

SACRAMENTO PUBLIC LIBRARY AUTHORITY

REQUEST FOR PROPOSAL (RFP)

PERFORMANCE AUDIT

May 2, 2008

Proposal Due: May 23, 2008 at 4:00 p.m.

to

Sacramento Public Library Administration

Attn: Performance Audit RFP

828 I Street, Sacramento, CA 95814

Contact:

Jonathan Barber, Management Analyst

916-264-2878

jsbarber@saclibrary.org

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A. INTRODUCTION

The Sacramento Public Library Authority is requesting proposals from interested and qualified management consultants to conduct a performance audit of the library. The purpose is to evaluate the demands on and performance of the library, both in its support divisions and its public services divisions. In essence, the question to be answered is “Are the resources of the library being utilized effectively and efficiently to provide the best possible public services?”

This Request for Proposal (RFP) describes the project background, the scope of services, the project schedule, content of the proposal, and evaluation and selection criteria. In addition, a sample of a Standard Library Authority Professional Services Agreement is included (Attachment B).

The performance audit will be overseen by the Performance Audit Oversight Committee. The committee will consist of senior library management staff, and representatives from other local public jurisdictions served by the Authority, as well as members of the public, potentially.

B. LIBRARY AUTHORITY AND PROJECT BACKGROUND

Sacramento Public Library Authority provides library services to the 1.3 million residents of the cities of Citrus Heights, Elk Grove, Galt, Isleton, Rancho Cordova and Sacramento, as well as the unincorporated areas of the County of Sacramento, spread over 975 square miles. There has been a long and distinguished 150 year history of public library services in the Sacramento region and today the Library Authority serves the fourth largest library service area population in California. The Library Authority is a Joint Powers Authority, with the signatory agencies being the above-mentioned jurisdictions, and is governed by a 14 member board. The Library Director serves as the Executive Director of the Authority.

The library includes a 160,000 square foot Central Library, 26 library branches and three bookmobiles. The Library Authority has 305.25 FTE employees, with annual operating revenues of \$35.8M. More information about the Library Authority is available on its website at www.saclibrary.org. The organization chart for the Library Authority is shown on Attachment A.

C. SCOPE OF SERVICES

This section describes the general nature of the scope of services to be provided for the performance audit for the Sacramento Public Library Authority. It includes a task description, expected deliverables, and a basis for compensation.

TASK DESCRIPTION:

A general list of tasks projected for the performance audit has been developed as a basis for preparation of the proposal. Additional tasks or modification to the task list which the Consultant feels will produce a more effective project should be included in the proposal.

However, as noted in Section E (Basis for Compensation) and Section F (Project Schedule), project proposals must conform to the requirements in these sections.

1. Interviews/Focus Groups/Workshops

Interviews/initial meetings, focus groups and/or workshops with key individual and institutional stakeholders to be held to identify key issues, trends, goals, expectations, objectives, procedures and service delivery goals for the Library Authority. The Consultant should determine the best mix and methodology for such data gathering.

2. Departmental Descriptions

Descriptions of specific departments, including data such as organizational structure; business plans and/or strategic objectives, operating procedures, including reporting; coordination with other departments and functions; workloads; staffing; performance standards; and use of technology shall be developed. The specific departments to be included will be confirmed as part of the start up process for the audit, but will include more in depth descriptions of support departments, including Facilities, Finance, Human Resources and Information Technology, as well as the public services operations.

3. Performance Measurements

Review of work processes and work products, as well as established policies and procedures; identify performance standards of the departments; measure work processes against these established goals and identify obstacles to increased efficiency and effectiveness. These performance measurements include services provided to internal (other library departments) and external (public) customers.

4. Evaluation of Efficiency and Effectiveness

An evaluation of the allocation of department resources shall be performed to identify where, if any, staffing or resource deficiencies or surpluses exist and recommend how to correct them. Aspects to consider include, but are not limited to, staffing levels, staff deployment and the use of consultants, workload, shifting priorities, demands for service, response time, job descriptions, resource allocation and department organization and management.

The interrelation and coordination of departments within the Library Authority and departments outside the agency also needs to be evaluated.

5. Benchmarks

The Consultant shall review benchmarks of measurements in comparable public libraries on both a statewide and national level. The Library Authority has available benchmarking data on the local, statewide and national level.

6. Cost of Service Model

Compare and evaluate each department's cost of service (support departments and public service departments) compared to customer service output. The cost of service model will include the full cost of service, including allocated costs, utilized under the current JPA financial model.

7. Recommendations

The Consultant will determine and make recommendations on how best to improve the efficiency and effectiveness of service provided by each department. Such recommendations should provide real, constructive solutions to enhance library operations and service delivery.

D. DELIVERABLES

1. Written Report

The Consultant will document all study findings, conclusions and recommendations in a formal written report which should include the following:

- A statement of audit objectives, description of the audit scope and methodology.
- Performance measurements
- Identification and explanation of the cause for any problem areas noted in the audit.
- Recommendations for process improvements for improving the efficiency and effectiveness for all departments
- Identification of any impediments or constraints to implementing recommended process improvements
- Estimated cost saving and/or service improvements to be accomplished by recommendations. Cost of any additional resource requirements (e.g. staffing, equipment, etc.) should also be clearly identified if pertinent to a recommendation.
- Plan and time frame for implementation and performance measurements to assess completeness and effectiveness of implementation
- Priority rankings for all recommendations.

2. Interim Reports

The Consultant will periodically meet with the Performance Audit Oversight Committee to review project progress, findings, conclusions, and recommendations. A monthly report of consultant activities will be provided to the Committee and to the Library Authority Board.

