

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF SANTA CLARITA
AND
LIBRARY SYSTEMS AND SERVICES, LLC**

This AGREEMENT (“Agreement”) is entered into this ____ day of _____ 2016, by and between the CITY OF SANTA CLARITA, a municipal corporation and general law city (“CITY”) and Library Systems and Services, LLC, a Maryland limited liability company (“LSSI” or “CONSULTANT”).

Recitals

- A. CITY and CONSULTANT have entered into that certain Professional Services Agreement Contract No 10-00428 effective October 1, 2010 (“Initial Agreement”) regarding the provision of services for the administration and operation of the Santa Clarita libraries (“Library”).
- B. The Initial Agreement was amended by that certain First Amendment dated July 1, 2012, that certain Second Amendment dated August 15, 2012, that certain Third Amendment dated July 26, 2013, and that certain Fourth Amendment dated October 13, 2015. (The Initial Agreement and the four amendments are collectively referred to as the “Original Agreement.”)
- C. CITY and CONSULTANT desire to amend and restate the Original Agreement by this Agreement, which as of the Effective Date will supersede the Original Agreement.

1. CONSIDERATION.

- A. As partial consideration, CONSULTANT agrees to perform the work listed in the SCOPE OF SERVICES, below; and
- B. As additional consideration, CONSULTANT and CITY agree to abide by the terms and conditions contained in this Agreement; and
- C. As additional consideration, CITY agrees to pay CONSULTANT a sum not to exceed eighteen million, seven-hundred nineteen thousand, and thirty-six dollars (\$18,719,036) for CONSULTANT’s services during the term of this agreement as provided for herein. CITY may modify this amount only as set forth below. Unless otherwise specified by written amendment to this Agreement, CITY will pay this sum as specified in the attached Exhibit “A,” which is incorporated by reference.

2. SCOPE OF SERVICES.

- A. CONSULTANT will perform services listed in the attached Exhibit “A,” which is incorporated by reference.
- B. CONSULTANT will, in a professional manner, furnish all of the labor, technical, administrative, professional and other personnel, all supplies and

materials, equipment, printing, vehicles, transportation, office space and facilities, and all tests, testing and analyses, calculation, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by CITY, necessary or proper to perform and complete the work and provide the professional services required of CONSULTANT by this Agreement.

3. **PERFORMANCE STANDARDS.** While performing this Agreement, CONSULTANT will use the appropriate generally accepted professional standards of practice existing at the time of performance utilized by persons engaged in providing similar services. CITY will continuously monitor CONSULTANT's services. CITY will notify CONSULTANT of any deficiencies in meeting the requirements of this Agreement and CONSULTANT will have thirty (30) days after such notification to cure any shortcomings to CITY's satisfaction. Costs associated with curing the deficiencies will be borne by CONSULTANT.

4. **PAYMENTS.** CITY shall pay CONSULTANT each month the amounts set forth in Exhibit "A."

5. **NON-APPROPRIATION OF FUNDS.** Payments due and payable to CONSULTANT for current services are within the current budget and within an available, unexhausted and unencumbered appropriation of the CITY. In the event the CITY has not appropriated sufficient funds for payment of CONSULTANT services beyond the current fiscal year, this Agreement will cover only those costs incurred up to the conclusion of the current fiscal year, and this Agreement will terminate at the end of such fiscal year.

6. **ADDITIONAL WORK.** If CONSULTANT believes work not within the Scope of Services ("Additional Work") is needed to complete the Scope of Services, CONSULTANT will provide the CITY with written notification that contains a specific description of the proposed Additional Work, reasons for such Additional Work, and a detailed proposal regarding cost. Additional Work shall only commence upon written approval by the City Manager or his/her designee.

7. **FAMILIARITY WITH WORK.**

A. By executing this Agreement, CONSULTANT agrees that it has:

- i. Carefully investigated and considered the scope of services to be performed; and
- ii. Carefully considered how the services should be performed; and
- iii. Understands the facilities, difficulties, and restrictions attending performance of the services under this Agreement.

B. If services involve work upon any site, CONSULTANT agrees that CONSULTANT has or will investigate the site and is or will be fully acquainted with the conditions there existing, before commencing the services hereunder. Should CONSULTANT discover any latent or unknown conditions that may materially affect the performance of the services, CONSULTANT will

immediately inform CITY of such fact and will not proceed except at CONSULTANT's own risk until written instructions are received from CITY.

