

**MOORPARK CITY COUNCIL
AGENDA REPORT**

TO: The Honorable City Council

FROM: Jennifer Mellon, Senior Management Analyst 

DATE: November 1, 2006 (Meeting of November 15, 2006)

SUBJECT: Consider a Consultant for Library Operations

DISCUSSION

On July 19, 2006, the City Council authorized the City Manager to execute an agreement with Library Systems & Services, LLC (LSSI) (Attachment 1) to provide library transition services. LSSI has been working with staff to ready the Moorpark City Library for opening in January 2007. At the time LSSI was retained for transition assistance, staff also began working on an agreement that would extend the services of LSSI to operate the Moorpark City Library.

The City has received a formal proposal from Library Systems & Services, LLC (LSSI) to operate the Moorpark City Library to commence January 1, 2007. The initial term of the agreement is four and one half (4 ½) years. The contract is a fixed price during the initial eighteen months, January 2007 through June 2008, with the scope of services and cost for such services to be renegotiated annually beginning in Fiscal Year 2008/09.

Staff understands that it is Council's desire to preserve the option to operate the Library with in-house staff in the future with the absorption of Library Services into City operations. Realizing this, staff has included a termination for convenience clause within the agreement allowing either party to terminate after twelve calendar months with six months written notice. Staff will be diligent in requiring LSSI, using their library operations experience to provide detailed reports and long range plans as outlined in the agreement for the continued development of the library services operation.

The agreement is inclusive of the following services, with the City having final approval of all collection materials and library equipment to be purchased by LSSI within the scope of the agreement, and reserves the right to purchase independently if determined to be more cost effective. Along with the management services and reporting, LSSI staff will be responsible for continuing and improving programming services offered in the

library, collection development, staff training, customer satisfaction surveys, community outreach, and overall customer service at the facility.

As previously stated, the first eighteen month term of the contract is negotiated at a fixed cost, which will be \$730,681 with the contract re-negotiated annually beginning in Fiscal Year 2008/09. The fixed agreement cost includes staffing and program development \$507,681; automation maintenance \$35,500; general expenses \$34,250, and collection materials \$135,000, and technical systems support paid for the first six months of the agreement at a cost of \$3,000.00 per month. Technical systems support will be reevaluated and renegotiated if necessary during the Fiscal Year 2007/08 budget process.

The collection materials budget of \$135,000 has initially been set at \$2.50 per capita (population of 36,000). Per capita library materials expenditures in surrounding cities compare as follows using data available from Fiscal Year 2004/05: Ventura County \$1.68; Oxnard \$2.12; Calabasas \$3.46; and Thousand Oaks \$6.83. Staff believes this is a conservative yet appropriate starting budget; however, in future years the collection materials budget should be reviewed and increased with justification and increased circulation.

In addition to the cost of the LSSI agreement, the Library operating budget will include utilities, maintenance and service contracts for the facility, and automation system maintenance. Staff projects the Moorpark City Library operating budget will be approximately \$960,000 during the first eighteen month period. This figure includes the addition of Sunday hours, expanded services, increased staffing, and collection enhancements. In comparison, operational expenses of the Moorpark Library under the county at the existing level of service over the same period were projected at \$968,259. In total, over the first eighteen months of this agreement, staff is conservatively estimating incoming library revenue of \$1,035,000 from Library property tax, the Public Library Foundation (PLF), fines, rentals, and Friends of the Library contributions.

Staff recommends executing an agreement with Library Systems & Services, LLC to operate the Moorpark City Library for an amount not to exceed \$757,903 for the first eighteen months of this agreement commencing January 1, 2007, and concluding June 30, 2008.

STAFF RECOMMENDATION (Roll Call Vote)

Authorize the City Manager to execute an agreement with LSSI Inc., to operate the Moorpark City Library, subject to final language approval by the City Attorney and City Manager.

Attachment 1 – LSSI Draft Agreement

- DRAFT - PROFESSIONAL SERVICES AGREEMENT

DATE: _____

PARTIES: "CLIENT" hereto referred to as "City"

THE CITY OF MOORPARK, a municipal corporation

Designated Official: Name: Steven Kueny
Title: City Manager
Telephone: 805-529-6212

Mailing Address: 799 Moorpark Avenue
Moorpark, CA 93021

THE "CONSULTANT"

LIBRARY SYSTEMS AND SERVICES, LLC (LSSI)

Representative: Name: Frank A. Pezzanite
Title: President
Telephone: 301-540-5100
Fax: 301-540-5522

Mailing Address: 12850 Middlebrook Road, Suite 400
Germantown, MD 20874-5244

TERM: Commencement date: January 1, 2007
Conditions of Term: January 1, 2007 to June 30, 2011
Scope of services and cost for such services to be renegotiated annually beginning Fiscal Year 2008-09 (July 1, 2008).