A draft copy of the final report will be provided to the Performance Audit Oversight Committee in sufficient time to review the report.

3. Oral Presentations

Consultant will make oral presentations to the Performance Audit Oversight Committee, various public, library staff and/or local jurisdictions groups, and the Library Authority Board to assist in achieving full understanding of the final results and recommendations of the audit.

E. BASIS FOR COMPENSATION

A fee estimate for the project shall be provided in a **separate sealed envelope**. The envelope for the selected firm will be opened for the purposes of negotiating a contract for the services. The envelope for the firms not selected will be returned unopened after contract negotiations are complete. No more than three hundred thousand dollars (\$300,000) will be allocated for this project.

Compensation will be based on consultant's standard charge rates with a not-to-exceed limit. Include the following information in the fee estimate:

- Estimated fee by task
- Hourly rate schedule for labor, including any subconsultants
- Types and estimated amount of non-labor costs to be billed to the project
- Adjustments in rates predicted to occur during the project.

If the vendor recommends that additional work, above and beyond that described in the Scope of Services, is recommended, it should include the additional cost for such work, broken out as noted above. Such work, if needed, could be beyond the project budget noted above.

F. PROPOSED PROJECT SCHEDULE

The following is the schedule for this project. The Library Authority Board has determined that it wishes to conclude this study no later than the end of 2008.

MILESTONE

DATE

Request for Proposals Issued	May 2, 2008
Proposals Due	May 23, 2008
Proposal Review and Evaluation	May 24 – May 30, 2008
Interviews (if required)	June 6, 2008
Board Approval of Agreement	June 16, 2008
Project Start	July 1, 2008
Draft Report	October, 2008
Authority Review and Comments	November, 2008
Recommendations to the Board	December, 2008

G. ORGANIZATION AND CONTENT OF PROPOSAL

This section describes the information to be included and submitted in the proposal. It shall contain the following sections:

Section	Contents
Cover Letter	Transmittal
1.	Project overview
2.	Detailed project approach
3.	Related experience
4.	Consultant team

Section	Contents
5.	Project schedule
6.	Conflicts of interest
7.	Proprietary information
8.	Insurance
9.	Staff estimate
10.	Cost information
11.	References

A fee estimate shall be contained in a **separate** envelope.

1. Project Overview

Provide a narrative description of the project based on your understanding of the scope of work and schedule presented in this RFP; do not simply repeat the scope of work. The Authority will assess your understanding the project based on this overview.

2. Project Approach

Provide a description of the proposed approach to the project as described above. The description shall include the necessary level of detail to implement the tasks described in the Scope of Work and any recommended revisions to the list of tasks. The approach should recognize, address, and provide for resolution of all aspects of the project. It is the responsibility of the proposer to assess and define the appropriate number, type and hours required of consultants, and subconsultants, to complete the project within the timeframe and budget defined above.

3. Related Experience

Provide a summary of recent and relevant experience of the firm and all members proposed for the team, including sub consultants, in conducting similar performance audits. The consulting team should be comprised of members who represent the appropriate range of expertise and experience necessary for successful completion of the performance audit, including team members with experience working with large, urban, multi-branch public libraries. The Authority reserves the right to request new, different, or additional team members or sub consultants, as part of the contract negotiation process.

Provide specific detail on performance audit work for the following:

- a. work conducted for large, urban, multi-branch public libraries
- b. work conducted for smaller, independent governmental agencies, such as a JPA
- c. specific experience in auditing administrative functions, such as Finance, Human Resources, IT and Facilities

The description of each project should include the year(s) during which the work was performed and a description of the process. The firm's role should also be described (prime consultant, sub-consultant, etc.) The firm should provide information concerning the extent recommendations have been implemented and, where possible, cite quantifiable results.

4. Consultant Team

The proposed consultant team shall be identified including project manager, and individuals who will participate in the project, including sub-consultants. Key tasks and the associated personnel shall be identified. A consultant team organization chart shall be included. A resume of each team member shall be included and each resume should include description of projects in related areas. Any proposed subcontractors shall be identified, tasks assigned and experience included similarly to the firm's own project personnel.

The full name and address of the company and the names of the company owners shall be provided.

5. Project Schedule

A project schedule has been included above. Any changes requested by the consultant from the project schedule must be noted. It is the responsibility of the proposer to assess and define the appropriate number, type and hours required of consultants in order to complete the project within the timeframe and budget defined above. The Library Authority Board has determined that it wishes to conclude this study no later than the end of 2008.

6. Conflicts Of Interest

Firms submitting proposals in response to this RFP must disclose to the Authority any actual, apparent, direct or indirect, or potential conflicts of interest that may exist with respect to the firm, management, or employees of the firm or other persons relative to the services to be provided under the Agreement for services to be awarded pursuant to this RFP. If a firm has no conflicts of interest, a statement to that effect shall be included in the Proposal.

Firms must also disclose in its proposal any campaign contributions made to any member of Authority's Governing Board during the past 12 months in an amount exceeding \$250. Members may be viewed at: http://www.saclibrary.org/about_lib/auth_board/index.html

7. Proprietary Information

Firms submitting proposals to this RFP must provide a statement that nothing contained in the submitted proposal will be proprietary. The Authority will not release responses until after the Library Authority Board acts to select a consultant. Thereafter, all responses are considered public records and subject to disclosure under the Public Records Act.

The Authority will retain ownership and copyright of all work and systems, tangible and intangible, that the Vendor produces on behalf of the library in perpetuity.

