

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



ITEM  
3.10  
(ID # 7013)

**MEETING DATE:**

Tuesday, June 19, 2018

**FROM :** ECONOMIC DEVELOPMENT AGENCY (EDA):

**SUBJECT:** ECONOMIC DEVELOPMENT AGENCY (EDA): Approval of Professional Services Agreement with Library Systems and Services, LLC for Provision of County Library Service, All Districts, [\$89,026,495], County Library Fund 100%

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the attached Professional Services Agreement with Library Systems and Services, LLC (LS&S) for the provision of County library services through June 30, 2023, and authorize the Chairman of the Board of Supervisors to sign said Agreement on behalf of the County.

**ACTION:** Policy

Robert Field, Assistant County Executive Officer/ECD 5/24/2018

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Jeffries, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley  
Nays: None  
Absent: None  
Date: June 19, 2018  
xc: EDA

Kecia Harper-Ihem  
Clerk of the Board  
By:   
Deputy

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STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 14,462,738	\$ 16,696,083	\$ 89,026,495	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: County Library Fund 100%</b>			<b>Budget Adjustment:</b>	<b>NO</b>
			<b>For Fiscal Year:</b>	<b>18/19 - 22/23</b>

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The Riverside County Library System (RCLS) has been under an agreement with Library Systems and Services, LLC (LS&S) since July 1, 1997. Since then, the system has grown with 36 branches, two bookmobiles, and one city museum servicing 4.3 million patrons annually and management of a 2.2 million collection. The Fourth Amendment to the Professional Services Contract Agreement expires June 30, 2018. This new agreement has been negotiated for the provision of County Library Services through June 30, 2023. Thereafter, the Agreement may be extended by written amendment, signed by both parties and approved by County's Board of Supervisors, for up to an additional total of five years.

Libraries are a public investment, transforming lives and communities while advocating for lifelong learning. Library Systems and Services (LS&S) and Riverside County Library System (RCLS) work closely to optimize the experience at each of the RCLS public branches. Managing operational costs, LS&S provides RCLS patrons with enhanced programming and services through knowledgeable and committed staffing and maintaining an average of 40 hours a week throughout the system. With an increase in collections and materials and an innovative technology service delivery, the successful public-private partnership will ensure all aspects of operating 36 branches, two bookmobiles, and a city museum will continue to meet the needs of Riverside County residents.

**Library Operations**

Library core services include the daily routine, coordinated and expected business of RCLS to include appropriate staffing levels, automation services, and courier services. The compensation amount includes the increase in State of California minimum wage through January 1, 2022.

**Programming and Maintenance**

RCLS continues to provide literacy services and programming including, but not limited to, community outreach and engagement programs, adult, family and emergent literacy programs, creative children's programs, inspiring teen programs, family and adult programs, summer reading programs, healthy resources programs, and English as a Second Language (ESL) programs. LS&S in coordination with RCLS will continue to apply for library grants from the state

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and other funding sources in order to enhance these and other RCLS efforts. Advancements in technology have made it possible to deliver services to patrons in a faster and more efficient manner. Continuous improvements to the public computer system, printer and copier services, website upgrades, phone and tablet app maintenance, point of sale and user friendly self-checkout stations increases the overall functionality of the RCLS technology system and optimizes the library patron experience.

**Library Collection and Equipment/DIF**

Over the years RCLS has worked to increase library collection expenditures to keep up with the population growth. Currently RCLS is proposing to spend over \$1.2 million in books, and materials, which include new releases, best sellers and eBooks. RCLS and LS&S will also continue to pursue state, federal and local grants for increased collection in order to meet the needs of the residents. LS&S maintains online databases providing essential services for library patrons such as health and wellness resources, tutoring services, language and learning resources and career transition resources.

**Additional Library Services**

Additional library services requested by partnering cities are reimbursed by city funding through service agreements. City of La Quinta has added a makerspace to their existing branch and City of Palm Desert continues to request additional staffing. RCLS is a central member of the resource-sharing Inland Library System which also includes the Inyo County library system, 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. 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.

**Impact to Residents and Business**

This agreement will provide the necessary operational services and enhanced programming for the 3.7 million patrons of RCLS. Providing excellent library services to the residents of Riverside County is part of the RCLS mission.

**Contract History**

RCLS has been under an agreement with LS&S since July 1, 1997. The Fourth Amendment to the Professional Services Contract Agreement with LS&S expires on June 30, 2018. The initial term of this agreement for library services will commence on July 1, 2018 and end on June 30, 2023.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

FY 2018/19	\$16,696,083
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FY 2019/20	\$17,200,020
FY 2020/21	\$17,805,168
FY 2021/22	\$18,453,520
FY 2022/23	\$18,871,704
TOTAL	\$89,026,495

A budget adjustment is not necessary at this time and no net county cost will be incurred. This Professional Services Agreement has been approved as to form by County Counsel.

