

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: The Honorable City Council

FROM: Jennifer Mellon, Administrative Services Manager 

DATE: July 2, 2011 (CC meeting of July 20, 2011)

SUBJECT: Consider Agreement with Library Systems & Services, LLC (LSSI) for Continued Operation of the Moorpark City Library

SUMMARY

The City of Moorpark has an agreement with Library Systems & Services (LSSI) to operate the Moorpark City Library and this Agreement expires on September 30, 2011. Staff is proposing to enter into a five year Agreement with LSSI to continue to provide library operations including staffing and general expenses. The library contract staff will continue to provide all library services including collection development and procurement, training, programming, and technology support for library proprietary software systems. Staff costs and general expenses are budgeted within the Agreement. The collection development and technology budgets remain within the City's library budget and LSSI is given authorization to spend those budgeted funds and request reimbursement from City for actual costs.

BACKGROUND

On November 1, 2006, City Council authorized the City Manager to execute an Agreement with Library Systems & Services, LLC (LSSI) to operate the Moorpark City Library, commencing January 1, 2007 and continuing for a term of four and one half years (54 months) to July, 2011, with optional 12 month extensions. City Staff is proposing a new Agreement for consideration with a five year term rather than annual extensions.

Fiscal Year 2011-12 library revenue is projected at approximately \$821,000; of which an estimated \$775,000 is property tax allocated to the library. The City is anticipating tax revenue to remain flat or increase slightly throughout the term of the Agreement. Other annual Library revenue sources include the State Public Library Fund (PLF) allocation; fines and fees; a Moorpark Friends of the Library contribution; and interest earnings. This revenue projection continues to be low due to decreased property tax allocation for the Library; however, the Library has a substantial reserve balance from the transfer of the facility from the County to the City.

Proposed total operating costs for the Moorpark City Library (including City staff salaries, contractual services, contractual staffing of 7 FTE, non-contract operating expenses, cost allocation, and facility maintenance costs) are estimated at approximately \$900,000.

DISCUSSION

Staff is proposing a revised LSSI Agreement for a five year term. The revised Scope of Services includes staffing and day-to-day general expenses only (Exhibit B). LSSI will continue to bill the City on a monthly basis as expenditures occur for procurement of collection and technology costs which include library software maintenance and licensing costs but preclude technical support of equipment.

The cost of the FY 2010-11 LSSI Agreement totaled \$451,589, which included staffing of 7 full time equivalent (FTE) positions (\$426,289); and general expenses (\$25,000). The proposed total contractual cost for FY 2011-12 with 7 FTE will remain the same at \$451,589. In years two through five of the Agreement the staffing cost only is proposed to increase 1.5% annually. General expense costs will remain the same, budgeted at \$25,000, throughout the term. Staff is requesting that the City Council approve the Agreement and give signature authority to the City Manager to sign the five (5) year agreement at a total cost of \$2,195,524 for Fiscal Years 2012-13 through 2015-16.

FISCAL IMPACT

There will be no impact on the General Fund for Library operations during FY 2011-12. The revised Scope of Services for staffing and general office expenses for FY 2011-12 totals \$451,589. This represents a 0% increase in staffing cost and general expenses from FY 2010-11. If this Agreement is approved, the City will incur proposed increases in staffing costs of 1.5% annually for years 2 through 5. The General Fund impact will be an increase in costs of between \$6,191 and \$6,683 In Fiscal Years 2012-13 through 2015-16.

STAFF RECOMMENDATION

Authorize the City Manager to sign the Agreement with Library Systems & Services, LLC (LSSI) for Operation of the Moorpark City Library which includes a revised Scope of Services and Compensation Plan for Fiscal Years 2011-12 through 2015-16, subject to final language approval by the City Manager and City Attorney.

Attachments:

- Attachment 1 – Agreement
- Attachment 2 – Exhibit B, Scope of Services and Compensation
(Exhibit A, Insurance, not included as an attachment)

PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF MOORPARK
AND
LIBRARY SYSTEMS & SERVICES, LLC (LSSI)
FOR OPERATION OF THE MOORPARK CITY LIBRARY

THIS PROFESSIONAL SERVICES AGREEMENT is made and effective as of this ____ day of _____, 2011, between the City of Moorpark, a municipal corporation ("City") and Library Systems & Services, LLC, (LSSI) a Maryland limited liability company ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

WHEREAS, City has the need for library services including staffing and daily operations; and

WHEREAS, Consultant specializes in providing such services and has the proper work experience, certifications and background to carry out the duties involved; and

WHEREAS, the Parties entered into an Agreement on December 27, 2006 with LSSI to provide library services and wishes to continue this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, benefits and premises herein stated, the parties hereto agree as follows:

1. TERM

The term of this Agreement shall be from the date of execution to June 30, 2016 as identified in the Scope of Services and in conformance with Exhibit B, unless this Agreement is terminated or suspended pursuant to this Agreement.

2. SCOPE OF SERVICES

2.1 Consultant agrees to perform the tasks described and set forth in Exhibit B ("Scope of Services and Compensation"), which is made part of this Agreement.

2.2 Consultant shall furnish all the labor, technical, administrative, professional and other personnel, and all other means whatsoever, except as otherwise expressly specified in this Agreement, necessary or proper to perform and complete the services required of Consultant under this Agreement.

2.3 Consultant's designated representative(s) who are authorized to act on its behalf and to make all decisions in connection with the performance of services under this Agreement are listed in this Agreement.

2.4 Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's key personnel and subcontractors, if any, listed in Exhibit B to perform the services required under this Agreement. Consultant shall notify and obtain City's written approval with respect to any changes in key personnel prior to the performance of any services by replacement personnel.

2.5 Consultant shall obtain City's prior written approval before utilizing any subcontractors to perform any services under this Agreement. This written approval must include the identity of the subcontractor and the terms of compensation. Consultant is responsible for ensuring that all subcontractors have proper insurance which is also subject to review by City.