8. Insurance

Provide a summary of the firm's (and any subcontractor's) insurance coverage, including public liability, property damage, worker's compensation, automobile, and professional liability. See Professional Services Agreement (Attachment A) for specific information regarding insurance coverage required by the Library Authority.

9. Library Staff Estimate

Provide an estimate of library staff time required for each task to permit the Authority to determine the level of detail and the number of management and support personnel hours envisioned for each task.

10. References

Provide a minimum of three former clients, within the past five years, for which your firm, consultant team members and subcontractors, if any, have provided similar services. The name, address, telephone number and email for a contact person for the client shall be provided, along with a brief description of the work completed for that client.

11. Professional Services Agreement

Note any exceptions or objections to the terms and conditions of the Professional Services Agreement (Attachment A).

NOTE: The cost information required in this paragraph and the fee estimate shall be submitted in a separate sealed envelope to facilitate an unbiased technical review.

12. Cost Information

Provide a full cost for the project, as outlined in Section E (Basis for Compensation). Provide an hourly rate schedule for those job classifications to be billed to the project and identify all other costs to be billed to the project. Identify any indirect component of each hourly rate. Include any adjustments which are predicted to occur during the life of the project.

Vendor costs to participate in the initial RFP process, prior to the award of a contract to one vendor, are the sole responsibility of each vendor.

H. EVALUATION AND SELECTION CRITERIA

Each proposal that is in substantial compliance with the proposal criteria will be reviewed, evaluated, and scored by the Performance Audit Oversight Committee. The committee will consider the following elements, at a minimum, to determine the effectiveness of bidder's response:

- Responsiveness to the RFP
- Understanding of the Scope of Work and Approach to Project
- Consultant Firm's Qualification and Proven, Successful Experience in Performing Similar Performance Audits
- Consultant Team Members Qualifications, Experience, Organization, and Availability
- Project Schedule
- Library Staff Estimate
- References

The proposal evaluation will be used to determine whether interviews are necessary. Presentation at the oral interviews, if required, shall be made by those individuals who will actually be assigned to the project.

A final recommendation to the Library Director will be made by the Committee, based on the technical review and evaluation of the proposal, and interview, if required. The selection of the Consultant will be presented to the Library Authority Board for approval. Final negotiations as to scope and cost for the project will take place after selection of the firm.

The Library Authority reserves the right to refuse any or all proposals submitted which are not in substantial compliance with the proposal criteria.

The Authority reserves the right to award the contract to the Vendor whose qualifications, in their sole judgment, most closely match the needs of the project. The Authority reserves the right to request new, different, or additional team members or sub consultants, as part of the contract negotiation process. The Authority reserves the right to accept or reject any or all portions of the proposals submitted and to waive any minor informality or irregularity in any proposal. Additionally, the Authority reserves the right to reject any or all proposals, to seek additional proposals, or to cancel the proposal process. The cost of developing the proposal and any interview costs are solely the responsibility of the competing vendors.

I. SUBMITTAL INSTRUCTIONS

Six written copies of the proposals, one with an original signature, plus an electronic copy in electronic format (PDF or Microsoft Word) via e-mail, must be received by **4:00 pm, PST on May 23, 2008**. Proposals should be mailed to:

Sacramento Public Library Authority
Performance Audit RFP
Attn: Jonathan Barber, Management Analyst
828 I Street
Sacramento, CA 95814

Email copies should be sent to jsbarber@saclibrary.org.

Faxed or e-mail only proposals will **not** be accepted. Hand-delivered submissions should be delivered to the library's Administrative Office on the fourth floor of the Central Library, 828 I Street, Sacramento, CA 95814. Written submittals should include all of the information requested in this RFP, and should be submitted in a sealed envelope marked "Sacramento Public Library Authority / Sacramento Public Library Performance Audit Proposal." As noted above, cost information and the fee estimate shall be submitted in a **separate sealed envelope** to facilitate an unbiased technical review.

The proposal must be signed by an official authorized to bind the firm, and must contain a statement that the proposal and cost are valid for period of one hundred twenty (120) days from the closing date and time.

J. Questions

Questions about this RFP and the project should be directed to Jonathan Barber, Management Analyst, via email to jsbarber@saclibrary.org. All questions received and responses will be posted at the Sacramento Public Library's *Performance Audit RFP Question and Answer Page*, located at <http://www.saclibrary.org/rfp>. The Authority will make every effort to answer questions as soon as possible, within two business days at the very latest.

K. Other Terms and Conditions

The Vendor agrees to the following:

1. To examine the RFP and conditions thoroughly. At the time of the opening of proposals, each Vendor will be presumed to have read and to be thoroughly familiar with the plans, specifications, and contract documents (See Attachment B for Authority Professional Services Agreement). The failure or omission of any Vendor to examine any form, instrument, or document shall in no way relieve any Vendor from any obligation in respect to their proposal.
2. To provide for appropriate insurance, deposits, and performance bonds as required.
3. To comply with all federal, state, and city laws, ordinances, and rules.
4. Note any exceptions or objections to the terms and conditions of the Professional Services Agreement (Attachment B).

Authority expressly reserves the following rights:

1. To waive or reject any and/or all irregularities in the proposals submitted.
2. To waive or reject any and/or all proposals or portions thereof.
3. To reject all proposals and negotiate with an individual Vendor or any other person or entity.
4. To base awards with due regard to quality of services, experience, creativity, compliance with specifications, and other such factors as may be necessary due to circumstance.
5. To make the award to any Vendor whose proposal is in the best interest of the Authority.
6. To negotiate different terms and conditions with any vendor the Authority may choose.
7. To utilize concepts submitted to the Authority, via proposal, without compensation.