**ATTACHMENTS:**

Professional Services Agreement By and Between County of Riverside and Library Systems and Services LLC for Library Services

RF:HM:SH: AJ: KC                      13846  
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Rohini Dasika, Principal Management Analyst                      6/11/2018

  
Gregory V. Priamos, Director County Counsel                      6/7/2018

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**PROFESSIONAL SERVICES AGREEMENT  
BY AND BETWEEN COUNTY OF RIVERSIDE AND LIBRARY SYSTEMS  
AND SERVICES LLC FOR LIBRARY SERVICES**

This Agreement, made and entered into this 19th day of June, 2018 ("effective date") by and between LIBRARY SYSTEMS AND SERVICES LLC ("CONTRACTOR"), a Maryland limited liability company and the COUNTY OF RIVERSIDE ("COUNTY"), a political subdivision of the State of California. The parties agree as follows:

**1. DESCRIPTION OF SERVICES**

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

**1.2** CONTRACTOR represents that it has the skills, experience, knowledge and professional expertise necessary to fully and adequately perform under this Agreement, and COUNTY relies upon this representation. CONTRACTOR shall perform all duties to the satisfaction of COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California or comparable states.

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

**2. PERIOD OF PERFORMANCE**

The initial term of this Agreement shall commence on July 1, 2018 and shall remain in effect through June 30, 2023. Thereafter, the Agreement may be extended by written amendment, signed by both parties and approved by COUNTY's Board of Supervisors, for up to an additional total of five years. Nevertheless, the COUNTY may terminate this Agreement without cause at any time with 180 days written notice to CONTRACTOR.

1 **3. COMPENSATION**

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

11 **3.2** The sum representing one-twelfth (1/12) of the annual "RCLS OPERATIONS TOTAL"  
12 amount listed in Exhibit B shall be payable within thirty (30) working days from the date of receipt of a  
13 monthly invoice submitted to COUNTY, as may be adjusted by any credits or prior payments.  
14 CONTRACTOR shall be paid for library collection and equipment in accordance with an invoice  
15 submitted to the Economic Development Agency (EDA) and shall be reimbursed upon approval by the  
16 Assistant County Executive Officer/EDA, or his or her designee, within thirty (30) days from the date of  
17 the receipt of invoice.

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

26 **3.4** No price increases will be permitted during the first year of this Agreement (If  
27 applicable). All price decreases (for example, if CONTRACTOR offers lower prices to another  
28 governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written

1 proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first  
2 year of the award, a minimum of 30-days advance notice in writing is required to be considered and  
3 approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must  
4 be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm  
5 during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All  
6 Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to  
7 satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the  
8 Board of Supervisors.

9 **3.5** CONTRACTOR shall be paid only in accordance with an invoice submitted to  
10 COUNTY by CONTRACTOR within fifteen (15) days from the last day of each calendar month, and  
11 COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice.  
12 Payment shall be made to CONTRACTOR only after services have been rendered or delivery of  
13 materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate.  
14 For this Agreement, send the original and duplicate copies of invoices to:

15 Riverside County EDA/RCLS  
16 3133 Mission Inn Avenue  
17 Riverside, CA 92501

- 18 a) Each invoice shall contain a minimum of the following information: invoice number and date;  
19 remittance address; bill-to and ship-to addresses of ordering department/division; Agreement  
20 number (insert contract ID#); quantities; item descriptions, unit prices, extensions, sales/use  
21 tax if applicable, and an invoice total.
- 22 b) Invoices shall be rendered monthly in arrears.

23 **4. CHANGES TO AGREEMENT**

24 **4.1** The Board of Supervisors ("Board") or a COUNTY official designated by Board  
25 order, are the only authorized COUNTY representatives who may at any time, by written  
26 amendment, make alterations to this Agreement.

27 **4.2** Any claim by the CONTRACTOR for additional payment related to this Agreement  
28 shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has

1 or should have notice of any actual or claimed change in the work which results in additional and  
2 unanticipated cost to the CONTRACTOR. COUNTY shall then review and respond to the claim.  
3 Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the  
4 Agreement even if there has been a change.

5 **5. TERMINATION**

6 **5.1.** Either party may terminate this Agreement without cause with 180 days written  
7 notice to the other party.

8 **5.2** If either party breaches any material provision of this Agreement and fails to correct  
9 the breach within thirty (30) days after receiving notice specifying the breach or, if the breach  
10 cannot be corrected within thirty (30) days, fails to progress diligently toward correction, then the  
11 other party may terminate this Agreement by giving written notice to the breaching party.

12 **5.3** After receipt of the notice of termination, CONTRACTOR shall:

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

23 **5.4** After termination, COUNTY shall make payment only for CONTRACTOR's  
24 performance, up to the date of termination, in accordance with this Agreement and at the rates  
25 set forth in Exhibit B.

26 **5.5** CONTRACTOR's rights under this Agreement shall terminate (except for fees  
27 accrued prior to the date of termination) upon dishonesty, or a willful or material breach of this  
28



1 Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for  
2 any reason whatsoever to perform the terms of this Agreement.