3. PERFORMANCE

3.1 City does hereby retain Consultant, as an independent contractor, in a contractual capacity to provide library services, as set forth in Exhibit B. In the event there is a conflict between the provisions of Exhibit B and this Agreement, the language contained in this Agreement shall take precedence.

3.2 Consultant represents and warrants that it has the qualifications and experience necessary to properly perform the services required under this Agreement in a thorough, competent and professional manner. Consultant shall at all times faithfully, competently, and to the best of its ability, experience and talent, perform all services described in this Agreement. In meeting its obligations under this Agreement, Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of Consultant under this Agreement. THERE ARE NO WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

3.3 If Consultant believes that additional services are needed to complete the Scope of Services, Consultant shall provide the City Manager or the City Manager's designee written notification describing the proposed additional services, the reasons for such services, and a detailed proposal regarding cost.

3.4 City may order changes to the Scope of Services, consisting of additions, deletions, or other revisions, and the compensation to be paid Consultant shall be adjusted accordingly. All such changes must be authorized in writing and executed by Consultant and City. The cost or credit to City resulting in changes in services shall be determined by the written agreement between the parties.

4. FAMILIARITY WITH SERVICES AND SITE

- 4.1 By executing this Agreement, Consultant warrants that Consultant:
- (a) has thoroughly investigated and considered the Scope of Services to be performed;
 - (b) has carefully considered how the services shall be performed;
 - (c) understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement; and
 - (d) possesses all licenses required under local, state or federal law to perform the services contemplated by this Agreement, and will maintain all licenses for the duration of this Agreement.

5. MANAGEMENT

5.1 The individual directly responsible for Consultant's overall performance of the Agreement provisions herein above set forth and to serve as principal liaison between

City and Consultant shall be Mark Smith, Vice President – West Coast Operations, and no other individual may be substituted without the prior written approval of the City Manager.

5.2 The City's contact person in charge of administration of this Agreement, and to serve as principal liaison between Consultant and City, shall be the City Manager or the City Manager's designee.

6. CITY'S OBLIGATIONS

6.1 City shall make available to Consultant, without charge, solely for Consultant's use in performing the services outlined within this Agreement, all properties, facilities, equipment, collections, supplies, records, files and data used or useful in the operation of the Library that is in City's possession, custody or control as of the date hereof. City reserves all ownership rights in such properties and Consultant shall vacate or return such properties to City, ordinary wear and tear expected, at the termination or expiration of this Agreement.

6.2 City shall be responsible for setting all policies and procedures that govern the operations of the library and LSSI staff shall at all times adhere to set policies and procedures.

7. COMPENSATION AND PAYMENT

7.1 Compensation for the services to be performed by Consultant shall be in accordance with Exhibit B. Compensation shall not exceed the rates or total contract value of two million, one hundred ninety-five thousand, five hundred twenty-four dollars (\$2,195,524) as stated in Exhibit B, without the written authorization of the City Manager. Payment by City to Consultant shall be in accordance with the provisions of this Agreement.

7.2 Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement, which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

7.3 Consultant shall invoice City prior to the fifteenth (15th) day of each calendar month for services to be provided in the subsequent month at the amount set forth in Exhibit B. Due to the nature of this Agreement and the willingness of the City to pay for services not yet rendered, payment by the City shall not constitute acceptance by City of Consultant's work performed or to be performed, and shall not preclude the City's rights to contest amount of payment. Unless disputed in writing, invoices shall be paid on Net 30 terms from date City receives the invoice. Balances remaining unpaid and undisputed ten (10) days after the "due date" or the last day of each calendar month shall bear interest at rate of one and one quarter percent (1 ¼%) per month until paid in full.

8. REQUIRED DOCUMENTATION PRIOR TO PERFORMANCE

8.1 Consultant may not perform any services under this Agreement until Consultant provides the following to City:

- (a) furnishes proof of insurance as required under Exhibit A;
- (b) provides a taxpayer identification number and 1099 form;
- (c) obtains a City business registration and provides proof thereof; and
- (d) both parties have executed this Agreement.

9. TERMINATION OR SUSPENSION WITHOUT CAUSE

9.1 Either Party may terminate this Agreement with or without cause by giving the other Party six (6) calendar months written notice of termination.

9.2 In the event this Agreement is terminated or suspended pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination or suspension, provided that the work performed is of value to the City. Upon termination or suspension of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City pursuant to this Agreement.

10. DEFAULT OF CONSULTANT

10.1 The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate or suspend this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

10.2 If the City Manager or the City Manager's designee determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, the City Manager shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have thirty (30) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

11. OWNERSHIP OF DOCUMENTS

11.1 Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts, and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services under this Agreement including, but not limited to, ledgers, books of account, invoices, vouchers, canceled checks or other documents or records evidencing or relating to work. All such records shall be maintained in accordance with generally

accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or the City's designees at reasonable times to such books and records; shall give the City the right to examine and audit said books and records; shall permit City to make transcripts therefrom as necessary; and shall allow inspection of all work, data, documents, proceedings, and activities related to this Agreement at the City's expense. Notification of audit shall be provided at least thirty (30) days before any such audit is conducted. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

11.2 Upon completion of, or in the event of termination or suspension without cause of this Agreement, all documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of the Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office and upon reasonable advanced written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, and printing computer files.

11.3 Except as necessary for the performance of services under this Agreement, no Project Documents prepared expressly for City under this Agreement, will be released by Consultant to any other person or entity without City's prior written approval. All press releases, including graphic display information to be published, must be approved and distributed solely by City, unless otherwise agreed to in writing by City.