Authority Not Bound By Oral Statements. The Authority will not be bound by any oral statement or representation contrary to the written specifications.

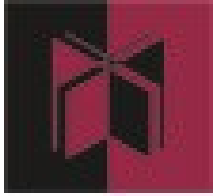
Ownership and Use of Documents. All documents, reports, proposals, submittals, working papers or other materials submitted to Authority from the Vendor shall become the sole and exclusive property of Authority, in the public domain, and not the property of the Vendor and are subject to public disclosure under the California Public Records Act. See PROFESSIONAL SERVICES AGREEMENT (Attachment A) for additional information. The Vendor shall not copyright, or cause to be copyrighted, any portion of any of said documents submitted as a result of this solicitation. Further, the Authority may utilize concepts submitted via proposal without compensation.

Qualifications of Vendor. The Authority may make such investigations as deemed necessary to determine the ability of the Vendor to perform the work, and the Vendor shall furnish all information and data for this purpose as Authority may request. Authority reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Vendor fails to satisfy Authority that such Vendor is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein. Conditional proposals will not be accepted.

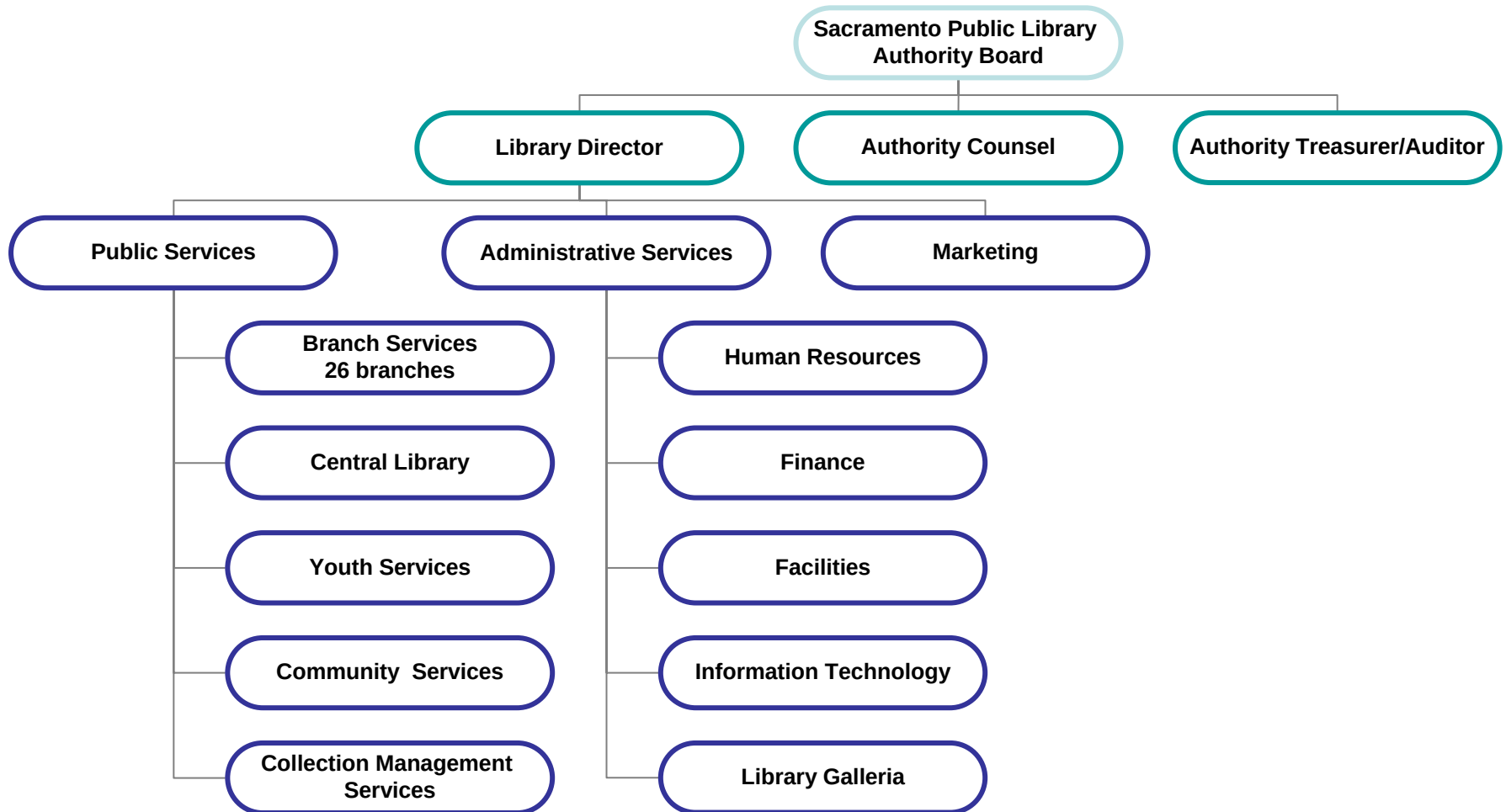
Informality. The Authority reserves the right to waive any informality, irregularity, or defect in the proposal process and to select any Vendor, even if the selected Vendor's proposal does not meet all requirements of this RFP. Any such waiver by the Authority shall not be deemed a waiver with respect to any subsequent informality, irregularity, or defect in the proposal process.

