

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS DATE 5/19/16

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

951



FROM: Economic Development Agency

SUBMITTAL DATE:
 June 9, 2016

SUBJECT: Third Amendment to the Agreement with Library Systems and Services, LLC for Provision of County Library Services, Two Years; All Districts, [\$27,976,874], County Library Fund 98%, Development Impact Fees 2%

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Third Amendment to the Agreement with Library Systems and Services, LLC (LSS) for the provision of County library services through June 30, 2018;
2. Authorize the Chairman of the Board of Supervisors to execute the Amendment to the Agreement;
3. Delegate signing authority up to \$75,000 to the Assistant County Executive Officer of the Economic Development Agency and/or his designee for library-specific operational products or services selected by LSS and included in the Board approved library budget ; and

(Continued)

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	\$ 13,988,437	\$ 13,988,437	\$ 27,976,874	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: County Library Fund 98%, Development Impact Fee 2%				Budget Adjustment: No	
				For Fiscal Year: 2016/17-2017/18	

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
 BY: Esteban Hernandez 6/9/16

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

Prev. Agn. Ref.: 3-10 of 9/30/14, 3-11 of 3/11/14, 3-13 of 1/29/13

District: ALL

Agenda Number:

3-20

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

Economic Development Agency

FORM 11: Third Amendment to the Agreement with Library Systems and Services, LLC for Provision of County Library Services, Two Years; All Districts, [\$27,976,874], County Library Fund 98%, Development Impact Fees 2%

DATE: June 9, 2016

PAGE: 2 of 2

RECOMMENDED MOTION: (Continued)

- 4. Finds, pursuant to Government Code Section 31000, that multiple sites are remote from available County employee resources and that the County's economic interests are served by the custodial services to be provided through the LSS contract.

BACKGROUND:

Summary

On January 29, 2013, the Board of Supervisors approved the Professional Services Agreement with Library Systems and Services, LLC (LSS) 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. On September 30, 2014, the Second Amendment was approved to purchase new courier vehicles, website and media improvements, removal of the Moreno Valley Public Library from the automation service agreement, funding changes for the online databases and new material purchases from DIF to the County Library Fund, minimum wage increase to \$10 per hour, cost of living increase to 2%, and Adult Literacy Program funding.

This Third Amendment will maintain County Library Services through June 30, 2018 and allow LSS, as operator of the County Libraries, to coordinate the work of custodial services for all County owned and contracted library locations. Current county employee resources will be reassigned to high level security locations. Third Amendment also includes extending library services provided to the Palm Desert Library. In March 1998, the City of Palm Desert and County of Riverside entered into an agreement for library services. Since that initial agreement, the City of Palm Desert elected to fund additional library services for staff and hours of operation. As of July 1, 2013, the County has agreed to cover the cost of these additional library services through June 30, 2018. The total cost per fiscal year is not to exceed \$358,500.

The Economic Development Agency recommends that the Assistant County Executive Officer and/or his designee be authorized to sign for library-specific operational products or services selected by LSS and included in the Board approved library budget. These products or services are selected by LSS however vendors require final signing approval of the County.

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 2016/17	\$ 13,988,437.00
Year Two – FY 2017/18	\$ 13,988,437.00
Total	\$ 27,976,874.00

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

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

4 This Amendment, made and entered into this ____ day of _____, 2016
5 ("effective date") by and between LIBRARY SYSTEMS AND SERVICES LLC
6 ("CONTRACTOR"), and the COUNTY OF RIVERSIDE ("COUNTY"). The parties agree as
7 follows:

8 The COUNTY and CONTRACTOR entered into the Contract for Riverside County
9 Library Administration ("Agreement"), for the administration of library services through June
10 30, 2016. COUNTY and CONTRACTOR now agree to further amend the Agreement to be
11 effective beginning July 1, 2016 through June 30, 2018 for fiscal years 2016/17 and 2017/18.

12 Sections 2, 3.1, and 3.2 of the agreement are amended as follows:

13 **Period of Performance**

14 2. The term of the Agreement shall be through June 30, 2018. Either party may
15 terminate the Agreement without cause at any time with 180 days written notice to the other
16 party.

17 **Compensation**

18 3.1 The COUNTY shall pay the CONTRACTOR for services performed, products
19 provided and expenses incurred in accordance with the terms of Exhibit B-3, or elsewhere in
20 this Agreement. Maximum payment by COUNTY to CONTRACTOR pursuant to this
21 Agreement shall not exceed \$13,988,437.00 annually, including all expenses. The COUNTY
22 is not responsible for any fees, costs, or professional services (other than taxes for items
23 besides taxes on net income) incurred by the CONTRACTOR above and beyond the
24 payments stated in this Agreement. Unless specifically stated in Exhibit B-3, COUNTY shall
25 not be responsible for payment of CONTRACTOR's expenses related to the performance and
26 execution of this Agreement.