12. CONSULTANT'S BOOKS AND RECORDS

Where City has reason to believe that any of the documents or records required to be maintained by this section may be lost or discarded due to dissolution or termination of Consultant's business, City may, by written request, require that custody of such documents or records be given to a person or entity mutually agreed upon and that such documents and records thereafter be maintained by such person or entity at Consultant's expense. Access to such documents and records must be granted to City, as well as to its successors-in-interest and authorized representatives.

13. INDEMNIFICATION AND HOLD HARMLESS

13.1 Consultant shall hold harmless, defend (with council reasonably acceptable to City), and indemnify City and all of its officials, employees, servants, agents, and consultants, from any claim, demand, damage, liability, loss, cost or expense, for any damage whatsoever, arising out of or in connection with any personal injury or property damage resulting from or in any way connected with the performance of this Agreement by Consultant, except such damage as is caused by the negligence of City or others not under the control of the Consultant. City shall give prompt written notice to Consultant of any matter asserted by City to be covered by this provision.

13.2 City does not and shall not waive any rights that it may have against Consultant by any reason of this Section, because of the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. The hold harmless and indemnification provisions shall apply regardless of

whether or not said insurance policies are determined to be applicable to any losses, liabilities, damages, costs and expenses described in this Section.

14. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit A attached hereto and incorporated herein by this reference as though set forth in full.

15. INDEPENDENT CONSULTANT

15.1 Consultant is and shall at all times remain as to the City a wholly independent Contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability against City, or bind City in any manner.

15.2 No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

15.3 For City business purposes, position titles utilized by Consultant's employees shall be approved by the City Manager or the City Manager's designee. All correspondence and written documents prepared on behalf of the City, including but not limited to letters, memorandums, emails, forms, and permits, shall clearly identify Consultant's employees as contractors or consultants, to the satisfaction of the City Manager or the City Manager's designee. Additionally, Consultant shall provide its employees with business cards that clearly identify LSSI or contractor or consultant to the satisfaction of the City Manager or the City Manager's designee. Consultant shall also provide its employees with metal name badges that include the employee's name, , Moorpark City Library City Library, and contractor or consultant, to the satisfaction of the City Manager or the City Manager's designee. The name badge shall be worn at all times while conducting the business of the City of Moorpark pursuant to this Agreement.

16. LEGAL RESPONSIBILITIES

The Consultant shall keep itself informed of local, state and federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

17. NONDISCRIMINATION

Neither the Consultant, nor any sub-consultant under the Consultant, shall discriminate in employment of persons upon the work because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or gender of such person, except as provided in Section 12940 of the Government Code. The Consultant shall have responsibility for compliance with this Section [Labor Code Section 1735].

18. UNAUTHORIZED ALIENS

Consultant agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C. § 1101 *et seq.*, "FINA") as amended from time to time, and further agrees not to employ unauthorized aliens as identified in FINA. Should consultant employ any unauthorized aliens for the performance of any work or services covered by this Agreement, and should any liability or sanctions be imposed against City for the use of unauthorized aliens, Consultant agrees to reimburse City for the amount of all such liabilities or sanctions imposed, together with any and all related costs, including attorneys' fees, incurred by City.

19. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City will receive compensation, directly or indirectly from Consultant, or any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

20. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of the City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Services during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Scope of Services performed under this Agreement.

21. CONFLICT OF INTEREST

Consultant covenants that neither they nor any officer or principal of their firm have any interests, nor shall they acquire any interest, directly or indirectly, which will conflict in any manner or degree with the performance of their services hereunder. Consultant further covenants that in the performance of this Agreement, they shall employ no person having such interest as an officer, employee, agent, or sub-

consultant. Consultant further covenants that Consultant has not contracted with nor is performing any services directly or indirectly, with any developer(s) and/or property owner(s) and/or firm(s) and/or partnership(s) and/or public agency(ies) owning property and/or processing an entitlement application for property in the City or its Area of Interest, now or within the past one (1) year, and further covenants and agrees that Consultant and/or its sub-consultants shall not provide service nor enter into any contract with any developer(s) and/or property owner(s) and/or firm(s) and/or partnership(s) and/or public agency(ies) owning property and/or processing an entitlement application for property in the City or its Area of Interest, while under contract with the City and for a one (1) year time period following termination of this Agreement.

22. CONFIDENTIAL INFORMATION: RELEASE OF INFORMATION

22.1 The parties acknowledge that all information gained or work product produced by Consultant in performance of this Agreement will be considered confidential and that City may be exposed to information regarding Consultant's proprietary library management techniques and such other information designated in writing by Consultant as confidential (collectively, "Confidential Information"). Each party will: (1) use the same care to protect the other party's Confidential Information from disclosure that such party uses to protect its own information of like importance; (2) shall limit duplication of Confidential Information to the extent necessary to perform this Agreement; and (3) disclose Confidential Information only to employees having a need to know in connection with performance of this Agreement, and who are informed of the contents of this provision prior to disclosure.

22.2 Consultant shall not release nor disclose any such Confidential Information to persons or entities other than City without prior written authorization from the City Manager, except as required by law.

22.3 Consultant, its officers, employees or agents, shall not, without written authorization from the City Manager, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or other court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

22.4 If Consultant, or any officer, employee, or agent of Consultant, provides any Confidential Information or work product (including Project Documents) in violation of this Agreement, then City will have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorneys' fees, caused by or incurred as a result of Consultant's conduct.

22.5 Consultant shall promptly notify City should Consultant, its officers, employees, or agents be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the services performed under this Agreement. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant.

However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite such response.

22.6 In addition to any other remedies available, because the damage resulting from a breach of this Section 21 may be difficult or impossible to quantify and remedy at law, in case of such breach, or the threat of such breach, the party whose Confidential Information is disclosed or threatened to be disclosed will be entitled to injunctive or other equitable relief.