Execution of Contract. No contract shall be binding on the Authority until it has been approved by the Authority Governing Board, approved as to form by the Counsel of the Authority, and executed by the Library Director.

General Provisions. Vendor must review Attachment A – PROFESSIONAL SERVICES AGREEMENT and note any exceptions or objections to the terms and conditions.



SACRAMENTO PUBLIC LIBRARY



April 2008

SACRAMENTO PUBLIC LIBRARY AUTHORITY

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made at Sacramento, California, as of _____ by and between the **SACRAMENTO PUBLIC LIBRARY AUTHORITY**, a joint powers authority ("AUTHORITY"), and

Name of CONSULTANT
Address
Phone/Fax

("CONSULTANT"), who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this Agreement, CONSULTANT shall provide to AUTHORITY the services described in Exhibit A. CONSULTANT shall provide said services at the time, place, and in the manner specified in Exhibit A. CONSULTANT shall not be compensated for services outside the scope of Exhibit A unless prior to the commencement of such services: (a) CONSULTANT notifies AUTHORITY and AUTHORITY agrees that such services are outside the scope of Exhibit A; (b) CONSULTANT estimates the additional compensation required for these additional services; and (c) AUTHORITY, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefore. AUTHORITY shall have no obligations whatsoever under this Agreement and/or any Supplemental Agreement, unless and until this Agreement or any Supplemental Agreement is approved by the Library Director or the Director's designee, or by the AUTHORITY Governing Board, as required by the AUTHORITY'S Procurement Policy.
2. **Payment.** AUTHORITY shall pay CONSULTANT for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B. The payments specified in Exhibit B shall be the only payments to be made to CONSULTANT for the services rendered pursuant to this Agreement unless pursuant to Section 1, above, AUTHORITY approves additional compensation for additional services. CONSULTANT shall submit all billings for said services to AUTHORITY in the manner specified in Exhibit B.
3. **Facilities and Equipment.** Except as set forth in Exhibit C, CONSULTANT shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing services pursuant to this Agreement. AUTHORITY shall furnish to CONSULTANT only the facilities and equipment listed in Exhibit C according to any terms and conditions set forth in Exhibit C.
4. **General Provisions.** The General Provisions set forth in Exhibit D, which include indemnity and insurance requirements, are part of this Agreement. In the event of any conflict between the General Provisions and any terms or conditions of any document prepared or provided by CONSULTANT and made a part of this Agreement, including without limitation any document relating to the scope of services or payment therefore, the General Provisions shall control over said terms or conditions. The AUTHORITY Representative specified in Exhibit A, or the Representative's designee, shall administer this Agreement for AUTHORITY.
5. **Authority.** The person signing this Agreement for CONSULTANT hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONSULTANT and to bind CONSULTANT to the performance of its obligations hereunder.
6. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

Executed as of the day and year first above stated.

SACRAMENTO PUBLIC LIBRARY AUTHORITY

A Joint Powers Agency

CONSULTANT
VENDOR NAME HERE

By: _____
Robbie Waters, Board Chair

By: _____
Signature

Date: _____

Print Name

APPROVED AS TO FORM:

Title: _____

By: _____
Diane Balter, Authority Counsel

Date: _____

Date: _____

Federal I.D. No.

Initiated by: _____
Anne Marie Gold, Library Director

State I.D. No.

Date: _____

Social Security No. (If Individual/Sole Proprietor)

TYPE OF BUSINESS ENTITY (check one):

- ____ Individual/Sole Proprietor
____ Partnership
____ Corporation
____ Limited Liability Company
____ Other (*please specify*: _____)

EXHIBIT A
PROFESSIONAL SERVICES AGREEMENT
SCOPE OF SERVICES

1. Representatives.

The AUTHORITY Representative for this Agreement is:

Name/Title
Address
Phone/Fax/E-mail

All CONSULTANT questions pertaining to this Agreement shall be referred to the AUTHORITY Representative or the Representative's designee.

The CONSULTANT Representative for this Agreement is:

Name/Title
Address
Phone/Fax/E-mail

All AUTHORITY questions pertaining to this Agreement shall be referred to the CONSULTANT Representative. All correspondence to CONSULTANT shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the AUTHORITY shall be addressed to the AUTHORITY Representative.

- 2. Scope of Services/Special Conditions.** The services provided and, if applicable, all special conditions required in connection therewith, shall be as set forth in Attachment 1 to Exhibit A, attached hereto and incorporated herein.
- 3. Time of Performance.** The services described herein shall be provided during the period, or in accordance with the schedule, described below: *[identify performance period or schedule; may be done by reference to Section 2, above, if the performance period/schedule is specified in the scope of work]*