COST OF SERVICE: Not to Exceed \$730,681.00
For 18 Month Term of January 1, 2007 – June 30, 2008
Scope of services and cost for such services to be renegotiated annually beginning Fiscal Year 2008-09.

THIS AGREEMENT MUST BE FIRST EXECUTED BY THE CONSULTANT OR ITS REPRESENTATIVE AND APPROVED AS TO FORM BY THE CITY ATTORNEY AND CITY MANAGER BEFORE THE AGREEMENT MAY BE EXECUTED ON BEHALF OF THE CITY OF MOORPARK.

**PROFESSIONAL SERVICES AGREEMENT BETWEEN CITY OF MOORPARK
AND LIBRARY SYSTEMS & SERVICES, LLC.**

THIS AGREEMENT, is made and entered into this ____ day of _____, 2006, by and between the City of Moorpark, a municipal corporation located in the County of Ventura, State of California, hereinafter referred to as "CITY" and Library Systems & Services, LLC, (LSSI) hereinafter referred to as "CONSULTANT."

WITNESSETH

WHEREAS, City has the need for Moorpark City Library labor and management services; and

WHEREAS, City desires to contract for such services with a private consultant in anticipation that said private consultant can provide such services in a manner acceptable to the City; and

WHEREAS, Consultant is experienced and specializes in providing such services and has the appropriate specialized experience, certifications and background to carry out the duties involved; and

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

I. SCOPE OF SERVICES

City does hereby retain Consultant in a contractual capacity to staff the Moorpark City Library and provide library management services, as set forth in Exhibit B (Scope of Services and Compensation), attached hereto and incorporated into Agreement. The language contained in this Agreement shall take precedence over any other document.

II. COMPENSATION

Compensation for the services to be performed by Consultant shall be in accordance with Exhibit B (Scope of Services and Compensation), attached hereto. Compensation shall not exceed the rates or total contract value as stated in Exhibit B. without the written authorization by the City Manager of the City of Moorpark. Payment by City to Consultant shall be in accordance with the provisions of Article IV, Paragraph M, of this Agreement.

III. TERM AND TERMINATION

A. Term. This Agreement shall commence on January 1, 2007 ("Effective Date"), and continue in force until June 30, 2011 ("Expiration Date") with scope of services and cost for such services to be renegotiated annually beginning Fiscal Year 2008-09 (July 1, 2008) unless sooner terminated in accordance with this Article III.

B. Termination for Convenience. Either Party may terminate this Agreement after twelve (12) calendar months from the Effective Date with or without cause by giving the other Party six (6) calendar months written notice of termination.

C. Termination for Default. If either Party breaches any material provision of this Agreement and fails to correct the breach within thirty (30) days after receiving notice specifying the breach (or, if the breach cannot be corrected within thirty (30) days, fails to progress diligently towards correction), then the other Party may terminate this Agreement by giving written notice to the breaching Party.

D. Renewal. Subject to the termination provisions in accordance with this Section 2, This agreement shall automatically renew and the "Expiration Date" extend for successive renewal periods of 12 months, unless written notice of intent not to renew is given at least (6) months prior to the "Expiration Date".

IV. GENERAL CONDITIONS

A. 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 subcontractor. Consultant further covenants that Consultant has not contracted with nor is performing any services directly or indirectly, with the developer(s) and/or property owner(s) and/or firm(s) and/or partnerships and/or public agency(ies), owning property and/or processing an entitlement application for property in the City or its Area of Interest, or any entity with which the City contracts now or within the past one (1) year, and further covenants and agrees that Consultant and/or its subcontractors shall provide no service or 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 of Moorpark and for a one (1) year time period following termination of this Agreement.

B. Compensation. City shall not be called upon to assume any liability for the direct payment of any salary, wage or other compensation to any person employed by Consultant performing services hereunder for City.