8. **TERM.** The initial term of this Agreement will be from July 1, 2016 (the "Effective Date") to June 30, 2017. The City Manager may extend the term of this Agreement, subject to Termination as stated in Section 15, on the same terms and conditions as in effect just before the then-current end of the term, for up to four (4) successive periods of one (1) year each by providing written notice to CONSULTANT no later than 120 days before the then-current end of the term. If all of these extensions are exercised, the Agreement will end on June 30, 2021.

9. **TIME FOR PERFORMANCE.**

A. CONSULTANT will not perform any work under this Agreement until:

- i. CONSULTANT furnishes proof of insurance as required under Section 22 of this Agreement; and
- ii. Both parties have executed this Agreement.

B. Should CONSULTANT begin work on any phase in advance of receiving written authorization to proceed, any such professional services are at CONSULTANT's own risk.

10. **TIME EXTENSIONS.** Should CONSULTANT be delayed by causes beyond CONSULTANT's control, CITY may grant a time extension for the completion of the contracted services. If delay occurs, CONSULTANT must notify the City Manager within forty-eight hours (48 hours), in writing, of the cause and the extent of the delay and how such delay interferes with the Agreement's schedule. The City Manager will extend the completion time, when appropriate, for the completion of the contracted services.

11. **CHANGES.** CITY may order changes in the services within the general scope of this Agreement, consisting of additions, deletions, or other revisions, and the contract sum and the contract time will be adjusted accordingly. All such changes must be authorized in writing, executed by CONSULTANT and CITY. The cost or credit to CITY resulting from changes in the services will be determined in accordance with written agreement between the parties.

12. **TAXPAYER IDENTIFICATION NUMBER.** CONSULTANT will provide CITY with a Taxpayer Identification Number.

13. **PERMITS AND LICENSES.** CONSULTANT, at its sole expense, will obtain and maintain during the term of this Agreement, all necessary permits, licenses, and certificates that may be required in connection with the performance of services under this Agreement.

14. **WAIVER.** CITY's review or acceptance of, or payment for, work product prepared by CONSULTANT under this Agreement will not be construed to operate as a waiver of any rights CITY may have under this Agreement or of any cause of action arising from CONSULTANT's performance. A waiver by either party of any breach of any term, covenant, or condition contained in this Agreement will not be deemed to be a waiver of any subsequent breach of the

same or any other term, covenant, or condition contained in this Agreement, whether of the same or different character.

15. **TERMINATION.** Notwithstanding Section 8 of this Agreement:

- A. CITY may terminate this Agreement with cause at any time after CONSULTANT fails to cure such cause upon thirty (30) days prior written notice. Either Party may terminate this Agreement without cause with one hundred eighty (180) days written notice prior to end of CITY's fiscal year.
- B. CONSULTANT may terminate this Agreement at any time for failure to make payment when due or cause if CITY fails to make payment within ten (10) days from due date or cure such cause upon thirty (30) days' prior written notice.
- C. Upon receiving a termination notice, CONSULTANT will immediately cease performance under this Agreement unless otherwise provided in the termination notice. Except as otherwise provided in the termination notice, any additional work performed by CONSULTANT after receiving a termination notice will be performed at CONSULTANT'S own cost; CITY will not be obligated to compensate CONSULTANT for such work.
- D. Should termination occur, all finished or unfinished documents, data, studies, surveys, drawings, maps, reports and other materials prepared by CONSULTANT specifically for the CITY will, at CITY's option and upon final payment to CONSULTANT, become CITY's property, and CONSULTANT will receive just and equitable compensation for any work satisfactorily completed up to the effective date of notice of termination, not to exceed the total costs under Section 1(C).
- E. Should the Agreement be terminated pursuant to this Section, CITY may procure on its own terms services similar to those terminated.

16. **OWNERSHIP OF DOCUMENTS.** All documents, data, studies, drawings, maps, models, photographs and reports prepared by CONSULTANT specifically for the CITY under this Agreement are CITY's property upon CITY providing final payment due hereunder. CONSULTANT may retain copies of said documents and materials as desired, but will deliver all original materials to CITY upon CITY's written notice. CITY agrees that use of CONSULTANT's completed work product, for purposes other than identified in this Agreement, or use of incomplete work product, is at CITY's own risk. Any electronic documents or files provided to the CITY shall use Microsoft Office Suite application software for Windows or a format pre-approved by CITY.