22.7 Nothing in this Agreement confers any license or right to use any trademark, service mark, copyright or other intellectual property right, whether now owned or hereafter developed, of either party.

22.8 These provisions shall survive termination or expiration of this Agreement; and, on such termination or expiration, each Party shall return all Confidential Information, including all copies, to the owner of such information, and if requested, shall certify in writing that all such information has been returned and not duplicated. Because the damage resulting from a breach of this provision would be difficult or impossible to quantify and remedy at law, in case of such breach, or the threat of such breach, the Party whose Confidential Information is threatened to be disclosed shall be entitled to injunctive or other equitable relief. Notwithstanding the foregoing, should the City be required to disclose any information pursuant to the Public Records Act or any other court order, City agrees to provide notice to Consultant prior to making such disclosure.

23. NOTICE

Any notice to be given pursuant to this Agreement shall be in writing and all such notices and any other document to be delivered shall be delivered by personal service or by deposit in the United States mail, certified or registered, return receipt requested, with postage prepaid, and addressed to the party for whom it is intended as follows:

To: City of Moorpark
799 Moorpark Avenue
Moorpark, California 93021
Attn: City Manager
Tel: 805-517-6200
Fax: 805-532-2205

To: Library Systems & Services, LLC
12850 Middlebrook Road, Suite 400
Germantown, Maryland 20874
Attn: Bradley J. King, CEO
Tel: 301-510-5100
Fax: 301-540-5522

Either party may, from time to time, by written notice to the other, designate a different address or contact person, who shall be substituted for the one above specified. Notices, payments and other documents shall be deemed delivered upon receipt by personal service or as of the third (3rd) day after deposit in the United States mail.

24. CHANGE IN NAME

Should a change be contemplated in the name or nature of the Consultant's legal entity, the Consultant shall first notify the City in order that proper steps may be taken to have the change reflected in the Agreement documents.

25. ASSIGNMENT

Consultant shall not assign this Agreement or any of the rights, duties or obligations hereunder. It is understood and acknowledged by the parties that Consultant is uniquely qualified to perform the services provided for in this Agreement.

26. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services in this Agreement.

27. VENUE AND GOVERNING LAW

This Agreement is made, entered into, and executed in Ventura County, California, and any action filed in any court or for arbitration for the interpretation, enforcement or other action of the terms, conditions or covenants referred to herein shall be filed in the applicable court in Ventura County, California. The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement.

28. COST RECOVERY

In the event any action, suit or proceeding is brought for the enforcement of, or the declaration of any right or obligation pursuant to this Agreement or as a result of any alleged breach of any provision of this Agreement, the prevailing party shall be entitled to recover its costs and expenses from the losing party, and any judgment or decree rendered in such a proceeding shall include an award thereof.

29. ARBITRATION

Cases involving a dispute between City and Consultant may be decided by an arbitrator if both sides agree in writing, with costs proportional to the judgment of the arbitrator.

30. ENTIRE AGREEMENT

This Agreement and the Exhibits attached hereto contain the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings,

representations, and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

31. CAPTIONS OR HEADINGS

The captions and headings of the various Articles, Paragraphs, and Exhibits of this Agreement are for convenience and identification only and shall not be deemed to limit or define the content of the respective Articles, Paragraphs, and Exhibits hereof.

32. AMENDMENTS

Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon being signed and acknowledged by both of the parties hereto.

33. PRECEDENCE

In the event of conflict, the requirements of the City's Request for Proposal, if any, and this Agreement shall take precedence over those contained in the Consultant's Proposal.

34. INTERPRETATION OF AGREEMENT

Should interpretation of this Agreement, or any portion thereof, be necessary, it is deemed that this Agreement was prepared by the parties jointly and equally, and shall not be interpreted against either party on the ground that the party prepared the Agreement or caused it to be prepared.

35. WAIVER

No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any such waiver constitute a continuing or subsequent waiver of the same provision. No waiver shall be binding unless executed in writing by the party making the waiver.

36. AUTHORITY TO EXECUTE

The person or persons executing this Agreement on behalf of the Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF MOORPARK

LIBRARY SYSTEMS & SERVICES, LLC

By: _____
Steven Kueny, City Manager

By: _____
Bradley J. King, CEO

Attest:

Maureen Benson, City Clerk

EXHIBIT B

SCOPE OF SERVICES AND COMPENSATION Fiscal Years 2011-2012 through 2015-2016

LSSI agrees to administer the operations of the Moorpark City Library (collectively, "Library"), including staffing of the Library; the accounting for, purchase of and payment of goods and services from vendors for approved budgeted supplies, specified technology maintenance, Library Materials (as defined below) and Capital Items (as defined below); and to operate the Library in accordance with the policies and guidelines approved by City within the scope of City's approved and adopted budget.

LSSI shall provide, by and through its own employees ("LSSI Staff"), all labor for the operation of the Library. The cost of the LSSI Staff shall be paid by LSSI and is included in the Operating Budget (as defined below). LSSI shall have the sole and absolute responsibility to hire and/or terminate the employment of the Library Staff from time to time to perform work under this Agreement. LSSI will provide the appropriate staffing levels, of no less than seven (7) FTE's, to keep the Library open to the public at fifty-eight (58) hours per week.

Monday through Thursday: 10:00 a.m. to 8:00 p.m.

Friday and Saturday: 10:00 a.m. – 5:00 p.m.

Sunday: 1:00 p.m. – 5:00 p.m.

LSSI will develop a long-range plan for the City upon City's request in cooperation with City Staff, elected and appointed local officials, other community stakeholders and the Library Staff ("Plan") and provide the plan in writing. Using current professional standards and practice, the Plan will identify challenges and opportunities for the Library staff and corresponding strategic responses; including specific, measurable goals and objectives. The Plan will be complete for City approval on a date mutually agreed upon by both parties. The Parties agree the Plan will take approximately six (6) months to develop.