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1 **3.2** The sum representing one-twelfth (1/12) of the annual contract subtotal amount
2 of \$1,165,703.08 shall be payable prior to the last day of the month in which the services were
3 rendered, upon approval by the Assistant County Executive Officer/EDA, or a designee, of a
4 monthly invoice submitted to COUNTY, as may be adjusted by an credits or prior payments.
5 CONTRACTOR shall be paid for library collection and equipment and custodial services in
6 accordance with an invoice submitted to the Economic Development Agency (EDA) and shall be
7 reimbursed upon approval by the Assistant County Executive Officer/EDA, or a designee, within
8 thirty (30) days from the date of the receipt of invoice. Maximum payment by COUNTY to
9 CONTRACTOR pursuant to this agreement for custodial services shall not exceed \$600,000
10 annually.

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

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

3 COUNTY OF RIVERSIDE:

CONTRACTOR:
LIBRARY SYSTEMS AND
SERVICES LLC

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

By: _____
PAUL COLANGELO
President

8 ATTEST:
9 KECIA HARPER-IHEM
10 Clerk of the Board

11 By: _____
12 Deputy

13 APPROVED AS TO FORM:
14 GREGORY P. PRIAMOS
County Counsel

15
16 By: _____
17 Deputy County Counsel
NEAL KIPNIS

Exhibit B-3

Services and Compensation

Exhibits B, B-1, and B-2 attached to the Agreement are deleted 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, 2018, 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 LSS-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.

Exhibit B-3

Services and Compensation

4. CONTRACTOR and EDA will collaborate to implement:

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-3 "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	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18
Operations/Automation/Courier	\$ 10,700,000	\$ 10,700,000	\$ 10,914,000	\$ 11,132,280	\$ 11,132,280
COLA (2%) Includes Payroll Taxes	\$ -	\$ 214,000	\$ 218,280	\$ -	\$ -
City of Moreno Valley Automated Services*	\$ 12,571	\$ -	\$ -	\$ -	\$ -
City of Murrieta Automated Services	\$ 128,840	\$ 128,840	\$ 128,840	\$ 128,840	\$ 128,840
College of the Desert Automated Services	\$ 87,186	\$ 87,186	\$ 87,186	\$ 87,186	\$ 87,186
La Quinta Museum (not-to-exceed)	\$ 175,000	\$ 175,000	\$ 175,000	\$ 195,000	\$ 195,000
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	\$ 102,790	\$ 102,790
Contract Subtotal "A"	\$ 11,103,597	\$ 11,393,670	\$ 11,626,096	\$ 11,646,096	\$ 11,646,096

Reimbursement for Literacy Program	\$ -	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000
Reimbursement for Media Improvements	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Reimbursement for Custodial Services	\$ -	\$ -	\$ -	\$ 600,000	\$ 600,000
Reimbursement for Databases and Software	\$ -	\$ 126,841	\$ 126,841	\$ 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	\$ 120,000	\$ 120,000
Total Reimbursement and Maintenance	\$ -	\$ 473,841	\$ 341,841	\$ 941,841	\$ 941,841
Contract Subtotal	\$ 11,103,597	\$ 11,867,511	\$ 11,967,937	\$ 12,587,937	\$ 12,587,937

Additional Library Services for Palm Desert (First Amendment)					
Events Coordinator	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500
Volunteer Coordinator	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500	\$ 27,500
Computer Instructor/Lab Technician	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Reference/Young Adult Librarian	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Receptionist/Library Assistant	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Bookmobile	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Materials and Books	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
Events	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Volunteer Program	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500
Furniture/Equipment Replacement & Miscellaneous	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Additional Hours (\$236.50 per hour)	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000
Total Additional Library Services for Palm Desert	\$ 358,500	\$ 358,500	\$ 358,500	\$ 358,500	\$ 358,500
Contract Subtotal	\$ 11,462,097	\$ 12,226,011	\$ 12,326,437	\$ 12,946,437	\$ 12,946,437

Library Equipment (not-to-exceed)**	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
Library Collection & Materials	\$ -	\$ 392,000	\$ 392,000	\$ 392,000	\$ 392,000
Contract Subtotal - County Library Fund	\$ 11,812,097	\$ 12,968,011	\$ 13,068,437	\$ 13,688,437	\$ 13,688,437

Developer Impact Fees (DIF) Program Fund					
Library Collection	\$ 642,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
TOTAL	\$ 12,454,097	\$ 13,268,011	\$ 13,368,437	\$ 13,988,437	\$ 13,988,437

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

**Prior written approval is required.