3       **5.6**     The rights and remedies of COUNTY provided in this section shall not be exclusive  
4 and are in addition to any other rights and remedies provided by law or this Agreement.

5 **6.     OWNERSHIP/USE OF CONTRACT MATERIALS AND PRODUCTS**

6       The CONTRACTOR agrees that all materials, reports or products in any form, including  
7 electronic, created by CONTRACTOR specifically for COUNTY for which CONTRACTOR has  
8 been compensated by COUNTY, pursuant to this Agreement, shall be the sole property of the  
9 COUNTY; and may be used by the COUNTY for any purpose COUNTY deems to be appropriate.

10 CONTRACTOR agrees not to release or circulate in whole or part such materials, reports or  
11 products without prior written authorization of COUNTY.

12 **7.     CONDUCT OF CONTRACTOR**

13       **7.1**     The CONTRACTOR covenants that it presently has no interest, including, but not  
14 limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect,  
15 which would conflict in any manner or degree with CONTRACTOR's performance under this  
16 Agreement. The CONTRACTOR further covenants that no person or subcontractor having any  
17 such interest shall be employed or retained by CONTRACTOR under this Agreement.  
18 CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which  
19 are, or may be perceived as, incompatible with the COUNTY's interests.

20       **7.2**     The CONTRACTOR shall not, under circumstances which could be interpreted as  
21 an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special  
22 favor from individuals or firms with whom the CONTRACTOR is doing business, or proposing to  
23 do business, in accomplishing the work under this Agreement.

24       **7.3**     The CONTRACTOR, or its employees, shall not offer gifts, gratuity, favors, or  
25 entertainment directly or indirectly to COUNTY employees.

26 **8.     INSPECTION OF SERVICE; QUALITY CONTROL/ASSURANCE**

27       **8.1**     All performance (which includes services, workmanship, materials, supplies and  
28 equipment furnished or utilized in the performance of this Agreement) shall be subject to

1 inspection and review by the COUNTY, or other regulatory agencies at all times. CONTRACTOR  
2 shall provide adequate cooperation to any COUNTY representative or other regulatory official to  
3 permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. If  
4 any services performed or products provided by CONTRACTOR are not in conformance with the  
5 terms of this Agreement, COUNTY shall have the right to require the CONTRACTOR to perform  
6 the services or provide the products in conformance with the terms of the Agreement at no  
7 additional cost to COUNTY. When the services to be performed or the products to be provided  
8 are of such nature that the difference cannot be corrected; the COUNTY shall have the right to:  
9 (1) require the CONTRACTOR immediately to take all necessary steps to ensure future  
10 performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement  
11 price to reflect the reduced value of the services performed or products provided. The COUNTY  
12 may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred  
13 by the COUNTY because of the CONTRACTOR's failure to perform.

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

19 **9. INDEPENDENT CONTRACTOR/EMPLOYEMENT ELIGIBILITY**

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

1 CONTRACTOR in the performance of this Agreement is subject to the control or direction of  
2 COUNTY merely as to the results to be accomplished and not as to the means and methods for  
3 accomplishing the results. CONTRACTOR shall have the sole responsibility to employ, direct,  
4 control, supervise, manage, discharge, and compensate all of CONTRACTOR'S employees or  
5 subcontractors.

6 CONTRACTOR warrants that it shall make its best effort to fully comply with all federal  
7 and state statutes and regulations regarding the employment of aliens and others and to ensure  
8 that employees performing work under this Agreement meet the citizenship or alien status  
9 requirement set forth in federal statutes and regulations. CONTRACTOR shall obtain, from all  
10 employees performing work hereunder, all verification and other documentation of employment  
11 eligibility status required by federal or state statutes and regulations including, but not limited to,  
12 the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist  
13 and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for  
14 all covered employees, for the period prescribed by the law.

15 **10. SUBCONTRACT FOR WORK OR SERVICES**

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

21 **11. DISPUTES**

22 The parties agree that a continuous, cooperative working relationship between them is  
23 critical for the success of this Agreement. The parties shall attempt to resolve any disputes  
24 amicably at the working staff level. If that is not successful, any significant dispute shall be  
25 immediately referred to the senior management of the parties. Any significant dispute which is  
26 not resolved by the parties shall be decided in accordance with the provisions of the Government  
27 Claims Act (Government Code Section 900, et seq.). In addition, prior to the filing of any legal  
28 action related to this Agreement, the parties shall appear before a neutral third party mediator,

1 located in Riverside or San Bernardino County, in an attempt to resolve the dispute. The parties  
2 shall equally share the cost of the mediation. The CONTRACTOR shall proceed diligently with  
3 the performance of this Agreement pending the resolution of any dispute.