This Plan, when approved by the City, will help govern the direction and focus of the Library Staff in fulfillment of their mission of providing effective and efficient Library service to meet the personal, professional and lifelong learning needs of the citizens served by the Library.

A. Included Services

The tasks that LSSI will undertake within this Agreement include:

1. General – Under the general direction of the City Manager or City Manager's designee, administer all aspects of the day-to-day operations of the Library, in accordance with generally accepted practices and principles of the public library profession. Periodically review program development, collections, and community development involvement activities, ensuring that programming,

services, and collections are in line with community needs. Comply with all California laws and regulations pertaining to public library services, including, but not limited to, the California Library Services Act. Represent the City at relevant library meetings, including the annual California Library Association State Librarians' meeting.

2. Community Relations:

- a. Develop and maintain effective working relationships with, but not limited to, City staff, elected officials, the Library Board, other library agency representatives, local schools and colleges, community groups such as the Friends of the Library, and the general public.
- b. Develop a marketing plan to promote all Library services to the residents of the City, and implement such plan subject to approval of the plan by City. Effectively disseminate information, and promote use of the Library, resources, and services.
- c. Work cooperatively with Library support groups to coordinate library advocacy and marketing efforts.
- d. Attend City Council meetings when requested to attend by City.

3. Fiscal Responsibility:

- a. Maintain responsibility for administration of the overall Library budget, of which the contracted services are a part.
- b. Continually review all aspects of Library operation and service for efficiency and cost-effectiveness, while making changes as appropriate.
- c. Diligently use good faith efforts to collect and account for all fines and fees, and remit same to City. All revenues resulting from library operations and programs will belong to the City.
- d. Prepare annual operating and capital budget requests for City approval.
- e. Provide monthly, quarterly, and annual financial statements that detail the costs associated with the operations of the Library.
- f. Develop and maintain effective and efficient financial procedures.
- g. Review all aspects of Library operation and service for efficiency and cost-effectiveness, making recommendations to City for approval and implementation.
- h. Provide the City with annual audited financial statements of the Company to demonstrate fiscal soundness.
- i. Explore supplemental Library funding opportunities, and apply for those which meet the Library's objectives, including but not limited to application and administration services for Federal E-Rate funding.
- j. Make recommendations to the City on fine and fee schedules, and investigate and recommend supplemental revenue sources.
- k. Seek and recommend grant opportunities for the Library for consideration and approval by the City. Approval from the City must be received prior to submittal of a grant application.

4. Management and Reporting:

- a. Prepare and provide an annual report by the last day in February for the previous calendar year, describing Library activities undertaken in the

- calendar year as well as recommending changes in policies, procedures and operations as necessary and appropriate.
 - b. Prepare and provide quarterly financial reports to City on Library activities designated within this Agreement. The financial reports shall detail all expenditures made for the Library quarterly and year to date for all items within this Agreement.
 - c. Prepare and provide quarterly reports to the City describing Library activities and recommending changes in policies, procedures, and operations as appropriate.
 - d. Prepare and provide monthly statistical reports in a form acceptable to City regarding Library activities by the fifth (5th) day of each month for activity of the prior month.
 - e. Follow and provide any necessary documents pertaining to delinquent library patron accounts to the City or other City designated and approved agency.
 - f. Maintain an inventory, updated monthly, of all books and materials purchased on behalf of the City for the Library. City shall be responsible for maintaining a technology inventory of all technology equipment at the facility.
 - g. Upon request, LSSI's City Librarian will provide reports to the City Manager or City Manager's designee. The City Librarian shall also serve as Library staff liaison to any Library Board, Friends of the Library, and/or any other Library support groups.
 - h. Manage the Moorpark City Library Volunteer program.
 - i. At least annually, survey and gather information from Library users for use in Library planning and customer satisfaction. Form and type of survey to be mutually agreed upon by City and LSSI.
 - j. LSSI and the City Librarian shall copy the City Manager or City Manager's designee on all official written correspondence sent (e-mail, letter, fax, etc.) by LSSI or the City Librarian on behalf of the Library with the exception of internal LSSI correspondence.
 - k. All press releases or publicity for events shall be given to the City Manager or City Manager's Designee for review, comment, and approval at least forty-eight (48) hours prior to being submitted to the media, posted on the website or advertised to the public in any way.
5. Planning and Performance Monitoring:
- a. Establish short-term and long-term goals and objectives, to be approved by the City, reflecting a course of action that continually improves Library service and administrative procedures and policies that meet the changing requirements of the Library.
 - b. Provide core Public Library performance measurements and compile monthly, quarterly, and annual reports to the City regarding the same. California State Public Library Statistics will be the minimum reported benchmark requirements.

6. Staff Development and Coaching:
 - a. Staff training and development is the responsibility of LSSI. LSSI shall agree that their professional staff be appropriately trained to ensure their continuing education requirements for professional library staff are maintained.
 - b. LSSI will provide support, orientation, training and professional development of all Library Staff.
 - c. LSSI will provide leadership and guidance to maximize Library Staff effectiveness in Library operations.
 - d. LSSI will provide harassment, discrimination, and retaliation training to all supervising employees at a minimum of every two years, with the initial training to take place within ninety (90) days of the effective date of this Agreement for current supervising employees, and within ninety (90) days of new assignments for future incoming supervising employees.
7. Public Services:
 - a. Provide prompt, friendly and accurate assistance in the use of the Library.
 - b. Provide prompt and accurate circulation, information and reference services.
 - c. Provide requested materials promptly.
8. Materials and Collection – Submit a comprehensive Collection Development and Management Plan, including both short-term and long-term collection development plans; a plan to systematically evaluate and replace antiquated material; an analysis of the relationship of print, non-print and electronic resources in the Library collection to the City Manager or City Manager's designee by March first (1st) of each year to be approved by the City. Recommendations for long-term collection and materials development are required, together with an implementation plan that is realistic within the City's financial resources. After City Council approval of the final budget, City will inform City Librarian of collections budget and give authority to begin procurement. Provide high quality materials on a wide variety of subjects in varied formats for all age groups present in the community, according to established collection management plans. Final decisions on collection development policies shall be with the City.
9. Interlibrary Loan Program – Work with the Southern California Library Cooperative (SCLC) on interlibrary loan arrangements for the Library. Recommend other interlibrary loan arrangements to the City and, upon approval from the City, work to secure such interlibrary loan arrangements.
10. Programming – Provide high quality, effective educational, recreational and cultural programs of interest to major demographic groups present in the community. All programs currently in place will continue and be analyzed. Recommendations for new programs shall be provided, in writing, to the City Manager or City Manager's designee for approval prior to commencing new programs. Examine current programming and recommend changes in long range plan documents.