C. Independent Contractor. Consultant is, and shall at all times, remain as to City, a wholly independent contractor. Neither the City nor any of its officers, employees, servants or agents, shall have control over the conduct of Consultant or of Consultants officers, employees or agents, except as herein set forth. 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 employees of City.

D. Ownership. At the time of 1) termination of this Agreement; or 2) conclusion of all work, all original plans, documents, designs, drawings, reports, calculations, diskettes, computer files, notes, and other related materials, whether prepared by

Consultant or their subcontractor(s), or obtained in the course of providing the services to be performed pursuant to this Agreement, shall become the sole property of City. Any electronic documents or files provided to City shall use Microsoft Office Suite application software for Windows or a format pre-approved by the City.

E. Information, Intellectual Property, and Employment

(a) *Information.* In the performance of this Agreement, Consultant may be exposed to information regarding the identity of City's patrons, City may also be exposed to information regarding Consultant's proprietary library management techniques, and either Party may be exposed to other information designated in writing by the disclosing Party as confidential (collectively, "Confidential Information"). Each Party shall: (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) limit duplication of Confidential Information to the extent needed 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. This provision 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.

(b) *Intellectual Property.* 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.

(c) *Employment.* City shall not actively solicit to hire or hire any management employee of Consultant during the first twelve (12) month period of this agreement unless said employee was previously employed by Ventura County at the Moorpark Library nor shall the Consultant actively solicit to hire or hire any management employee of the City during the first twelve (12) month period of this agreement.

(d) *Consultant* must abide by the Memorandum of Understanding (MOU), Attachment 1 to Exhibit B, between the Ventura County Library Services Agency and the City of Moorpark regarding sharing library patron records while performing all services covered in this agreement.

F. Records and Rights. Consultant shall maintain complete and accurate records with respect to costs, expenses, sales, receipts, and other such information required by the City. The Consultant shall maintain adequate records on all services provided in sufficient detail to permit an evaluation of services.

At City's sole expense, City shall have the right to audit and inspect all payment and expense-related books and records kept by Consultant and any subcontractors in connection with the operation and services performed under this Agreement including but not limited to books, records, data, documents, proceedings, and activities related to this Agreement. Notification of audit shall be provided at least thirty (30) days before any such audit is conducted.

G. Indemnification. Consultant shall hold harmless, defend (with council reasonably acceptable to City), and indemnify City and all of its officers, 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.

City does not and shall not; waive any rights that it may have against Consultant by reason of Section G, hereof, because of the acceptance by City or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement. This hold harmless and indemnification provision shall apply regardless of whether or not said insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense described in Section G hereof.

H. Liability. In no case shall either Party be liable for any damages, losses, costs or expenses under or in connection with this Agreement, including without limitation under Article IV, Section G of this agreement, whether for breach of contract, tort or otherwise in excess of an amount equal to the actual damages suffered by the aggrieved Party. In no case shall either Party be liable for any punitive, exemplary, incidental, consequential, or special damages arising out of or in connection with this Agreement. Notwithstanding any other provisions of this Agreement, LSSI shall have no responsibility for any worker's compensation or any other claims for incidents or costs, expenses or losses occurring prior to the Effective Date.

LSSI shall not be liable for any failure or delay in performance of this Agreement due to causes beyond its control, including but not limited to, strike, war or civil disturbance, weather emergency, or general failure of any necessary supply, service, or utility.

I. Insurance. Consultant shall maintain prior to the beginning of and for the duration of this Agreement, insurance coverage as specified in Exhibit A, attached to and part of this Agreement, and name the City as additional insured. Consultant also agrees that all its subcontractors with relation to this agreement maintain proper insurance coverage as specified in Exhibit A and must name the City as an additional insured. City agrees to keep its buildings and their contents insured against loss, cost,

damage or expense resulting from fire, explosion or any other casualty in an amount equal to the full replacement cost thereof ("Casualty Insurance).

J. Assignment. Neither Party may assign this Agreement or any of the rights, duties, or obligations hereunder without the prior written consent of the other Party.

K. Precedence. The language contained in this Agreement shall take precedence over the language contained in any exhibit to this Agreement.

L. Price. Consultant shall perform the Services for the Charges set forth in Exhibit B. All prices are exclusive of the amount of any sales tax or other taxes or fees in effect at time of execution of this agreement. Any future taxes shall be the fiscal responsibility of City. City and Consultant shall annually negotiate rate, fees, and charges shown in Exhibit B.

