



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Scott P. Johnson

**SUBJECT: REPORT ON RFP FOR BRANCH  
LIBRARIES OPENING DAY  
COLLECTION SERVICES**

**DATE:** December 4, 2007

Approved

Date

12/16/07

## RECOMMENDATION

Report on Request for Proposal (RFP) for Branch Libraries Opening Day Collection Services and adoption of a resolution authorizing the Director of Finance to:

1. Execute an agreement with Baker and Taylor Inc., (Charlotte, NC) for Opening Day Collection Services which include the purchase, processing, cataloging, delivery and shelving of material and applicable sales taxes for a three-year term for an amount not to exceed \$4,200,000 subject to annual appropriations.
2. Execute change orders not to exceed a 10% contingency in the amount of \$420,000 to cover supplemental services and any unanticipated changes or requirements subject to annual appropriations.

## OUTCOME

To provide basic library collections in time for the opening of six new branch libraries in the citywide San José Public Library System.

## BACKGROUND

The 2000 Library General Obligation Bond Measure O provided for the rebuilding of fourteen existing branch libraries and the construction of six new libraries in neighborhoods that were previously not served. The total number of branches will grow from seventeen to twenty-three when the capital program is complete in Fiscal Year 2010-2011.

Bond funds may not be used to provide books and other library materials. Anticipating the need to acquire six completely new branch collections, the Library Department has allocated a total of

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\$6,532,000 in the current year (\$2,032,000 in an active appropriation, and \$4,500,000 in a reserve) for this purpose.

The Pearl Avenue Branch and the Willow Glen Branch, which are scheduled for re-opening during the summer of 2008, require new collections. When those branches closed for construction, their existing collections were moved to new branches that were opening at that time. Other branches that will require new collections and are opening in 2009 or later include Santa Teresa, East San Jose Carnegie, and the new Bascom and Southeast (South Evergreen) library.

The Library Department determined that using a vendor to provide "opening day collection services" is the most cost efficient and effective method to obtain the new books and materials. This integrated set of specialized services will provide customized selection, cataloguing, and processing of library materials. The service also includes off-site storage in temperature and humidity controlled buildings, delivery just prior to the opening day for each branch, and the unpacking and shelving of the books and materials in preparation for the opening. Library staffing is not sufficient to undertake these services in addition to normal workload associated with ongoing ordering and processing for new materials for branches and the Dr. Martin Luther King, Jr. Library.

The recommended vendor will supply basic English language materials for six branch libraries. In addition the Library, working with Finance/Purchasing, will engage other vendors to acquire and process books and materials in languages other than English, as well as other categories of titles to meet the specific collection needs at these branches.

## **ANALYSIS**

On September 5, 2007, Finance released a Request for Proposal (RFP) for Opening Day Collection Services through the City's e-Procurement system. Fifty three companies viewed the RFP and 17 downloaded the RFP. Representatives from three companies attended the non-mandatory pre-proposal phone conference on September 13, 2007 to review the RFP and to address any questions from proposers. Six proposals were received by the September 28, 2007 deadline.

***Evaluation Team:*** The evaluation team was comprised of three City Library staff members and three library staff members from Santa Clara County Library, Peninsula Library System (San Mateo), and the City of Hayward.

***Minimum Qualifications:*** The initial evaluation was a pass/fail assessment of each proposal to ensure that all required forms and documentation were submitted and that the Proposer possessed the minimum qualifications and expertise. Finance deemed two of the six proposals submitted non-responsive and forwarded four proposals to the evaluation team.

**Written Evaluation (60%):** The evaluation team independently evaluated and scored the proposed management system, organizational structure, software and associated capabilities, team make-up, and experience in the industry with similar projects.

**Cost (30%):** Cost proposals were submitted by each company separate from the written proposals to ensure that cost did not inadvertently influence the technical scores. Finance presented cost results to the evaluators after completion of the technical review of written proposals.

**Best and Final Offer (BAFO):** The technical scores resulting from the evaluation resulted in two proposals being removed from further consideration. Furthermore, based on the high technical scores of the finalists, pricing became the determining factor in selection of a supplier. A BAFO was issued to the two remaining proposers to clarify business terms and conditions and adjust the pricing proposal response form. Both companies submitted a BAFO response by the December 3, 2007 deadline.

After review and evaluation of the BAFO responses, staff determined that Baker and Taylor had the highest overall score as noted in the table below. Local and Small Business preference was not a factor in the final ranking of the proposals.