EXHIBIT B

PROFESSIONAL SERVICES AGREEMENT

FEE SCHEDULE/MANNER OF PAYMENT

1. CONSULTANT's Compensation. The total of all fees paid to the CONSULTANT for the performance of all services set forth in Exhibit A (hereafter "Services"), including reimbursable expenses, shall not exceed the total sum of \$_____.
2. Appropriate Billable Hourly or Daily Rates. (Choose one—modify as needed)
 - A. Unless payment under this Agreement will be made on a flat fee or lump sum basis, CONSULTANT shall be paid the hourly or daily rates set forth in Attachment 1 to Exhibit B, attached hereto and incorporated herein. *[Attach list of the hourly or daily rates, labeled "Attachment 1 to Exhibit B".]*
 - B. If payment will be made on a flat fee or lump sum basis, payment shall be made to CONSULTANT as follows: *[If payment will not be made on the basis of hourly/daily billable rates, describe basis of payment here.]*
3. CONSULTANT's Reimbursable Expenses. Reimbursable Expenses shall be limited to actual expenditures of CONSULTANT for expenses that are necessary for the proper completion of the Services and shall be payable only if specifically authorized in advance by AUTHORITY.
4. Payments to CONSULTANT.
 - A. Payments to CONSULTANT shall be made within a reasonable time after receipt of CONSULTANT's invoice, said payments to be made in proportion to services performed or as otherwise specified in Section 2.B., above. CONSULTANT may request payment on a monthly basis. CONSULTANT shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of AUTHORITY.
 - B. All invoices submitted by CONSULTANT shall contain the following information:
 1. Job Name
 2. Description of services billed under this invoice, and overall status of project
 3. Date of Invoice Issuance
 4. Sequential Invoice Number
 5. AUTHORITY's Purchase Order Number
 6. Total Contract Amount
 7. Amount of this Invoice (Itemize all Reimbursable Expenses)
 8. Total Billed to Date
 9. Total Remaining on Contract
 10. If project is behind schedule, an updated project schedule that identifies those steps that shall be taken to bring the project back on schedule.

C. Items shall be separated into Services and Reimbursable Expenses. Billings that do not conform to the format outlined above shall be returned to CONSULTANT for correction. AUTHORITY shall not be responsible for delays in payment to CONSULTANT resulting from CONSULTANT's failure to comply with the invoice format described below.

D. Requests for payment shall be sent to:

Sacramento Public Library
828 I Street, Sacramento, CA 95814
Phone: 916-264-2878; Fax: 916-264-2755
Attn: Jonathan Barber

5. Additional Services. Additional Services are those services related to the scope of services of CONSULTANT set forth in Exhibit A but not anticipated at the time of execution of this Agreement. Additional Services shall be provided only when a Supplemental Agreement authorizing such Additional Services is approved by AUTHORITY in accordance with AUTHORITY's Supplemental Agreement procedures. AUTHORITY reserves the right to perform any Additional Services with its own staff or to retain other CONSULTANTS to perform said Additional Services.
6. Accounting Records of CONSULTANT. CONSULTANT shall maintain for three (3) years after completing of all Services and Additional Services hereunder, all records under this Agreement, including, but not limited to, records of CONSULTANT's direct salary costs for all Services and Additional Services performed under this Agreement and records of CONSULTANT's Reimbursable Expenses, in accordance with generally accepted accounting practices, and shall keep such records available for inspection and audit by representatives of the Department of Finance of AUTHORITY at a mutually convenient time.
7. Taxes. CONSULTANT shall pay, when and as due, any and all taxes incurred as a result of CONSULTANT's compensation hereunder, including estimated taxes, and shall provide AUTHORITY with proof of such payment upon request. CONSULTANT hereby agrees to indemnify AUTHORITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by AUTHORITY arising out of CONSULTANT's breach of this Section 6.

EXHIBIT C

PROFESSIONAL SERVICES AGREEMENT

FACILITIES AND EQUIPMENT TO BE PROVIDED BY AUTHORITY

AUTHORITY shall [*check one*] _____ Not furnish any facilities or equipment for this Agreement; or

_____ furnish the following facilities or equipment for the Agreement [*list if applicable*]:

EXHIBIT D

PROFESSIONAL SERVICES AGREEMENT

GENERAL PROVISIONS

1. Independent CONSULTANT.

- A. It is understood and agreed that CONSULTANT (including CONSULTANT's employees) is an independent CONSULTANT and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither CONSULTANT nor CONSULTANT's assigned personnel shall be entitled to any benefits payable to employees of AUTHORITY. AUTHORITY is not required to make any deductions or withholdings from the compensation payable to CONSULTANT under the provisions of this Agreement, and CONSULTANT shall be issued a Form 1099 for its services hereunder. As an independent CONSULTANT, CONSULTANT hereby agrees to indemnify and hold AUTHORITY harmless from any and all claims that may be made against AUTHORITY based upon any contention by any of CONSULTANT's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any Services under this Agreement. (As used in this Exhibit D, the term "Services" shall include both Services and Additional Services as such terms are defined elsewhere in this Agreement.)
- B. It is further understood and agreed by the parties hereto that CONSULTANT, in the performance of its obligations hereunder, is subject to the control and direction of AUTHORITY as to the designation of tasks to be performed and the results to be accomplished by the Services agreed to be rendered and performed under this Agreement, but not as to the means, methods, or sequence used by CONSULTANT for accomplishing such results. TO the extent that CONSULTANT obtains permission to, and does, use AUTHORITY facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the CONSULTANT's sole discretion based on the CONSULTANT's determination that such use will promote CONSULTANT's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the AUTHORITY does not require that CONSULTANT use AUTHORITY facilities, equipment or support services or work in AUTHORITY locations in the performance of this Agreement.
- C. If, in the performance of this Agreement, any third persons are employed by CONSULTANT, such persons shall be entirely and exclusively under the direction, supervision, and control of CONSULTANT. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONSULTANT. It is further understood and agreed that CONSULTANT shall

issue W-2 or 1099 Forms for income and employment tax purposes, for all of CONSULTANT's assigned personnel and subCONSULTANTS.