M. Payments. 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 monthly amount set forth in Section E of 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 or before the fifteenth (15th) day of each month (the "Due Date") in which services are provided and shall be mailed as outlined in Section N or shall be mailed via alternate mail service of consultants choosing as specified by and paid for by Consultant. Balances remaining unpaid and undisputed ten (10) days after the "Due Date" or the twenty-fifth (25th) of each calendar month shall bear interest at the rate of one and one quarter percent (1¼%) per month until paid in full.

N. Notification. 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 intended as follows:

To: City Manager, City of Moorpark
City of Moorpark
799 Moorpark Avenue
Moorpark, California 93021

To: Frank A. Pezzanite, President & CEO
Library Systems & Services, LLC
12850 Middlebrook Road, Suite 400
Germantown, MD 20874-5244

Either party may, from time to time, by written notice to the other, designate a different address or contact person, which 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.

O. Miscellaneous Terms. Nothing contained in this agreement shall be deemed, construed or represented by City or Consultant or by any third person, to create the relationship of principal or agent, or of a partnership, or of a joint venture, or of any other association of any kind or nature between City and Consultant.

This Agreement constitutes the entire agreement of the parties concerning the subject matter hereof and all prior agreements or understanding, oral or written, are hereby merged herein. This Agreement shall not be amended in any way, except by a writing expressly purporting to be such an amendment, signed and acknowledged by both of the parties hereto.

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.

The provisions of Article IV Sections E, H, M, and Q shall survive any termination or expiration of this agreement.

P. Waiver(s). No waiver(s) of any provision(s) 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.

Q. Legal Action, Arbitration, and Venue.

(a) Legal Action. In the event any action, lawsuit 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, including reasonable attorney's fees from the losing party, and any judgment or decree rendered in such a proceeding shall include an award thereof.

(b) 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.

(c) Venue. 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.

R. Content. 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.

S. City's Obligations.

(a) *Facilities, etc.* City shall make available to Consultant, without charge, solely for Consultants 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.

(b) *Policies and Procedures.* City shall be responsible for setting all policies that govern the operations of the library and LSSI staff agrees to adhere to set policies and procedures.

V. **RESPONSIBLE INDIVIDUAL**

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 Public Library Operations West, and no other individual may be substituted without the written authorization of the City.

The City's contact person in charge of administration of this Agreement, and to serve as principal liaison between Consultant and City, shall be Parks, Recreation, and Community Services Director or his/her designee.

VI. **IMPLEMENTATION**

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 its obligations hereunder.

CITY OF MOORPARK

LSSI, LLC.

BY _____
Steven Kueny, City Manager

BY _____
Frank A. Pezzanite, President

ATTEST:

BY _____
Deborah S. Traffenstedt
City Clerk

Attachments: Exhibit A – Insurance Requirements

Exhibit B – Scope of Services and Compensation
Exhibit B – Attachment 1 – MOU

EXHIBIT A

INSURANCE REQUIREMENTS

- I. Secure from a good and responsible company or companies doing insurance business in the State of California, with a A.M. Bests rating of A- or better and a minimum financial size of VII or better, pay for, and maintain in full force and effect for the duration of this Agreement, the policies of insurance required by this paragraph and shall furnish to the City Clerk of the City, certificates of said insurance and endorsement forms in a format acceptable to the City on or before the commencement of the term of this Agreement. Notwithstanding any inconsistent statement in any of said policies or any subsequent endorsement attached thereto, the protection offered by the policies shall:
 - a. On general liability insurance policy, name City and its officers, employees, servants and agents and independent contractors as additional insured with Consultant.
 - b. For all required insurance under this agreement, bear an endorsement or have attached a rider whereby it is provided that in the event of cancellation or amendment of such policy for any reason whatsoever, City shall be notified by mail, postage prepaid, not less than thirty (30) days before the cancellation or amendment is effective. Consultant shall give City thirty (30) days written notice prior to the expiration of such policy.
 - c. Be written on an occurrence basis.
- II. Consistent with the provisions of Section I, Consultant shall provide general liability insurance, on a policy form appropriate to consultant's profession, and including automobile liability and property damage insurance an amount not less than one million dollars (\$1,000,000.00) per occurrence and annual aggregate.
- III. Consistent with the provisions of Section I, Consultant shall provide workers' compensation insurance as required by the California Labor Code. If any class of employees engaged by Consultant in work under this Agreement is not protected by the workers' compensation law, Consultant shall provide adequate insurance for the protection of such employees to the satisfaction of City.