17. **PUBLICATION OF DOCUMENTS.** Except as necessary for performance of service under this Agreement, no copies, sketches, or graphs of materials, including graphic art work, prepared pursuant to this Agreement, will be released by CONSULTANT to any other person or public entity without CITY's prior written approval. All press releases, including graphic display information to be published in newspapers or magazines, will be approved and distributed solely by CITY, unless otherwise provided by written agreement between the parties.

18. **INDEMNIFICATION.**

- A. CONSULTANT shall hold harmless, defend (with counsel 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 or failure to comply with laws as set forth in Section 30 resulting from or in any way connected with the performance of this Agreement by CONSULTANT, except such damage as is caused by the negligence, omissions, or willful acts 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.
- B. CITY shall hold harmless, defend (with counsel reasonably acceptable to CONSULTANT), and indemnify CONSULTANT 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 or failure to comply with laws as set forth in Section 30 resulting from or in any way connected with the performance of this Agreement by CITY, except such damage as is caused by the negligence, omissions or willful acts of CONSULTANT or others not under the control of the CITY. CONSULTANT shall give prompt written notice to CITY of any matter asserted by CONSULTANT to be covered by this provision.
- C. CITY does not and shall not waive any rights that it may have against CONSULTANT by reason of this Section 18 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 this Section 18.

19. **ASSIGNABILITY.** This Agreement is for CONSULTANT's professional services. CONSULTANT's attempts to assign the benefits or burdens of this Agreement without CITY's written approval are prohibited and will be null and void.

20. **INDEPENDENT CONTRACTOR.** CITY and CONSULTANT agree that CONSULTANT will act as an independent contractor and will have control of all work and the manner in which it is performed. CONSULTANT will be free to contract for similar service to be performed for other local governments or other employers while under contract with CITY. CONSULTANT is not an agent or employee of CITY and is not entitled to participate in any pension plan, insurance, bonus, or similar benefits CITY provides for its employees. Any provision in this Agreement that may appear to give CITY the right to direct CONSULTANT as to the details of doing the work or to exercise a measure of control over the work means that CONSULTANT will follow the direction of the CITY as to end results of the work only.

21. **AUDIT OF RECORDS.** CONSULTANT will maintain full and accurate records with respect to all services and matters covered under this Agreement. CITY will have free access at

all reasonable times to such records, and the right to examine and audit the same and to make transcript therefrom, and to inspect all program data, documents, proceedings, and activities. CONSULTANT will retain such financial and program service records for at least three (3) years after termination or final payment under this Agreement.

22. **INSURANCE.**

- A. Before commencing performance under this Agreement, and at all other times this Agreement is effective, CONSULTANT will procure and maintain the following types of insurance with coverage limits complying, at a minimum, with the limits set forth below:

<u>Type of Insurance</u>	<u>Limits</u>
Commercial general liability	\$1,000,000
Business automobile liability	\$1,000,000
Workers compensation	Statutory requirement

- B. Commercial general liability insurance will meet or exceed the requirements of ISO-CGL Form No. CG 00 01 11 85 or 88. The amount of insurance set forth above will be a combined single limit per occurrence for bodily injury, personal injury, and property damage for the policy coverage. Liability policies will be endorsed to name CITY, its officials, and employees as “additional insureds” under said insurance coverage and to state that such insurance will be deemed “primary” such that any other insurance that may be carried by CITY will be excess thereto. Such endorsement must be reflected on ISO Form No. CG 20 10 11 85 or 88, or equivalent. Such insurance will be on an “occurrence,” not a “claims made,” basis and will not be cancelable or subject to reduction except upon thirty (30) days’ prior written notice to CITY.
- C. Automobile coverage will be written on ISO Business Auto Coverage Form CA 00 01 06 92, including symbol 1 (Any Auto).
- D. CONSULTANT will furnish to CITY duly authenticated Certificates of Insurance evidencing maintenance of the insurance required under this Agreement and such other evidence of insurance or copies of policies as may be reasonably required by CITY from time to time. Insurance must be placed with insurers with a current A.M. Best Company Rating equivalent to at least a Rating of “A:VII.”
- E. Should CONSULTANT, for any reason, fail to obtain and maintain the insurance required by this Agreement, CITY may obtain coverage at CONSULTANT’S expense and deduct the cost of such insurance from payments due to CONSULTANT under this Agreement and, to the extent CONSULTANT does not thereafter obtain such coverage within the notice and cure periods provided herein, CITY may terminate this Agreement.

F. Should CONSULTANT'S insurance required by this Agreement be cancelled at any point prior to expiration of the policy, CONSULTANT must notify CITY within 24 hours of receipt of notice of cancellation. Furthermore, CONSULTANT must obtain replacement coverage that meets all contractual requirements within 10 days of the prior insurer's issuance of notice of cancellation. CONSULTANT must ensure that there is no lapse in coverage.