4 **12. LICENSING AND PERMITS**

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

9 **13. NON-DISCRIMINATION**

10 CONTRACTOR shall not discriminate in the provision of services, allocation of benefits,  
11 accommodation in facilities, or employment of personnel on the basis of ethnic group  
12 identification, race, religious creed, color, national origin, ancestry, physical handicap, medical  
13 condition, marital status or sex in the performance of this Agreement; and, to the extent they shall  
14 be found to be applicable hereto, shall comply with the provisions of the California Fair  
15 Employment and Housing Act (Government Code Section 12900 et seq.), California Fair  
16 Employment Practices Act (commencing with Section 1410 of the Labor Code), the Federal Civil  
17 Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et  
18 seq.) and all other applicable laws or regulations.

19 **14. RECORDS AND DOCUMENTS**

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

22 **15. ADMINISTRATION/CONTRACT LIAISON**

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

1 **16. NOTICES**

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

5 **COUNTY OF RIVERSIDE**

**CONTRACTOR**

6 Riverside County EDA

Library Systems & Services, LLC

7 Attn: Riverside County Library System

Attn: Chief Executive Officer

8 3403 Tenth Street, Suite 400

2600 Tower Oaks Boulevard, 5th Floor

9 Riverside, CA 92501

Rockville, MD 20852

10 **17. FORCE MAJEURE**

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

15 **18. EDD REPORTING REQUIREMENTS**

16 In order to comply with child support enforcement requirements of the State of California,  
17 the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to  
18 the Employment Development Department. The CONTRACTOR agrees to furnish the required  
19 data and certifications to the COUNTY within 10 days of notification of award of Agreement when  
20 required by the EDD. This data will be transmitted to governmental agencies charged with the  
21 establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely  
22 submit the data and/or certificates required may result in the contract being awarded to another  
23 contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with  
24 all federal and state reporting requirements for child support enforcement or to comply with all  
25 lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall  
26 constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this  
27 reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local  
28 Employment Tax Customer Service Office listed in the telephone directory in the State

1 Government section under "Employment Development Department" or access their Internet site  
2 at [www.edd.ca.gov](http://www.edd.ca.gov).

3 **19. HOLD HARMLESS/INDEMNIFICATION**

4 CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies,  
5 Districts, Special Districts and Departments, their respective directors, officers, Board of  
6 Supervisors, elected and appointed officials, employees, agents and representatives from any  
7 liability, claim, damage or action whatsoever, based or asserted upon any act or omission of  
8 CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of  
9 or in any way relating to this Agreement, including but not limited to property damage, bodily  
10 injury, death, or any other element of any kind or nature. CONTRACTOR shall defend, at its sole  
11 cost and expense, including but not limited to attorney fees, cost of investigation, defense and  
12 settlements or awards, the County of Riverside, its Agencies, Districts, Special Districts and  
13 Departments, their respective directors, officers, Board of Supervisors, elected and appointed  
14 officials, employees, agents and representatives in any such action or claim. With respect to any  
15 action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at its  
16 sole cost, have the right to use counsel of its own choice and shall have the right to adjust, settle,  
17 or compromise any such action or claim without the prior consent of COUNTY; provided, however,  
18 that any such adjustment, settlement or compromise in no manner whatsoever limits or  
19 circumscribes CONTRACTOR's indemnification of COUNTY. CONTRACTOR's obligations  
20 hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form  
21 of dismissal (or similar document) relieving the COUNTY from any liability for the action or claim  
22 involved. The specified insurance limits required in this Agreement shall in no way limit or  
23 circumscribe CONTRACTOR's obligations to indemnify and hold harmless, the COUNTY.

24 **20. INSURANCE**

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

28 **20.1 Workers' Compensation**

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

### 7 **20.2 Commercial General Liability**

8 Commercial General Liability insurance coverage, including but not limited to, premises  
9 liability, contractual liability, products and completed operations liability, personal and advertising  
10 injury covering claims which may arise from or out of CONTRACTOR'S performance of its  
11 obligations hereunder. Policy shall name all Agencies, Districts, Special Districts, and  
12 Departments of the County of Riverside, their respective directors, officers, Board of Supervisors,  
13 employees, elected or appointed officials, agents or representatives as Additional Insureds.  
14 Policy's limit of liability shall not be less than **\$1,000,000** per occurrence combined single limit. If  
15 such insurance contains a general aggregate limit, it shall apply separately to this agreement or  
16 be no less than two (2) times the occurrence limit.

### 17 **20.3 Vehicle Liability**

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

### 26 **20.4 General Insurance Provisions - All lines**

27 a) Any insurance carrier providing insurance coverage hereunder shall be admitted  
28 to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such

1 requirements are waived, in writing, by the COUNTY Risk Manager. If the COUNTY's Risk  
2 Manager waives a requirement for a particular insurer such waiver is only valid for that specific  
3 insurer and only for one policy term.