11. Outreach – Conduct visits to school classrooms, community groups, service clubs and other local organizations and generate ongoing publicity about Library programs services.
12. Information Technology – Recommend plans to procure, install, and support sufficient hardware, software, network, telecommunications and other resources necessary to support the Library’s mission.
13. Automation Support:
 - a. Provide maintenance support for library computer software associated with the Integrated Library System (ILS) and proprietary library systems and ensure that those systems operate effectively.
 - b. Be responsible for acquisition and maintenance of any servers and related hardware required for proposed ILS system and library proprietary systems.
 - c. Advise the City as to recommendations in the area of automation that would enhance service and/or decrease overall operating costs.
 - d. The City will provide, and when necessary, replace all software, hardware and related peripherals, for both the use by Library staff and for the service of the general public and will provide day-to-day maintenance and servicing of said software, hardware, and related peripherals. The City will provide, maintain and service computer networks and the telephone system/network and equipment.
14. Facilities – Work with City Staff to ensure effective building maintenance by promptly identifying and reporting problems with the physical building.

In addition to meetings with City staff, LSSI agrees to attend the meetings of the Moorpark City Library Board of Trustees as well as City Council meetings when matters of the Library will be discussed and staff determines that LSSI's presence is necessary. LSSI will be present at stakeholder and any formal Library advisory group meetings as established by the Council when determined necessary by the City. Library staff will also attend SCLC meetings and provide status reports and information to City representatives.

B. Excluded Services

LSSI shall have no responsibility for administration, purchase or payment of, or any liability or duty to defend claims for:

- A. Any Capital Items, which shall mean any capital acquisitions, improvements or replacements of any of the properties, facilities, equipment, furniture, furnishings, fixtures or leasehold improvements of the Library, except that such Capital Items proposed by LSSI for its benefit shall be approved by the City and paid for by LSSI.

- B. Any amount of costs for unbudgeted repairs, maintenance and/or upkeep of Capital Items owned by the City.

Any increases in the cost of facility insurance, utilities, and any state or federal tariff items over the rate for such items prevailing as of the date of execution of this Agreement.

C. Special Conditions

LSSI may purchase goods for use in the management and operation of the Library upon prior written approval of the City. Title to all items purchased by LSSI on behalf of the City shall at all times reside in the City. If LSSI furnishes any goods to the City pursuant to this provision, LSSI will use good faith efforts to extend the manufacturer's warranty, if any, to the City. All goods, services, and materials designated within this Agreement are the responsibility of LSSI to procure with approval by the City prior to purchase.

LSSI warrants that it will perform the Scope of Services shown in this Exhibit (Exhibit B) with at least the care, diligence and expertise generally accepted in the library service industry. If LSSI fails to perform the services shown to the satisfaction of the City, the City will notify LSSI. If LSSI continues to fail to perform to the City's satisfaction, LSSI and the City agree to meet and discuss solutions. **There are no other warranties, express or implied, including warranties of merchantability or fitness for particular purpose.**

C. Library Materials and Materials Handling Fee

On behalf and for the benefit of the City, LSSI will negotiate favorable discounts and prices from Library suppliers for the purchase of all Library materials, which shall include but are not limited to books, periodicals, newspapers, electronic database subscriptions, standing orders, audio and video materials and cases, automated reference services, binding, cataloging and processing costs (collectively, "Library Materials").

The responsibility for adopting Library collection development policies will remain with the City, and all Library Materials selections, in cooperation with the City, will be the responsibility of LSSI. LSSI will place orders with the suppliers and perform the accounting functions related to those orders, including prompt payment of the invoices. In accounting for the cost of the Library Materials, LSSI shall include a fee of five percent (5%) of the cost of the Library Materials ordered ("Materials Handling Fee") when billing the City for reimbursement of Library Materials ordered.

The collection development budget within the Agreement Term which is inclusive of Library Materials, sales tax, shipping, processing fees, and the LSSI Materials Handling Fee on all collection resources purchased or licensed for the Library is budgeted within the City's Library Operating Budget and LSSI is responsible for management of collection procurement not to exceed the allocated Library Operating Budget for collection procurement.

D. Operating Budget and Charges

On or before the first (1st) of February of each calendar year that this Agreement is in effect LSSI will provide the City with the projected budget for the next Fiscal Year period (July 1 through June 30). The City will review, comment, and negotiate the proposed budget with LSSI and approve the draft next Fiscal Year budget with LSSI on or before the first (1st) of March pending final approval by City Council.

At least six (6) months prior to end of the five (5) year term to which the amount of charges have been agreed upon, the parties shall begin to negotiate in good faith the amount of charges that will apply to the next term, if any. If the parties have not reached such agreement three (3) months before the end of such term, then the charges for the next twelve (12) month period, or such fewer number of months remaining until the expiration or termination of this Agreement, shall be equal to the charge for the last month of such period multiplied by twelve (12) or the number of remaining months, whichever is less, plus a Consumer Price Index (CPI) cost-of-living escalator based on the change, if any, CPI for Los Angeles – Riverside – Orange County over the latest twelve (12) month period.