23. **USE OF SUBCONTRACTORS.** CONSULTANT must obtain CITY's prior written approval to use any consultants while performing any portion of this Agreement.

24. **INCIDENTAL TASKS.** CONSULTANT will meet with CITY monthly to provide the status on the project, which will include a schedule update and a short narrative description of progress during the past month for each major task, a description of the work remaining, and a description of the work to be done before the next schedule update.

25. **NOTICES.** All communications to either party by the other party will be deemed made when received by such party at its respective name and address as follows:

If to CONSULTANT:

Library Systems & Services, LLC
2600 Tower Oaks Blvd., Suite 510
Rockville, MD 20852
Attention: President

If to CITY:

City of Santa Clarita
23920 Valencia Boulevard, Suite 300
Santa Clarita, CA 91355
Attention: City Manager

Any such written communications by mail will be conclusively deemed to have been received by the addressee upon deposit thereof in the United States mail, postage prepaid and properly addressed as noted above. In all other instances, notices will be deemed given at the time of actual delivery. Changes may be made in the names or addresses of persons to whom notices are to be given by giving notice in the manner prescribed in this paragraph.

26. **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, other than in an employment relationship, 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 CITY, 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 CITY, while under contract with CITY, and for a one (1) year time period following termination of this Agreement. CONSULTANT will comply with all conflict of interest laws and regulations including, without limitation, CITY's Conflict of Interest Code (on file in the City Clerk's Office). CONSULTANT further covenants that it will make no

political contributions to any political campaign or initiative affecting the Library or CITY, and CITY covenants that it will not make such a request of CONSULTANT to do so. It is incumbent upon the CONSULTANT or CONSULTING FIRM to notify the CITY pursuant to Section 25. **NOTICES** of any staff changes relating to this Agreement.

A. In accomplishing the scope of services of this Agreement, all officers, employees and/or agents of CONSULTANT(S), unless as indicated in Subsection B., will be performing a very limited and closely supervised function, and, therefore, unlikely to have a conflict of interest arise. No disclosures are required for any officers, employees, and/or agents of CONSULTANT, except as indicated in Subsection B.

Initials of CONSULTANT

B. In accomplishing the scope of services of this Agreement, CONSULTANT(S) will be performing a specialized or general service for the CITY, and there is substantial likelihood that the CONSULTANT's work product will be presented, either written or orally, for the purpose of influencing a governmental decision. As a result, the following CONSULTANT(S) shall be subject to the Disclosure Category "1" of the CITY's Conflict of Interest Code:

27. **SOLICITATION.** CONSULTANT maintains and warrants that it has not employed nor retained any company or person, other than CONSULTANT's bona fide employee, to solicit or secure this Agreement. Further, CONSULTANT warrants that it has not paid nor has it agreed to pay any company or person, other than CONSULTANT's bona fide employee, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Should CONSULTANT breach or violate this warranty, CITY may rescind this Agreement without liability.

28. **THIRD-PARTY BENEFICIARIES.** This Agreement and every provision herein is generally for the exclusive benefit of CONSULTANT and CITY and not for the benefit of any other party. There will be no incidental or other beneficiaries of any of CONSULTANT's or CITY's obligations under this Agreement.

29. **INTERPRETATION.** This Agreement was drafted in, and will be construed in accordance with the laws of the State of California, and exclusive venue for any action involving this Agreement will be in Los Angeles County.

30. **COMPLIANCE WITH LAW.** Each Party agrees to comply with all federal, state, and local laws applicable to this Agreement. This obligation includes, but is not limited to, compliance with the requirements of the California Public Records Act and the right to privacy of library patrons with respect to the confidentiality and non-disclosure of registration, identification data, borrowing history, circulation records, electronic database information, computer usage, computer searches, or other records relating to library patrons. CONSULTANT

shall limit access to such records to those persons acting within the scope of their duties within the administration of the Santa Clarita library facilities.

31. **ENTIRE AGREEMENT.** This Agreement, and its Exhibits, sets forth the entire understanding of the parties. There are no other understandings, terms, or other agreements expressed or implied, oral, or written. There is one (1) Exhibit to this Agreement. This Agreement will bind and inure to the benefit of the parties to this Agreement and any subsequent successors and assigns.

