TO:       HONORABLE CITY COUNCIL
FROM:     CITY MANAGER                DEPARTMENT: LIBRARY
DATE:     MAY 2, 2005                  CMR:237:05
SUBJECT:  APPROVAL OF CHANGE ORDER TO PURCHASE ORDER WITH
BAKER & TAYLOR IN THE AMOUNT OF $68,000 FOR PURCHASE OF
LIBRARY BOOKS AND AUTHORIZATION TO RENEW PURCHASE
ORDERS WITH BAKER & TAYLOR FOR THE SECOND AND THIRD
YEARS

RECOMMENDATION
Staff recommends that Council:

1. Approve and authorize the City Manager to execute a change order to a purchase order
with Baker & Taylor in the amount of $68,000 for the purchase of library books for FY 2004-05.

2. Authorize the City Manager or his designee to exercise the option to renew purchase
orders with Baker & Taylor in an amount not to exceed a total of $400,000 for each of
the second and third contract years for books, audio visual items, and library
continuations, provided the City Manager concludes that the contractor is responsive to
the City’s needs, and the quality of the contractor’s products and service is acceptable
during the first year of the contract.

3. Authorize the City Manager or his designee to exercise the option to execute one or more
changes to the purchase orders with Baker & Taylor to cover potential future budget
amendments resulting from grant funding, the total value of which shall not exceed
$40,000 in any contract period.

BACKGROUND
The Library Department purchases the vast majority of new items for its collections from
wholesale distributors who maintain large inventories of titles from many publishers and
producers. Obtaining books and media through these suppliers offers many advantages over
purchasing from individual publishers including:
• higher discounts off of the list, or retail, prices
• larger and more varied inventories
• efficiencies in placing orders and processing payments
• greater use of technologies needed to communicate with library databases and systems
• the option to deliver the books and media circulation-ready with physical processing and cataloging information provided by the supplier.

Every three years, staff issues a Request for Proposal (RFP) to wholesalers who provide these materials to public libraries. Some vendors specialize in providing different types of materials. Therefore, the RFP is structured so a vendor can propose to provide one or more major categories of library materials such as adult books, children’s books, audiovisual media, and library continuations. Continuations are orders for titles, like travel guides and yearbooks, for which libraries opt to automatically receive each new update. Purchase orders are established with one or more of the vendors that best meet the selection criteria.

**DISCUSSION**
The last RFP process for the provision of library materials, completed in April 2004, resulted in the staff recommendation to select Baker & Taylor as the principal supplier for library books, audio visual, and library continuations. Eight vendors were invited to submit bids, and seven responses were received.

As reported in CMR:182:05 sent to Council on March 14, 2005, the initial total dollar amount of the purchase order with Baker & Taylor fell within the limit of the City Manager’s approval authority of $250,000 for goods, including incidental processing services totaling less than three percent. The City currently has three blanket purchase orders with Baker & Taylor for FY 04-05, totaling $245,000.

Based on the buying pattern experienced this fiscal year, staff estimates that the existing blanket order with Baker & Taylor for the purchase of books will need to be increased by $68,000 to cover planned expenditures through June 2005. This change will increase the total contract with Baker & Taylor to $313,000, and therefore Council approval is required. In addition, staff is requesting that Council authorize the City Manager to approve further purchases in excess of $250,000 for 2005-2006 and 2006-2007.

**RESOURCE IMPACT**
Funds for these purchase orders have been budgeted for FY 2004-05 and are planned for FY 2005-07.

**POLICY IMPLICATIONS**
This recommendation does not represent any change to existing City policies.

**ENVIRONMENTAL REVIEW**
This does not constitute a project under the California Environmental Quality Act. Therefore, no environmental assessment is needed.
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DEPARTMENT HEAD: ________________________________________ PAULA SIMPSON  
Library Director

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