E. Staffing and Key Personnel

The City and LSSI agree to the following breakdown of staffing services and charges for said items provided within this Agreement.

Includes salaries, benefits, and overhead for LSSI employed on-site staff to operate the present Library facility located at 699 Moorpark Avenue, Moorpark, California for fifty-eight (58) hours per week, seven (7) days of service per week, including four (4) hours on Sunday afternoons (less approved holidays). This staff will consist of no less than the equivalent of seven and one-quarter (7.25) Full Time Equivalents (FTE's). At all times the Library is open to the public, no less than two (2) employees will be scheduled. LSSI agrees to provide the following staff positions during the term of this Agreement:

- One (1) full-time City Librarian (Master's Degree Professional)
- One (1) full-time Youth Services Librarian (Master's Degree Professional)
- Three-quarter time (.75) FTE Teen Librarian (Master's Degree Professional)
- One-half (.5) FTE Reference Associate (paraprofessional)
- Two and one-half (2.5) FTE Library Assistants (filled by part-time employees) (staff level)
- One (1) FTE Library Technician (evening shift) (staff level)
- One Half (.5) FTE library page (could be filled by part time employees)

All personnel employed to perform the services necessary to operate the Library and to perform the other functions of LSSI will be employees of LSSI and LSSI will pay all costs related to their employment. From time to time, actual staffing levels may fluctuate due to normal turnover and attrition. LSSI agrees it will make a good faith effort to recruit and select qualified employees to fill vacancies within a reasonable period of time in order to maintain appropriate staffing levels. If a vacancy of a professional

position designated above occurs, LSSI must provide a replacement, or replacement hours by a qualified person, for the vacant position at a level equal to the specification of the vacant position within two weeks of the official date of vacancy.

In order to more effectively meet the evolving service needs of the community, from time to time, LSSI may create or abolish positions, combine positions, reclassify positions, or modify the organization structure of the Library Staff with prior written approval from the City.

Automation system support (the Integrated Library System (ILS)) as well as management and administrative support of all library proprietary software systems will be provided without additional charge on an as needed basis. Maintenance of the ILS and library proprietary software systems will be scheduled and completed on a regular basis.

The Library will follow the published SCLC Holiday Schedule and be closed on all holidays designated as "All System Library" closure Holidays and those other holidays agreed upon in writing and published by the City in December of each year for the subsequent year. The Library will close 5:00 p.m. on the following holidays if the library is normally scheduled to remain open until 8:00 p.m.: Third of July, Thanksgiving Eve, Christmas Eve, and New Year's Eve. In addition, the Library will be closed on the second (2nd) Friday of August for Staff development day/training day and City building and technology maintenance day.

LSSI will pursue to the best of its ability the status necessary in the State of California with the Department of Justice (DOJ) to fingerprint employees and volunteers that will work at the Library. Once LSSI has received the ability to fingerprint in California they agree to do so for all employees, as a condition of employment, and volunteers, aged 18 or older, working within the Library facility or for the Library in any capacity where they may be in a supervisory or influential role with minors as determined by the City and to pay the costs of said fingerprinting. LSSI agrees to follow the California Joint Powers Insurance Authority (CJPIA) policy entitled "Obtaining Criminal Record Information on Employees, Volunteers and Applicants – Exhibits B and C." LSSI will draft a letter to the DOJ requesting the ability to Livescan fingerprint and submit it to the DOJ before September 1, 2011. The City shall also submit a letter to the DOJ requesting that LSSI be allowed clearance to fingerprint employees of the Library due to employees of the library performing recreational duties with children. If the DOJ request is denied, LSSI will continue to submit letters on an annual basis throughout the term of this agreement that request the permission through the DOJ to Livescan their employees working in public library settings.

In the interim, while LSSI works to secure the ability to fingerprint, LSSI agrees to conduct background checks, to include a check for criminal and sex offender history, for all employees and volunteers working within the Library facilities or for the Library in any capacity.

LSSI Understands and agrees to provide written acknowledgement from each employee providing library services for the City that the employee has read and agrees to comply

with the City Council adopted Policy against Harassment, Discrimination, and Retaliation (Attachment 1), as it may be amended from time to time.

The use of City supplied computer equipment and software as well as internet and e-mail use requires the appropriate, efficient, ethical, and legal utilization of City computer hardware and network resources. The use of computer hardware and network resources must support the City's objective and be consistent with the City's mission. Users must abide by the City's policies, administrative directives, procedures, rules, regulations and guidelines. If a user violates any of the City provisions, his/her access to the computer network and the use of computer equipment may be denied. The City reserves the right to disallow any LSSI employee who violates any of the City provisions to provide Library services under this Agreement.

LSSI understands and agrees to provide written acknowledgement from each employee providing Library services for the City that the employee has read and agrees to comply with the City Manager adopted procedure concerning the Appropriate Use of City Computer and Related Equipment and Acceptable Internet and E-mail Use on City's Computers (Attachment 2), as may be amended from time to time.

LSSI agrees to comply with all State and Federal child labor laws for the employment of, or use of, minors as volunteers.