32. **RULES OF CONSTRUCTION.** Each Party had the opportunity to independently review this Agreement with legal counsel. Accordingly, this Agreement will be construed simply, as a whole, and in accordance with its fair meaning; it will not be interpreted strictly for or against either Party.

33. **SEVERABILITY.** If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, then such portion will be deemed modified to the extent necessary in the opinion of the court to render such portion enforceable and, as so modified, such portion and the balance of this Agreement will continue in full force and effect.

34. **AUTHORITY/MODIFICATION.** The Parties represent and warrant that all necessary action has been taken by the Parties to authorize the undersigned to execute this Agreement and to engage in the actions described herein. This Agreement may be modified by written amendment. CITY's executive manager, or designee, may execute any such amendment on behalf of CITY.

35. **ACCEPTANCE OF FACSIMILE SIGNATURES.** The Parties agree that this Agreement, agreements ancillary to this Agreement, and related documents to be entered into in connection with this Agreement will be considered signed when the signature of a party is delivered by facsimile transmission. Such facsimile signature will be treated in all respects as having the same effect as an original signature.

36. **CAPTIONS.** The captions of the paragraphs of this Agreement are for convenience of reference only and will not affect the interpretation of this Agreement.

37. **TIME IS OF ESSENCE.** Time is of the essence for each and every provision of this Agreement.

38. **FORCE MAJEURE.** Should performance of this Agreement be prevented due to fire, flood, explosion, acts of terrorism, war, embargo, government action, civil or military authority, the natural elements, or other similar causes beyond the Parties' reasonable control, then the Agreement will immediately terminate without obligation of either party to the other.

39. **STATEMENT OF EXPERIENCE.** By executing this Agreement, CONSULTANT represents that it has demonstrated trustworthiness and possesses the quality, fitness, and capacity to perform the Agreement in a manner satisfactory to CITY. CONSULTANT represents that its financial resources, surety and insurance experience, service experience, completion ability, personnel, current workload, experience in dealing with private consultants, and experience in dealing with public agencies all suggest that CONSULTANT is capable of

performing the proposed contract and has a demonstrated capacity to deal fairly and effectively with and to satisfy a public CITY.

40. **PROTECTION OF RESIDENT WORKERS.** The City of Santa Clarita actively supports the Immigration and Nationality Act (INA), which includes provisions addressing employment eligibility, employment verification, and nondiscrimination. Under the INA, employers may hire only persons who may legally work in the United States (i.e., citizens and nationals of the U.S.) and aliens authorized to work in the U.S. The employer must verify the identity and employment eligibility of anyone to be hired, which includes completing the Employment Eligibility Verification Form (I-9). The CONSULTANT shall establish appropriate procedures and controls so no services or products under the Contract Documents will be performed or manufactured by any worker who is not legally eligible to perform such services or employment.

41. **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 the 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 the CITY, ordinary wear and tear excepted, at the termination or expiration of this Agreement.
- B. Policies and guidelines. CITY shall be responsible for setting all policies that govern the operations of the Library and CONSULTANT agrees to adhere to set policies and guidelines.

42. **LIMITATION OF LIABILITY.** In no case shall either party be liable for any damages, losses, costs, or expenses under or in connection with this Agreement, whether for breach of contract, tort or otherwise in excess of an amount equal to the lesser of (a) the actual damages suffered by the aggrieved party, or (b) the charges for the twelve (12) month period in which such damages were allegedly incurred. However, the immediately preceding sentence shall not apply to personal injury or property damage or damages arising out of a failure to comply with laws as required by Section 30 caused by the negligence or willful misconduct of CONSULTANT. In no case shall either party be liable for any punitive, exemplary, incidental, loss of profit, consequential, indirect or special damages arising out of or in connection with this Agreement. Notwithstanding any other provision in this Agreement, CONSULTANT shall have no responsibility for any worker's compensation or any other claims or incidents or costs, expenses or losses occurring prior to the date hereof.

43. **WARRANTY.** CONSULTANT warrants that it will perform hereunder with at least the care, diligence, and expertise generally accepted in the library service industry. OTHER THAN AS SET FORTH EXPRESSLY HEREIN, THERE ARE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

[SIGNATURES ON NEXT PAGE]

____ City
____ Consultant

IN WITNESS WHEREOF, the parties hereto have executed this contract the day and year first hereinabove written.