4       b)     The CONTRACTOR'S insurance carrier(s) must declare its insurance deductibles  
5 or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000 per  
6 occurrence such deductibles and/or retentions shall have the prior written consent of the  
7 COUNTY Risk Manager before the commencement of operations under this Agreement. Upon  
8 notification of deductibles or self-insured retention's unacceptable to the COUNTY, and at the  
9 election of the COUNTY's Risk Manager, CONTRACTOR'S carriers shall either, 1) reduce or  
10 eliminate such deductibles or self-insured retention's as respects this Agreement with the  
11 COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations,  
12 claims administration, and defense costs and expenses.

13       c)     CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the  
14 County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and  
15 certified original copies of Endorsements effecting coverage as required herein, or 2) if requested  
16 to do so orally or in writing by the COUNTY Risk Manager, provide original Certified copies of  
17 policies including all Endorsements and all attachments thereto, showing such insurance is in full  
18 force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant  
19 of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of  
20 Riverside prior to any material modification, cancellation, expiration or reduction in coverage of  
21 such insurance. In the event of a material modification, cancellation, expiration, or reduction in  
22 coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior  
23 to such effective date, another properly executed original Certificate of Insurance and original  
24 copies of endorsements or certified original policies, including all endorsements and attachments  
25 thereto evidencing coverage's set forth herein and the insurance required herein is in full force  
26 and effect. **CONTRACTOR shall not commence operations until the COUNTY has been**  
27 **furnished original Certificate (s) of Insurance and certified original copies of endorsements**  
28 **or policies of insurance including all endorsements and any and all other attachments as**



1 **required in this Section. An individual authorized by the insurance carrier to do so on its**  
2 **behalf shall sign the original endorsements for each policy and the Certificate of**  
3 **Insurance.**

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

8 e) If, during the term of this Agreement or any extension thereof, there is a material  
9 change in the scope of services; or, there is a material change in the equipment to be used in the  
10 performance of the scope of work (such as the use of aircraft or watercraft) the COUNTY reserves  
11 the right to adjust the types of insurance required under this Agreement and the monetary limits  
12 of liability for the insurance coverages currently required herein, if in the COUNTY Risk Manager's  
13 reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become  
14 inadequate.

15 f) CONTRACTOR shall pass down the insurance obligations contained herein to all  
16 tiers of subcontractors working under this Agreement.

17 g) The insurance requirements contained in this Agreement may be met with a  
18 program(s) of self-insurance acceptable to the COUNTY.

19 h) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any  
20 incident or event that may give rise to a claim arising from the performance of this Agreement.

21 **21. GENERAL**

22 **21.1** CONTRACTOR shall not delegate or assign any interest in this Agreement,  
23 whether by operation of law or otherwise, without the prior written consent of COUNTY.

24 **21.2** Any waiver by COUNTY of any breach of any one or more of the terms of this  
25 Agreement shall not be construed to be a waiver of any subsequent or other breach of the same  
26 or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full and  
27 complete compliance with any terms of this Agreement shall not be construed as in any manner  
28

1 changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

2 CONTRACTOR shall always be required to fully comply with all terms of the Agreement.

3       **21.3** In the event the CONTRACTOR receives payment under this Agreement which is  
4 later disallowed by COUNTY for nonconformance with the terms of the Agreement, the  
5 CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at its  
6 option the COUNTY may offset the amount disallowed from any payment due to the  
7 CONTRACTOR.

8       **21.4** CONTRACTOR shall not provide partial delivery of services or products unless  
9 specifically stated in the Agreement.

10       **21.5** The CONTRACTOR warrants that it has good title to all materials or products used  
11 by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims  
12 or encumbrances.

13       **21.6** Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type  
14 or equivalent equipment, products, materials or services from other sources, when deemed by  
15 the COUNTY to be in its best interest.

16       **21.7** CONTRACTOR shall comply with all applicable Federal, State and local laws and  
17 regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In  
18 the event that there is a conflict between the various laws or regulations that may apply, the  
19 CONTRACTOR shall comply with the more restrictive law or regulation.

20       **21.8** CONTRACTOR shall comply with all, safety and health ordinances, statutes or  
21 regulations which apply to performance under this Agreement.

22       **21.9** CONTRACTOR shall comply with all requirements of the Occupational Safety and  
23 Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor  
24 and the State of California (Cal/OSHA).

25       **21.10** This Agreement shall be governed by the laws of the State of California. Any legal  
26 action related to the performance or interpretation of this Agreement shall be filed only in the  
27 Superior Court of the State of California or the U.S. District Court located in Riverside, California,  
28 and the parties waive any provision of law providing for a change of venue to another location. In

1 the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid,  
2 void, or unenforceable, the remaining provisions will nevertheless continue in full force without  
3 being impaired or invalidated in any way.

4 **21.11** This Agreement, including any attachments or exhibits, constitutes the entire  
5 Agreement of the parties with respect to its subject matter and supersedes all prior and  
6 contemporaneous representations, proposals, discussions and communications, whether oral or  
7 in writing. This Agreement may be changed or modified only by a written amendment signed by  
8 authorized representatives of both parties.