Rank	Company Name	Technical Evaluation (60%)	Cost (30%)	Local Business Preference (5%)	Small Business Preference (5%)	Overall Score (100%)
1	Baker and Taylor (Charlotte, NC)	52.5	29.9	0	0	82.4
2	Ingram Library (La Verge, TN)	51.7	30.0	0	0	81.7

Protest

The City RFP process includes procedures for unsuccessful Proposers to protest staff's award recommendation. The ten-day protest period afforded for the award recommendation to all participants ended on December 15, 2007. Any protests received and the respective resolution will be addressed in a supplemental memorandum.

Living and Prevailing Wage requirements

The stocking of the bookshelves will be subject to the City's Living Wage Policy.

Summary

Staff recommends awarding the agreement for Branch Libraries Opening Day Collection Services to Baker and Taylor Incorporated, the company which submitted the most advantageous proposal. The agreement will provide new English-language materials for six new branch libraries opening during Fiscal Years 2008, 2009, and 2010. These branches are the last six libraries in the 2000 Library General Obligation Bond Measure to be completed. These collections are called net new collections, because the library does not have an existing collection to move from a closing branch to these new buildings. These six branches will receive



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all new collections. Five of the branches will receive approximately 27,000 items at an average cost of \$25 including purchase, processing, and shelving. The sixth branch, Santa Teresa, will be a larger facility and serves a larger population, and will receive approximately 34,000 items. To assist the vendor's selection of items reflective of the community, the Library Department will provide a community and collection profile to the vendor. Then the vendor will process, make shelf-ready, and shelve the materials for the new branches.

### **EVALUATION AND FOLLOW-UP**

No follow-up is scheduled at this time.

### **POLICY ALTERNATIVES**

Not Applicable.

### **PUBLIC OUTREACH/INTEREST**

- ✓ **Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater.  
**(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item meets Criterion 1. Therefore, the memorandum will be posted on the City's website for the January 8, 2008 Council meeting. To outreach to potential vendors, the RFP was advertised with the City's e-procurement system.

### **COORDINATION**

This memorandum has been coordinated with the Library Department, City Attorney's Office, and the City Manager's Budget Office.

**FISCAL/POLICY ALIGNMENT**

This Council item is consistent with Council approved Budget Strategy Memo General Principle #2, "We must focus on protecting our vital core City services."

**COST SUMMARY/IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION/COST OF PROJECTS:  

<b>Not to Exceed Amount</b>	<b>Contract Term</b>	<b>\$4,620,000</b>
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2. COST ELEMENTS OF RECOMMENDATION:

Pearl Library Branch Library	Fiscal Year 2007 – 2008	\$670,000
Willow Glen	Fiscal Year 2007 – 2008	\$670,000
Santa Teresa	Fiscal Year 2008 – 2009	\$850,000
East Branch	Fiscal Year 2008 – 2009	\$670,000
Bascom	Fiscal Year 2009 – 2010	\$670,000
South East	Fiscal Year 2009 – 2010	\$670,000
10% contingency through contract period		<u>\$420,000</u>
<b>Not to Exceed Amount</b>		<u><b>\$4,620,000</b></u>
  
3. SOURCE OF FUNDING: Fund 393 - Construction Tax and Property Conveyance Tax  
Fund: Library Purpose
  
4. FISCAL IMPACT: There is no ongoing fiscal impact after the purchase of library materials and related services.

**BUDGET REFERENCE**

The table below identifies the fund and appropriations proposed to fund the purchase orders recommended as part of this memorandum.

Fund #	Appn. #	Appn./Reserve Name	Total Appn	2007-2008 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
<b>Current Available Funding</b>					
393	5199	New Branch Opening Day Collections	\$2,032,000	V – 277	10/16/07, Ord. No. 28143
393	8135	Reserve: New Branch Opening Day Collections	\$4,500,000*	V – 290	10/16/07, Ord. No. 28143
<b>Total Funding for the Project</b>			<b>\$6,532,000</b>		

\*An additional \$4.5 million is allocated in a Reserve: New Branch Opening Day Collections, as needed, to fund the contract. The reallocation of these reserves into active appropriations will be recommended through the annual budget process, if necessary, to fund the contract.

**CEQA**

Not a project.

  
 SCOTT P. JOHNSON  
 Director, Finance

For questions, please contact Walter C. Rossmann, Chief Purchasing Officer, at (408) 535-7051.