FOR LSSI:

By: _____
Paul Colangelo, President

Date: _____

**FOR CITY OF SANTA CLARITA:
KENNETH W. STRIPLIN, CITY MANAGER**

By: _____
City Manager

Date: _____

**ATTEST:
KEVIN TONOIAN, CITY CLERK**

By: _____
City Clerk

Date: _____

**APPROVED AS TO FORM:
JOSEPH M. MONTES, CITY ATTORNEY**

By: _____
City Attorney

Date: _____

EXHIBIT “A”

**City of Santa Clarita
Contract for Library Management and Operations**

A. Scope of Services

LSSI will administer the operations of the CITY’s public library facilities (collectively, “Library”), including the accounting for, purchase of, and payment for payroll services and goods and services from vendors for applicable utilities, supplies, operational expenditures and 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 the CITY.

LSSI shall provide, by and through its own employees or independent contractors (“LSSI Staff” or “Library 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 for setting Library Staff compensation and the sole 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 to keep the Library open to the public at least the following number of hours per week:

Canyon Country Jo Anne Darcy Library	63 hours
Newhall Library	63 hours
Valencia Library	63 hours

The hours of operation of the Canyon Country and Old Town Newhall Library branches will be as follows:

Monday – Thursday	9 a.m. – 8 p.m.
Friday	10 a.m. – 6 p.m.
Saturday	10 a.m. – 5 p.m.
Sunday	1 p.m. – 5 p.m.

The hours of operation of the Valencia Library branch will be as follows:

Monday – Thursday	10 a.m. – 9 p.m.
Friday	10 a.m. – 6 p.m.
Saturday	10 a.m. – 5 p.m.
Sunday	1 p.m. – 5 p.m.

LSSI will update the written strategic plan ("Strategic Plan") for the Library, in cooperation with the CITY, elected and appointed local officials, community stakeholders, and the Library Staff. Using current professional standards and practice, the Strategic Plan will identify challenges and opportunities for the Library Staff and corresponding strategic responses, including specific, measurable goals and objectives. A new Strategic Plan must be developed at least 180 days prior to the expiration of any current Strategic Plan.

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

B. List of Services - LSSI will:

1. General - Under the general direction of the City Manager or his 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 of Santa Clarita at relevant library meetings, including the annual California Library Association State Librarians' Meeting.
2. Community Relations:
 - a. Develop and maintain effective working relationships with CITY staff, elected officials, advisory boards, other appointed officials, and community groups such as the Friends of the Library. A representative from LSSI should be present at all CITY Council meetings on a routine basis and as requested.
 - b. Implement a marketing plan to promote all Library services to the residents of the CITY, and effectively disseminate information, and promote use of the Library, resources, and services.
 - c. Work cooperatively with Library support groups to coordinate Library-marketing efforts.
3. Fiscal Responsibility:
 - a. Be responsible for the proper administration of the overall Library budget, of which the contracted services are a part.
 - b. Collect and account for fines and fees, and remit same to the CITY. All revenues resulting from Library operations and programs shall belong to the CITY.
 - c. Be the CITY's principal liaison with the State of California with respect to library statistical reporting and funding matters.
 - d. Develop and maintain effective and efficient financial procedures.
 - e. Provide monthly and annual financial statements that detail the costs associated with operation of each Library branch, including proportionate administrative costs.
 - f. Review all aspects of Library operation and service for efficiency and cost-effectiveness, while making changes as appropriate.

- g. Lead preparation of annual financial statements for expenditures relating to the operation of the Library. Retain necessary and relevant financial files, and submit to financial audit of all agreement-related records upon request of the CITY, said audit to be at CITY's expense.
- h. Provide the CITY with annual audited financial statements of LSSI 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. Continue to seek innovative means of adding value to the CITY at little or no additional cost, including the research of, and application for, grants.
- k. Make recommendations to the CITY on fine and fee schedules, and investigate and recommend supplemental revenue sources.
- l. All Library Staff responsible for handling cash receipts shall be trained in and adhere to CITY cash handling procedures.

4. Management and Reporting:

- a. Prepare and provide quarterly reports to the CITY, describing Library activities and recommending changes in policies, procedures, and operations as necessary and appropriate.
- b. Prepare and provide monthly statistical and financial reports in a form acceptable to the CITY on Library activities. Prepare and provide a comprehensive report relating to Library services annually.
- c. At least annually, survey and gather information from Library users for use in Library planning and customer satisfaction.
- d. LSSI's CITY Librarian will report to the City Manager or designee. City Librarian will also serve as Library staff liaison to any Library Board of Trustees, Citizens Public Library Advisory Committee, Friends of the Library, and/or other Library support groups. City Librarian will also be responsible for the preparation and administration of said related public meetings.