9 **21.12** The CONTRACTOR shall not use for personal gain or make other improper use of  
10 privileged or confidential information which is acquired in connection with this Agreement. The  
11 term "privileged or confidential information" includes but is not limited to: unpublished or sensitive  
12 technological or scientific information; medical, personnel, or security records; anticipated  
13 material requirements or pricing/purchasing actions; COUNTY information or data which is not  
14 subject to public disclosure; COUNTY operational procedures; and knowledge of selection of  
15 contractors, subcontractors or suppliers in advance of official announcement.

## 16 **22. COUNTY OBLIGATIONS**

17 **22.1** COUNTY shall be responsible for negotiating and administering leases for library  
18 branches. Payments for branch leases are the COUNTY's responsibility.

19 **22.2** COUNTY shall be responsible for negotiating and administering contracts for an  
20 appropriate level of landscape maintenance at library branches. Payment to the service provider  
21 shall be made directly by the COUNTY.

22 **22.3** COUNTY shall provide the facilities and furniture as deemed necessary by the  
23 COUNTY to properly operate the libraries.

24 **22.4** COUNTY shall indemnify and hold harmless CONTRACTOR, its officers,  
25 employees and agents from any liability for personal injury (including wrongful death) or damages  
26 arising out of COUNTY's negligent failure to perform facility maintenance. However, such  
27 indemnification and hold harmless will only apply if CONTRACTOR has met all of its obligations  
28 as custodian of the properties or libraries.

1 **23. EXHIBITS**

2 The following exhibits are attached to and made part of this agreement:

3 Exhibit A - Ownership, Reporting, Policies, Asset Management

4 Exhibit B - Services and Compensation

5 Exhibit C - Financial Operations

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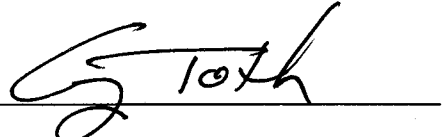
1 **IN WITNESS WHEREOF, COUNTY and CONTRACTOR** have executed this Agreement as  
2 of the date first written above.

3  
4 COUNTY:  
5 COUNTY OF RIVERSIDE:  
6 A political subdivision of the State of California

CONTRACTOR:  
LIBRARY SYSTEMS & SERVICES, LLC:  
A Maryland limited liability company

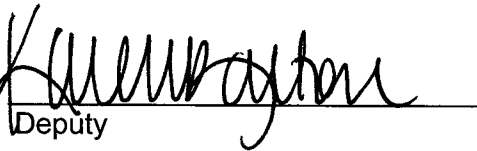
7 By: 

8 CHUCK WASHINGTON, Chairman  
9 Board of Supervisors


By: 

GREG TOTH  
Chief Executive Officer

10 ATTEST:  
11 KECIA HARPER-IHEM  
12 Clerk of the Board

13 By:   
14 Deputy

15  
16 APPROVED AS TO FORM:  
17 GREGORY P. PRIAMOS  
18 County Counsel

19 By:   
20 Thomas Oh  
21 Deputy County Counsel

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27 \\EDAFP01\Shared\Library\CONTRACTS\LS&S\2018-2023\02\_LSS Agreement\_2018-2023.Docx

**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 EDA/County of Riverside (“EDA”). Pursuant to this Agreement, Library Systems and Services, LLC. (“CONTRACTOR”) is a COUNTY Contractor hired to operate the RCLS, as governed by the ordinances, regulations and policies of the COUNTY and its Board of Supervisors.

  - A) The EDA Executive Director/Assistant County Executive Officer or his designee will administer the provisions of the contract and direct the activities contained in the Agreement. At all times, an EDA staff member 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 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 EDA Executive Director 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 EDA Executive Director or his designee.
  - B) CONTRACTOR shall mark all documents or program marketing materials as “LS&S, and Provider of Library Services for Riverside County.”
- 3. ANNUAL REPORTING:** By August 15 of each year, at the request of the COUNTY, CONTRACTOR shall provide a cumulative annual audited financial statement for the previous fiscal year that includes but is not limited to the following:

  - A) Audited financial statements that evidence CONTRACTOR’s overall corporate health, and RCLS’s specific financial condition, including but not limited to the operating costs for each individual library in the system. CONTRACTOR will utilize a mutually agreeable format developed by the EDA Finance Division and CONTRACTOR to record allocation of operating costs of the RCLS.
- 4. INTEGRATED LIBRARY SYSTEM ACCESS:** CONTRACTOR shall enable the Integrated Library System (“ILS”) to provide reports directly to EDA 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.
- 6. 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). Such assets include but are not limited to books, media, cash and checks, financial records, computers, copiers, projectors and other electronic equipment, shelving, book carts, furniture and accessories (such as lamps and other lighting fixtures), 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 known damage to or loss of COUNTY owned assets.
  - B) CONTRACTOR shall report in writing (including email) to EDA any known damage or loss of COUNTY owned assets within 24 hours of discovery. Excluding damaged or lost books and other circulation materials.
  - C) CONTRACTOR shall not relocate to another location or refer any COUNTY owned assets to "surplus" status without prior consultation and approval by COUNTY.
  - D) CONTRACTOR shall cooperate with 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.
  - E) CONTRACTOR shall provide asset invoices to EDA staff within ten business days of receipt to ensure assets are recorded by EDA within thirty days per County of Riverside Standard Practice Manual Section 5 PM#505.
- 7. BRAND MANAGEMENT, MARKETING AND PUBLICITY:** COUNTY and CONTRACTOR shall be responsible for marketing and managing the RCLS brand:
- A) CONTRACTOR shall ensure that the COUNTY logo will appear on all communications, publications, websites, documents, applications, or other printed materials for internal or external audiences that may refer directly or indirectly 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, 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 staff only. All requests for information or interviews by third parties shall be reviewed in advance by EDA staff with the exception of branch specific programs and similar events offered to the public.
- D) EDA staff will regularly meet and confer with CONTRACTOR to review new system-wide initiatives 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.



**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 professional and highly skilled staff and the appropriate level of staffing 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, enhancing library patronage, furthering library collection and materials, seeking grant opportunities, and 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, community outreach and engagement programs, adult, family and emergent literacy programs, creative children's programs, creative teen programs, family and adult programs, summer reading programs, healthy resources programs, and ESL programs.
  - 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) Provide courier service within the Riverside County Library System.
  - F) Provide automation services and technology including, but not limited to, media improvements, computer and equipment maintenance, Envisionware/RFID maintenance, TechEd for e-rate telecommunication program, databases and software enhancement provision and operation of the LSSI-Master-Licensed Polaris ILS System and maintenance of copies and printer equipment.
2. **WESTERN COUNTY BOOKMOBILE:** This Agreement provides for full operational funding of the Western County Bookmobile, including special event Saturday bookmobile service. COUNTY is responsible for all maintenance repairs.
3. **COACHELLA VALLEY BOOKMOBILE:** This Agreement provides for full operational funding of the Coachella Valley Bookmobile, including special event Saturday bookmobile service. COUNTY is responsible for all maintenance repairs
4. **ADDITIONAL LIBRARY SERVICES:** CONTRACTOR will provide additional services for the La Quinta Museum, La Quinta Makerspace, Edward-Dean Museum Catalog management, and the

City of Palm Desert. As well as provision of Automated Services and Technology for Murrieta and College of the Desert.

5. **CUSTODIAL SERVICES:** CONTRACTOR will be responsible to coordinate the work of custodial services for all COUNTY owned and library locations contracted for custodial services. CONTRACTOR will make sure that they are in good, clean working order.
6. **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.
7. **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.
8. **CONTRACT EXPENSE SUMMARY:** Continued on page 3

**EXHIBIT B  
SERVICES AND COMPENSATION**

	CONTRACT TERM					EXTENSION
	FY2018/19	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24 - 2028/29
<b>Library Operations</b>						
Operations/Automation/Courier	\$ 11,833,506	\$ 12,227,116	\$ 12,759,924	\$ 13,343,644	\$ 13,970,160	
CA Min Wage	\$ 272,549	\$ 406,472	\$ 451,605	\$ 488,197	\$ 250,963	
<b>Subtotal - Library Operations</b>	<b>\$ 12,106,055</b>	<b>\$ 12,633,588</b>	<b>\$ 13,211,529</b>	<b>\$ 13,831,841</b>	<b>\$ 14,221,123</b>	<b>\$ -</b>
<b>Programming and Maintenance</b>						
Literacy/Summer Reading/Special Events	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	
Custodial Services	\$ 630,360	\$ 642,967	\$ 655,827	\$ 668,943	\$ 682,322	
Copiers/IT Service & Maintenance/Databases	\$ 1,230,000	\$ 1,180,000	\$ 1,180,000	\$ 1,180,000	\$ 1,180,000	
<b>Subtotal - Programming and Maintenance</b>	<b>\$ 2,160,360</b>	<b>\$ 2,122,967</b>	<b>\$ 2,135,827</b>	<b>\$ 2,148,943</b>	<b>\$ 2,162,322</b>	<b>\$ -</b>
<b>Library Collection and Equipment</b>						
Library Supplies & Equipment (not to exceed)*	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	
Library Collection & Materials	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000	
<b>Subtotal - Library Collection and Equipment</b>	<b>\$ 950,000</b>	<b>\$ 950,000</b>	<b>\$ 950,000</b>	<b>\$ 950,000</b>	<b>\$ 950,000</b>	<b>\$ -</b>
<b>RCLS OPERATIONS TOTAL</b>	<b>\$ 15,216,415</b>	<b>\$ 15,706,555</b>	<b>\$ 16,297,355</b>	<b>\$ 16,930,784</b>	<b>\$ 17,333,445</b>	
<b>Developer Impact Fees (DIF) Fund</b>						
County of Riverside	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	
City of Wildomar DIF (WIL)	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
City of Lake Elsinore DIF (LAK & LKE)	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	
City of Menifee DIF (SCY, PLV & ROM)	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	
City of Jurupa Valley DIF (GAV & ROB)	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000	
<b>Subtotal - DIF</b>	<b>\$ 490,000</b>	<b>\$ 490,000</b>	<b>\$ 490,000</b>	<b>\$ 490,000</b>	<b>\$ 490,000</b>	<b>\$ -</b>
<b>Additional Library Services</b>						
Edward-Dean Museum Reference Library	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	
City of La Quinta Museum	\$ 195,000	\$ 195,000	\$ 195,000	\$ 195,000	\$ 195,000	
City of La Quinta Makerspace	\$ 165,190	\$ 173,450	\$ 182,122	\$ 191,228	\$ 200,789	
City of Palm Desert Library Operations	\$ 358,000	\$ 358,000	\$ 358,000	\$ 358,000	\$ 358,000	
College of the Desert (COD) Automation Services	\$ 89,366	\$ 91,600	\$ 93,890	\$ 96,237	\$ 98,643	
City of Murrieta Automation Services	\$ 132,112	\$ 135,415	\$ 138,800	\$ 142,270	\$ 145,827	
<b>Subtotal - Additional Library Services</b>	<b>\$ 989,668</b>	<b>\$ 1,003,464</b>	<b>\$ 1,017,812</b>	<b>\$ 1,032,736</b>	<b>\$ 1,048,260</b>	<b>\$ -</b>
<b>TOTAL</b>	<b>\$ 16,696,083</b>	<b>\$ 17,200,020</b>	<b>\$ 17,805,168</b>	<b>\$ 18,453,520</b>	<b>\$ 18,871,704</b>	<b>\$ -</b>