EXHIBIT B

SCOPE OF SERVICES AND COMPENSATION

LSSI agrees to administer the operations of City's library facilities (collectively, "Library"), including staffing of the Moorpark City Library, the accounting for, purchase of and payment of goods and services from vendors for approved budgeted, supplies, technology maintenance, Library Materials (as defined below) and Capital Items (as defined below) sufficient 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 or independent contractors ("LSSI Staff") any labor LSSI deems necessary 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 right 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 six and one half (6.5) FTE's, to keep the Library open to the public at fifty eight (58) hours per week.

City shall provide Consultant with up to six days closure of the Library at consultant's discretion to make ready the Library for the opening. These six days shall be Tuesday, January 2 through Sunday, January 7, 2007. The Moorpark Public Library will hold its grand opening on Saturday, January 13, 2007 and consultant agrees not to close the operations of the library for longer than the designated days herein Section VI.

LSSI will develop a long-range plan for the City in cooperation with the City, 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.

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. Governance – Develop and maintain effective working relationships with local staff, elected officials, Library Committee members, other appointed officials and community groups such as the Friends of the Library.
2. Fiscal Responsibility:
 - a. Develop and maintain effective and efficient financial procedures.

- b. 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 all fines which will become the property of the City to be used as directed for additional library services.
 - d. Prepare annual operating and capital budget requests for City approval.
 - e. Seek and recommend grant opportunities for the City to consider.
3. Management and Reporting:
- a. Prepare and provide quarterly reports to City beginning March 2007, describing Library activities and recommending changes in policies, procedures and operations as necessary and appropriate.
 - b. Prepare and provide timely statistical reports to City on Library activities.
 - c. Prepare and provide monthly statistical and financial reports in a form acceptable to City regarding Library activities. The financial reports shall detail all expenditures made for the Moorpark City Library monthly and year to date for all items within this agreement.
 - d. 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.
 - e. At least annually, survey and formally 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.
 - f. LSSI's City Librarian shall meet with the City's liaison on an as needed basis.
 - g. LSSI and the City Librarian shall copy the Parks, Recreation, and Community Services Director on all written correspondence sent (e-mail, letter, fax, etc) by LSSI or the City Librarian on behalf of the Moorpark Public Library to outside agencies.
4. 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 is maintained.
 - b. Support orientation, training and professional development of all Library Staff.
 - c. Provide supervision and guidance to maximize Library Staff effectiveness in Library operations.
5. 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.
6. Collections – Develop a comprehensive Collection Development and Management Plan including short term and long term collection development

and a discard plan. 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.

7. Inter Library Loans – Establish an interlibrary loan program working with the Metropolitan Cooperative Library System and Black Gold to develop the best service for the City.
8. Programming – Provide high quality, effective educational, recreational and cultural programs of interest to all age groups present in the community. All programs currently in place will continue and be analyzed and recommendations for improvements provided to City. Examine current programming and recommend changes in long range plan documents.
9. Information Technology – Develop and implement short and long range plans to procure, install, and support sufficient hardware, software, network, telecommunications and other resources necessary to support the Library's mission.
10. Marketing – Effectively disseminate information and promote use of the Library resources and services. Actively work with community Library support groups and other community agencies to coordinate Library marketing efforts.
11. Facilities – Work with City Staff to ensure effective building maintenance by promptly identifying and reporting problems with the physical building.

Within 60 days of the execution of this agreement LSSI will provide the City with a detailed timeline, noting milestones to be accomplished; designating when supporting documents and plans will be complete; and agreeing that the Long Range Plan will be drafted for City review on or before December 31, 2007.

The long range plan will include, but not be limited to, a five (5) year forecast of Library maintenance and growth, Library expansion plan if appropriate, Library programming enhancements and/or additions to be phased in as recommended, and a comprehensive identification of technology and library material needs to be addressed between January 1, 2008 and December 31, 2012. Also included within the plan should be staffing resource requirements and budgetary analysis for each item addressed in the plan.

LSSI also agrees to provide the City with quarterly written progress reports, beginning March 2007, noting completed milestones and those that have not been met, with justifications.