- D. The provisions of this Section 1 shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed as to create an exclusive relationship between AUTHORITY and CONSULTANT.
2. **Licenses; Permits, Etc.** CONSULTANT represents and warrants that CONSULTANT has all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required for CONSULTANT to provide any Services under the Agreement. CONSULTANT represents and warrants that CONSULTANT shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for CONSULTANT to provide such Services. Without limiting the generality of the foregoing, if CONSULTANT is an out-of-state corporation, CONSULTANT warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.
 3. **Time.** CONSULTANT shall devote such time to the performance of Services pursuant to this Agreement as may be necessary for satisfactory performance of CONSULTANT's obligations under this Agreement. Neither party shall be considered in default of this Agreement, nor be entitled to additional compensation, to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.
 4. **CONSULTANT Not Agent.** Except as AUTHORITY may specify in writing, CONSULTANT and CONSULTANT's personnel shall have no authority, express or implied, to act on behalf of AUTHORITY in any capacity whatsoever as an agent. CONSULTANT and CONSULTANT's personnel shall have no authority, express or implied, to bind AUTHORITY to any obligations whatsoever.
 5. **Confidentiality of AUTHORITY Information.** During performance of this Agreement, CONSULTANT may gain access to and use AUTHORITY information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "AUTHORITY Information") which are valuable, special and unique assets of the AUTHORITY. CONSULTANT agrees to protect all AUTHORITY Information and treat it as strictly confidential, and further agrees that CONSULTANT shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any AUTHORITY information to any third party without the prior written consent of AUTHORITY. A violation by CONSULTANT of this Section shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

6. **CONSULTANT Information.**

- A. AUTHORITY shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by CONSULTANT pursuant to this Agreement. In this Agreement, the term "information" shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostating, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. CONSULTANT shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by AUTHORITY.
- B. CONSULTANT shall fully defend, indemnify and hold harmless AUTHORITY, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by CONSULTANT pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. AUTHORITY shall make reasonable efforts to notify CONSULTANT not later than ten (10) days after AUTHORITY is served with any such claim, action, lawsuit or other proceeding, provided that AUTHORITY's failure to provide such notice within such time period shall not relieve CONSULTANT of its obligations hereunder, which shall survive any termination or expiration of this Agreement.
- C. All proprietary and other information received from CONSULTANT by AUTHORITY, whether received in connection with CONSULTANT's proposal to AUTHORITY or in connection with any Services performed by CONSULTANT, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked Atrade secret@ when it is provided to AUTHORITY, AUTHORITY shall give notice to CONSULTANT of any request for the disclosure of such information. The CONSULTANT shall then have five (5) days from the date it receives such notice to enter into an agreement with the AUTHORITY, satisfactory to the AUTHORITY Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorney fees) incurred by AUTHORITY in any legal action to compel the disclosure of such information under the California Public Records Act. The CONSULTANT shall have sole responsibility for defense of the actual Atrade secret@ designation of such information.
- D. The parties understand and agree that any failure by CONSULTANT to respond to the notice provided by AUTHORITY and/or to enter into an agreement with AUTHORITY, in accordance with the provisions of subsection C, above, shall constitute a complete waiver by CONSULTANT of any rights regarding the information designated Atrade secret@ by CONSULTANT, and such information

shall be disclosed by AUTHORITY pursuant to applicable procedures required by the Public Records Act.

7. **Standard of Performance.** CONSULTANT shall assign only competent personnel to perform Services pursuant to this Agreement. CONSULTANT shall notify AUTHORITY in writing of any changes in CONSULTANT's staff assigned to perform the Services required under this Agreement, prior to any such performance. In the event that AUTHORITY, at any time during the term of this Agreement, desires the removal of any person or persons assigned by CONSULTANT to perform Services pursuant to this Agreement, because AUTHORITY, in its sole discretion, determines that such person(s) is not performing adequately, CONSULTANT shall remove such person(s) immediately upon receiving notice from AUTHORITY of the desire of AUTHORITY for the removal of such person(s).
8. **Term; Suspension; Termination.**
 - A. This Agreement shall become effective on the date that it is approved by both parties, and shall continue in effect until both parties have fully performed their respective obligations under this Agreement, unless sooner terminated as provided herein.
 - B. AUTHORITY shall have the right at any time to temporarily suspend CONSULTANT's performance hereunder, in whole or in part, by giving a written notice of suspension to CONSULTANT. If AUTHORITY gives such notice of suspension, CONSULTANT shall immediately suspend its activities under this Agreement, as specified in such notice.
 - C. AUTHORITY shall have the right to terminate this Agreement at any time by giving a written notice of termination to CONSULTANT. If AUTHORITY gives such notice of termination, CONSULTANT shall immediately cease rendering Services pursuant to this Agreement. If AUTHORITY terminates this Agreement:
 - (1) CONSULTANT shall promptly deliver to AUTHORITY copies of all information prepared pursuant to this Agreement.
 - (2) AUTHORITY shall pay CONSULTANT the reasonable value of Services rendered by CONSULTANT prior to termination; provided, however, AUTHORITY shall not in any manner be liable for lost profits which might have been made by CONSULTANT had the Agreement not been terminated or had CONSULTANT completed the Services required by this Agreement. In this regard, CONSULTANT shall furnish to AUTHORITY such financial information as in the judgment of the AUTHORITY is necessary for AUTHORITY to determine the reasonable value of the Services render by CONSULTANT. The foregoing is cumulative and does not affect any right or remedy which AUTHORITY may have in law or equity.