\*Prior County authorization is required

**EXHIBIT C  
FINANCIAL OPERATIONS**

**1. REVENUE:**

- A) CONTRACTOR will ensure that all library branches are managed with consistent financial procedures and will verify continued consistency on an annual minimum basis. EDA Finance will provide necessary financial procedures, forms, and samples.
- B) CONTRACTOR will cover in full all monthly net cash shortages or theft of cash and deposits for RCLS' daily bank deposits.
- C) EDA Finance will review cash handling procedural compliance and deposit accuracy via site visits at least on an annual basis.
- D) CONTRACTOR will work with EDA to report all revenues received by a branch which are recorded in the Polaris database and are reconcilable to daily deposits.

**2. REPORTS:**

- A) Gifts & Donations –CONTRACTOR will provide a worksheet monthly detailing the current donation receipts and approved expenditures which is reconcilable to CONTRACTOR reimbursement invoices.
- B) CONTRACTOR will provide detailed RCLS annual revenue and expense financial reports by library branch to EDA Finance within 45 days of the close of County's fiscal year to include each contracted line item.

**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.
- 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 sixty days after the original expense.
- C) Contractor shall provide separate invoices for each contract line item clearly listing each contract authority, including Branch Operations - operations/labor, automation, courier, Programming and Maintenance- literacy, custodial, IT, copiers, database/software, Library Collection and Equipment – supplies, equipment, books/materials.

- D) **CONTRACTOR** will submit all invoices pertaining to EDA's fiscal year end of June 30th prior to August 1st of the following fiscal year to ensure expenses are accrued to the appropriate contract year to avoid denial of reimbursements.
4. **GRANT MANAGEMENT:** Per Board Order 3-13 dated January 29, 2013, EDA has contracted authority to submit for grant opportunities less than \$25,000. All grant applications exceeding \$25,000 must be submitted to the Board of Supervisors for authorization prior to acceptance per Board Policy A-30, Section 4 a., 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. **CONTRACTOR** shall provide all grant application exceeding \$25,000 to EDA at the time of submission.
- A) A copy of all grant applications, budgets, awards, extensions, regulations, and reports will be provided to EDA Finance by uploading said items to a shared dropbox within 10 business days.
- B) All grant invoices will be submitted to EDA Finance with a copy of the grant summary sheet which lists all expenses itemized with a total that matches the invoice within 30 days.
5. **SOFTWARE PURCHASES:** **CONTRACTOR** shall provide an annual detail listing of projected vendors, product, purpose, and costs.
- A) Invoices submitted by **CONTRACTOR**, must be itemized and auditable back to the annual approved list.
6. **MATERIAL PURCHASES:** Effective immediately upon execution of this Agreement, the County will collaborate with **CONTRACTOR** to order all books, media and other materials.
- A) EDA may notify **CONTRACTOR** of its intention to participate in the review and selection of materials.
- B) **CONTRACTOR** will charge a 5% processing fee on the total book, media, and materials charges excluding tax and freight.
- C) Invoices for books and materials will be billed separately from other type of items being reimbursed.