunteer Coordinator	-	27,500	27,500	27,500
Computer Instructor/Lab Technician	-	25,000	25,000	25,000
Reference/Young Adult Librarian	-	100,000	100,000	100,000
Receptionist/Library Assistant	-	35,000	35,000	35,000
Bookmobile	-	10,000	10,000	10,000
Materials and Books	-	35,000	35,000	35,000
Events	-	10,000	10,000	10,000
Volunteer Program	-	3,500	3,500	3,500
Furniture/Equipment Replacement & Miscellaneous	-	5,000	5,000	5,000
Additional Hours (\$236.50 per hour)	-	80,000	80,000	80,000
Total Additional Library Services for Palm Desert	-	358,500	358,500	358,500
Contract Subtotal	4,648,990	11,462,097	12,226,011	12,326,437
Library Equipment (not-to-exceed)**	145,833	350,000	350,000	350,000
Library Collection & Materials	-	-	392,000	392,000
Contract Subtotal - County Library Fund	4,794,823	11,812,097	12,968,011	13,068,437
Developer Impact Fees (DIF) Program Fund				
Library Collection	267,500	642,000	300,000	300,000
TOTAL	5,062,323	12,454,097	13,268,011	13,368,437

*On 9/9/13 the City of Moreno Valley entered into a separate agreement with LSSI for operation and automation services.

**Prior written approval is required.

SAS