5. Staff Development and Coaching:

- a. Provide orientation, training, and professional development of all Library Staff.
- b. Provide leadership and guidance to maximize Library Staff effectiveness in Library operations.

6. 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 material promptly.
 - d. Mirror and emulate the City of Santa Clarita Philosophy.
 - e. Mirror and emulate a dress code policy similar to that of the CITY.
7. Circulating and Reference Materials:
 - a. Review the Collection Development Plan on a regular basis to ensure it continues to reflect community needs. Written recommendations for any Plan updates will be made with deference to local input with final decisions on any updates reasonably made by the CITY.
 - b. Provide in-depth collection development and management including utilizing evidenced based selection tools to allocate the materials budget in relation to use patterns, high interest areas, and community needs along with the analysis of the relationship of print, non-print, and electronic resources in the Library's collection.
 - c. Provide ongoing and systematic evaluation and refresh of existing materials, and recommend longer term collection growth in relation to the CITY's financial resources.
8. Maintain a high quality and appropriate interlibrary loan program.
9. Programming – Provide high-quality, effective educational, recreational, and cultural programs of interest to all age groups present in the community.
10. Facilities and Equipment
 - a. Work with Library Staff and CITY officials to ensure effective building maintenance by promptly identifying and reporting problems with the facility.
 - b. Provide daily janitorial services in Library facilities.
 - c. The CITY will be responsible for major facility projects and upgrades concerning Library buildings, grounds, building systems, utilities, landscaping, HVAC, lighting, telecommunications, Internet access, and will be responsible for any capital improvements at Library facilities.
 - d. The CITY will be responsible for providing routine maintenance, including landscaping, phone, waste removal, recycling, pest control, fire extinguishers, alarms, electricity, gas, water, and sewer services in Library facilities.

- e. CITY will be responsible for insuring the Library property, facilities, fixtures, and furnishing against all perils and risk of loss.
- f. CITY is responsible for providing any security services for the Library and surrounding areas as may be desired by CITY.
- g. CITY is responsible for setting all policies that govern the operations of the Library.

11. Systems:

- a. Be responsible for providing and supporting the Library's Integrated Library System (ILS) required to effectively operate the Library. The pricing schedule in Section E. includes an adequate number of ILS seat licenses to effectively operate the City's three branch libraries. If any new branch libraries or outlets are added in the future, the costs for the additional ILS seat licenses required to support those locations are not included in the pricing schedule.
- b. Be responsible for acquisition and maintenance of any servers/hardware required for the ILS.
- c. Be responsible for coordinating with the CITY on any contingency plans or alternative solutions for planned or unplanned circumstances when the ILS is unavailable.
- d. Be responsible for reporting system outages and problems proactively via the use of the CITY's Helpdesk ticketing system.
- e. Advise the CITY as to recommendations in the area of automation that would enhance service and/or decrease overall operating costs. Technology professionals from LSSI will meet with technology professionals from the CITY on a semi-annual basis to discuss new technologies and opportunities to streamline library operations.
- f. The CITY will provide and, when necessary, replace, all necessary software, hardware and related peripherals, for use by Library Staff for Library operations only and for the service of the general public. CITY 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.
- g. Any equipment purchased by and belonging to LSSI and used for Library purposes must be asset tagged. It is the responsibility of LSSI to label any of its equipment accordingly. Any unlabeled equipment shall remain with the CITY.

12. Planning and Performance Monitoring:

- a. Establish short- 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 City of Santa Clarita Public Library.

- b. Provide core Public Library performance measurements, and compile monthly, quarterly, and annual reports to the CITY regarding the same. California State Library Public Library Statistics will be the minimum reported benchmark measurements.
- c. LSSI and the City Manager or his designee shall meet annually to review and evaluate LSSI's performance during the term of this agreement.

C. Excluded Services

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

1. 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.
2. Any amount of costs for unbudgeted repairs, maintenance, and/or upkeep of Capital Items owned by the CITY.
3. Any patron accommodations or structural improvements regarding the Library facilities required by the Americans with Disabilities Act (ADA) or any similar federal, state, or local regulations.

D. Library Materials and Materials Handling Fee

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 Library Staff employed by LSSI. If and when requested by the CITY, LSSI will, on behalf and for the benefit of the CITY, attempt to negotiate favorable discounts and prices from Library suppliers for the purchase of all Library materials, which shall include books, periodicals, newspapers, microfilms, electronic database subscriptions, standing orders, audio and video materials and cases, automated reference services, binding, cataloging, and processing costs (collectively, "Library Materials"). If and when requested to purchase Library Materials by the CITY, LSSI will place orders with the suppliers and perform the accounting functions related to those orders, including prompt payment of the invoices, and 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").