Compensation for Staffing for Fiscal Year 2011-12 of the term of this Agreement shall be budgeted at one percent (1%) above the staffing compensation for the previous year. Compensation for Staffing for Fiscal Years 2012-13, 2013-14, 2014-15, and 2015-16 of the term of this Agreement shall be budgeted at one and one-half percent (1.5%) above the staffing compensation for the previous year as outlined in the table below:

Compensation Schedule

Period	Staffing Costs		Materials Budget*
	Period	Monthly	
July 1, 2011 – June 30, 2012	\$426,289.00	\$35,524.08	\$60,000.00
July 1, 2012 – June 30, 2013	\$432,480.00	\$36,040.00	TBD by City
July 1, 2013 – June 30, 2014	\$438,968.00	\$36,580.67	TBD by City
July 1, 2014 – June 30, 2015	\$445,552.00	\$37,129.33	TBD by City
July 1, 2015 – June 30, 2016	\$452,235.00	\$37,686.25	TBD by City

F. General Expenses

General Expenses will remain at twenty-five thousand dollars (\$25,000) for the term of the Agreement and will be invoiced by LSSI at a monthly amount of two thousand eighty-three dollars and thirty-three cents (\$2,083.33). General Expenses include, but are not limited to, office supplies, paper and other consumables used by staff and the public; administrative costs include but are not limited to training, travel, petty cash purchases, postage, printing, marketing, etcetera as approved by City; and programming expenses including, but not limited to, all expenses (excluding contracted

performers, authors, etcetera which are included in the City's Library budget) associated to programming identified within this Agreement. LSSI will purchase only new, un-refurbished consumables for use with Library equipment. If for any reason, LSSI expends money without prior written approval and authorization or expends funds which exceed the budgeted amount identified and approved for a particular expenditure, LSSI is responsible for those expenditures as incurred.

G. Programming

During the Agreement term, LSSI agrees to provide, at minimum, the following programming/events and pay all program/event related expenses for items identified below. Identified items in Section G will be funded, with the exception of summer reading club expenses and contracted individuals (performers or authors, etcetera) for events as pre-approved by City, with funds identified in Section F of this Agreement. The City and LSSI will continue to meet and evaluate programming and make recommendations for changes as necessary.

- Weekly Pre-school Story Time and occasional bilingual story time events; with guest story time presenters on occasion to provide variety for attendees.
- Monthly Family and/or Adult Focused programming such as book clubs, seminars, etcetera and/or Family craft workshops incorporating holidays, occasions, or themes.
- Weekly Summer Reading Club events, to be supplemented with smaller events on other days of the week at various times of day, to provide summer library activities to a broad number of youth in the community. LSSI will plan and execute these events. Subsequently, LSSI will include detailed expense reports for reimbursement on monthly expense invoices and the City will pay expenses incurred for Summer Reading Clubs at an amount not to exceed four thousand dollars (\$4,000) annually.
- Monthly Teen Events and a Teen Summer Reading Program.
- An Adult Summer Reading Program.
- Quarterly library related Adult and/or Family Events to be held at the Library, High Street Arts Center, or other venue to accommodate larger crowds. These events would provide an awareness and visibility of the Library to larger audiences than the Library can accommodate.
- Library participation in the Moorpark Arts Festival, Day in the Park, and other City sponsored events as well as community events such as Moorpark Country Days.
- Ongoing Community Outreach efforts including use of Social Media and other web based outreach as well as face to face community outreach.

H. Breakdown of Costs and Expenses – Monthly Variable Costs included in the City of Moorpark Library Operations Budget

Total cost of Automation Maintenance, Software, and Licensing costs as well as Collection procurement are included in the City of Moorpark Operating Budget for Fiscal Years throughout the Term of this Agreement and shall include sales tax, shipping,

processing fees, and the Materials Handling Fee of five percent (5%) for collection purchases.

An annual expenditure budget will be provided to LSSI by the City which covers Automation Maintenance, Software and Licensing costs as well as Collection Procurement identified to take place during each Fiscal Year during the Term of this Agreement. LSSI is authorized to expend funds for identified purposes as approved by Council within the City Budget. City staff will provide LSSI with the approved budget for automation maintenance, software, and licensing costs and collection procurement on or before July first (1st) of each year. If for any reason, LSSI expends money without prior written approval and authorization or expends funds which exceed the budgeted amount identified and approved for a particular expenditure, LSSI is responsible for those expenditures as incurred.

LSSI will bill the City for variable costs breaking out each category – Automation Maintenance, Software, and Licensing Costs; and Collection Procurement on the invoices with detailed expenditure descriptions and backing documentation for each of these items.

Library Software, Maintenance, and Licensing Costs

All technology software and maintenance costs for the automation system and Library specific software programs, as well as all other items listed below, will be paid by LSSI as invoiced by vendors at a not-to-exceed amount identified within the City of Moorpark's Library Budget and agreed upon by LSSI as part of the annual budgeting process. LSSI will subsequently include the items on the next monthly City invoice for reimbursement at actual cost incurred:

- ILS approved by the City
- Annual maintenance of all implemented components of Envisionware or other System for Computer Reservations and Filtering approved by the City
- Any filtering solution appropriate to be run with library proprietary software
- SCLC Membership and all related SCLC Service Costs
- OCLC Annual Costs
- Homework Help System Costs
- Barcodes
- Patron Cards

All technology hardware will be budgeted by and purchased by the City, maintained by the City, and invoices paid by the City. Hardware used by LSSI for hosting of the Integrated Library System (ILS) or for storage of library proprietary data gathered by library the ILS are the sole responsibility of LSSI and shall be maintained by LSSI under the terms of this Agreement.

Collection Development

Costs for collection development over this Agreement period, including sales tax, shipping, processing fees, and the LSSI handling fee charge of five percent (5%) on all

collection resources purchased or licensed for the library are budgeted in the City's budget. LSSI is authorized to procure material and pay invoices as invoiced by vendors and, subsequently, invoice the City for the cost of collection purchases plus the five percent (5%) handling fee including, details of purchases must be included with LSSI invoices, at an amount not-to-exceed the City budgeted amount for collection procurement. If for any reason, LSSI expends money without prior written approval and authorization or expends funds which exceed the budgeted amount identified and approved for a particular expenditure, LSSI is responsible for those expenditures as incurred.