In addition to meetings with City staff, LSSI agrees to attend the meetings of the City Council when matters of the Moorpark Public Library will be discussed and staff determines that LSSI's presence is necessary and will be present at stakeholder and any formal Library advisory group meetings as established by the Council when determined necessary by the City.

B. Excluded Services

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

1. Any goods or services, including payroll, that were rendered to Customer prior to the Effective Date
2. 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.
3. Any amount of costs for unbudgeted repairs, maintenance and/or upkeep of Capital Items owned by the City.
4. 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. There are no other warranties, express or implied, including warranties of merchantability or fitness for particular purpose.

LSSI warrants that it will perform the Services show 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.

D. 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, microfilms, electronic database subscriptions, standing orders, audio and video materials and cases, automated reference services, binding, cataloging and processing costs and the Materials Handling Fee (as defined below) (collectively, "Library Materials").

The responsibility for 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").

E. Operating Budget and Charges

Period	Charges ("Operating Budget")		Library Materials*
	Period	Monthly	
January 1, 2007 – June 30, 2008 (18 months)	\$712,681.00	\$39,593.39**	\$135,000

* Total cost of Library Materials is included in the Operating Budget period and monthly charge figures above and shall include sales tax, shipping, processing fees, and the Materials Handling Fee.

** An additional \$3,000 per month for the first six (6) months, (\$18,000 total) of the period shall be added for the Technical Support Service costs incurred by LSSI as outlined in Exhibit B, Section E.

The Operating Budget is contingent on other existing contractual terms, obligations and responsibilities remaining the same except as expressly noted herein.

On or before the 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 final next Fiscal Year budget with LSSI on or before the 1st of March pending final approval by Council.

If the Parties have not reached such agreement one (1) month before the end of such period, then the Charges for the next twelve (12) month period, or such fewer number of months remaining until the Expiration Date (“Remaining Months”), 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 CPI cost-of-living escalator effective July 1, 2008 not to exceed a 5% increase over the published Los Angeles Index of the most recently published period.

The City and LSSI agree to the following breakdown of staffing services and charges (excluding the technical services support) for said items provided January 1, 2007 through June 30, 2008.

Staffing:

Includes salaries, benefits, and overhead for LSSI employed on-site staff to operate the present library of facility located at 699 Moorpark Avenue, Moorpark, California for 58 hours per week, seven days of service per week, including 4 hours on Sunday afternoons. This staff will consist of no less than the equivalent of six and one half (6.5) Full Time Equivalents (FTE’s); recommendations of proper staff levels are as follows:

- One (1) full-time City Librarian (Master’s Degree Professional)
- One (1) full-time Children’s Librarian (Master’s Degree Professional)
- One-half (.5) FTE Reference Associate (paraprofessional)
- Two and one-half (2.5) FTE Library Assistants (filled by PT 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)

Additional automation system support and management support will be provided without additional charge on an as needed basis. The Library will follow the published Metropolitan Cooperative Library System 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.

	<u>FYE 6/30/07 (6 mo.)</u>	<u>FYE 6/30/08</u>
<u>Staffing Costs:</u>	\$169,227.00	\$338,454.00
<u>Automation Maintenance, Software, and Licensing Costs:</u>		
<ul style="list-style-type: none"> • Software upgrades and maintenance as needed • OCLC Charges for ILL and Cataloging • MCLS Membership for ILL and other services 		
	\$11,000.00	\$24,500.00

Technical Support Costs:

For an unspecified length of time, not to be less than six months from Effective Date, LSSI shall provide technical support for the library whenever necessary at a cost not to exceed \$3,000 per month. These technical services shall (1) continue as specified in this Exhibit B with the agreement amended, (2) be renegotiated into the agreement as a position to be staffed by LSSI with the agreement amended, or (3) be absorbed by the City Information Systems division on July 1, 2008 as agreed upon by LSSI and the City.

\$18,000.00

General Expenses:

Supplies, Postage, Printing, Marketing, Training, etc.

\$9,500.00

\$25,000.00

Collection Development Cost Estimates:

Estimated costs for collection development over the following contract periods 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. (based on a materials budget of \$2.50 per capita).

\$45,000.00

\$90,000.00

TOTAL COSTS:

FYE 6/30/07 (6 mo.)

FYE 6/30/08

\$252,727.00

\$477,954.00