(Continued on next page)

E. Operating Budget, Charges and Payments

1. Operating Budget and Charges

Period	Charges ("Operating Budget")*	
	Annualized	Monthly
July 1, 2016 to June 30, 2017	\$3,597,020	\$299,751.66
July 1, 2017 to June 30, 2018	\$3,668,960	\$305,746.70
July 1, 2018 to June 30, 2019	\$3,742,340	\$311,861.63
July 1, 2019 to June 30, 2020	\$3,817,186	\$318,098.86
July 1, 2020 to June 30, 2021	\$3,893,530	\$324,460.84

* Library Materials is not included in the Operating Budget amounts indicated above. The CITY will determine the amount to be budgeted for Library Materials on an annual basis, the total amount of which will include sales tax, shipping, processing fees, and, if applicable, the Materials Handling Fee. Payment by the CITY for Library Materials ordered and purchased by LSSI for the Library shall be made only on a reimbursement basis following submission of an invoice and documentation of expenditures.

Any increases in the minimum wage mandated by federal, state, or local governments are not included in the above pricing schedule.

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

2. Payments

LSSI shall invoice the CITY twice-monthly in advance on or before the 1st and 15th of each month. CITY shall pay LSSI on a twice-monthly basis any invoiced reimbursables as described in E.1, as well as a pro-rata share of the annualized "Operating Budget" amounts. Such payment shall be made by the 15th and 30th of each month.

F. Staffing

1. LSSI will employ qualified Library Staff sufficient to provide services and programs during all hours of Library operations and the necessary orientation and ongoing training and professional development to the Library Staff.
2. All personnel employed to perform the services necessary to operate the Library and to perform the other functions of LSSI shall be employees of LSSI, which shall pay all costs related to their employment.
3. LSSI's Library Staff will consist of fifty-four (54) Full Time Equivalent (FTE) positions.

The staffing allocation shall be as follows:

- One (1.0) City Librarian*
- Four (4.0) Senior Librarians (in Branch Manager and Supervisory Roles)**
- Twelve and One-Half (12.5) Librarians***
- Six and One-Half (6.5) Library Support Staff (including Circulation Supervisors, Volunteer Program Coordinator, and Administrative Support)****
- Thirty (30) Library Assistants/Pages

* Desirable Experience and Education: Master's degree in Library Science, Library and Information Science, or similar field from an ALA accredited college or university; six (6) years of progressively responsible professional library experience, including two or more years in a supervisory or lead capacity; or an equivalent combination of training and experience. Appointment of an individual to this position shall be subject to the approval of the City Manager or his designee.

** Desirable Experience and Education: Master's degree in Library Science, Library and Information Science, or similar field from an ALA accredited college or university; four (4) years of progressively responsible professional library experience, including two or more years in a supervisory or lead capacity; or an equivalent combination of training and experience. Appointment of individuals to these positions shall be subject to the approval of the City Manager or his designee.

*** Desirable Experience and Education: Master's degree in Library Science, Library and Information Science, or similar field from an ALA accredited college or university; or completion of 36 quarter units in a library science curriculum leading to a Master's degree in Library Science, Library and Information Science, or similar field from an ALA accredited college or university; two (2) years of progressively responsible professional library experience; or an equivalent combination of training and experience.

**** Desirable Experience and Education: Bachelor's degree or equivalent; two (2) years of professional experience in library, research or related services; or an equivalent combination of training and experience.

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 and necessary staffing levels. 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 organizational structure of the Library Staff, provided the CITY is given prior notice in writing of such changes.

4. Additional automation system and management support will be provided without additional charge on an as-needed basis.
5. The Library will be closed on Holidays observed by the CITY and other days agreed upon in writing by the CITY and LSSI in December of each year for the subsequent calendar year.

6. LSSI agrees to conduct background checks, to include a check for criminal and sex offender history, for all employees working within the Library facilities or for the Library in any capacity as part of its Library Staff. In addition, LSSI will comply with established City processes and protocols for Library volunteers, including any required background checks. The City will manage the annual budget and cover the costs of volunteer background checks.

G. Special Conditions

LSSI may purchase goods for use in the administration 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 shown in this exhibit (Exhibit A) with at least the care, diligence, and expertise generally accepted in the library service profession.