9. **Indemnity.**

- A. Indemnity: CONSULTANT shall fully indemnify and save harmless, AUTHORITY, its officers and employees, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, judgments, penalties and expenses of every type and description, including, but not limited to, any fees and/or costs reasonable incurred by AUTHORITY's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as Liabilities), to which any or all of them may be subjected, to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of CONSULTANT, its subCONSULTANTS or agents, and their respective officers and employees, in connection with the performance or nonperformance of this Agreement, whether or not the AUTHORITY, its officers or employees reviewed, accepted or approved any service or work product performed or provided by the CONSULTANT, and whether or not such Liabilities are litigated, settled or reduced to judgment.
- B. Obligation to Defend: CONSULTANT shall, upon AUTHORITY's request, defend at CONSULTANT's sole cost any action, claim, suit, cause of action or portion thereof which asserts or alleges Liabilities to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of CONSULTANT, its subCONSULTANTS or agents, and their respective officers and employees, in connection with the performance or nonperformance of this Agreement, whether such action, claim, suit, cause of action or portion thereof is well founded or not.
- C. Insurance Policies; Intellectual Property Claims: Except as may be expressly provided in this Section 9, the existence or acceptance by AUTHORITY of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of AUTHORITY's rights under this Section 9, nor shall the limits of such insurance limit the liability of CONSULTANT hereunder. This Section 9 shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 6.B., above. The provisions of this Section 9 shall survive any expiration or termination of this Agreement.

10. **Insurance Requirements.** During the entire term of this Agreement, CONSULTANT shall maintain the following insurance.

- A. Minimum Scope of Insurance: Coverage should be at least as broad as:
- (1) Insurance Services Office Form No. CG 0001 (Commercial General Liability);
 - (2) Insurance Services Office Form No.: CA 0001 (Ed. 1/87) (Automobile Liability, Code Aany auto@);

- (3) Workers' Compensation as required by the Labor Code of the State of California, and Employers' Liability Insurance:
- B. Minimum Limits of Insurance: CONSULTANT shall maintain limits no less than:
 - (1) Commercial General Liability; \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.
 - (2) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.
 - (3) Workers' Compensation and Employers' Liability: Workers' compensation limits as required by the Labor Code of the State of California and Employers' Liability limits of \$1,000,000 per accident.
- C. Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and approved by the AUTHORITY.
- D. Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:
 - (1) General Liability and Automobile Liability Coverages:
 - (a) AUTHORITY, its officials, employees and volunteers shall be covered as insured as respects: liability arising out of activities performed by or on behalf of CONSULTANT; products and completed operations of CONSULTANT; premises owned, leased or used by CONSULTANT.
 - (b) The coverage shall contain no special limitations on the scope of the protection afforded to AUTHORITY, its officials, employees or volunteers.
 - (c) CONSULTANT's insurance coverage shall be primary insurance as respects AUTHORITY, its officials, employees and volunteers. Any insurance or self-insurance maintained by AUTHORITY, its officials, employees or volunteers shall be in excess of CONSULTANT's insurance and shall not contribute with it.
 - (d) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to AUTHORITY, its officials, employees or volunteers.
 - (e) Coverage shall state that CONSULTANT's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(2) All Coverages:

Each insurance policy required by this Agreement shall be endorsed to state that coverages shall not be canceled except after thirty (30) days prior written notice has been given to AUTHORITY. In addition, CONSULTANT agrees that it shall not reduce its coverage or limits on any such policy except after thirty (30) days prior written notice has been given to AUTHORITY and AUTHORITY approves the reduction in coverage or limits. CONSULTANT further agrees that it shall not increase any deductibles or self-insured retentions on any such policy except after thirty (30) days prior written notice has been given to AUTHORITY and AUTHORITY approves such increase.

- E. Acceptability of Insurers: Insurance shall be placed with insurers with a Bests' rating of no less than A:VII. This requirement may, however, be waived in individual cases for Errors and Omissions Coverages only; provided, however, that in no event shall a carrier with a rating below B:IX be acceptable.
 - F. Verification of Coverage: CONSULTANT shall furnish AUTHORITY with certificates of insurance showing compliance with the above requirements and with original endorsements affecting all coverages required by this Agreement. The certificates and/or endorsements shall set forth a valid policy number for AUTHORITY, and shall indicate the Issue Date, Effective Date and Expiration Date. The certificates and endorsements for each insurance policy shall be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements shall be forwarded to the AUTHORITY representative named in Exhibit A.
 - G. Payment Withhold: AUTHORITY shall withhold payments to CONSULTANT if the certificates of insurance and endorsements required in subsection F, above, are canceled or CONSULTANT otherwise ceases to be insured as required herein.
11. **Equal Employment Opportunity.** During the performance of this Agreement, CONSULTANT, for itself, its assignees and successors in interest, agrees as follows:
- A. Compliance With Regulations: CONSULTANT shall comply with the Executive Order 11246 entitled AEqual Opportunity in Federal Employment@, as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations".
 - B. Nondiscrimination: CONSULTANT, with regards to the work performed by it after award and prior to completion of the work pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subCONSULTANTS, including procurement of materials and leases of equipment. CONSULTANT shall not participate either directly or indirectly in discrimination

prohibited by the Regulations.

- C. Solicitations for SubCONSULTANTS, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by CONSULTANT for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subCONSULTANT or supplier shall be notified by CONSULTANT of CONSULTANT's obligation under this Agreement and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: CONSULTANT shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the AUTHORITY to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of CONSULTANT is in the exclusive possession of another who fails or refuses to furnish this information, CONSULTANT shall so certify to the AUTHORITY, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by CONSULTANT with the nondiscrimination provisions of this Agreement, the AUTHORITY shall impose such sanctions as it may determine to be appropriate including, but not limited to:
 - (1) Withholding of payments to CONSULTANT under this Agreement until CONSULTANT complies;
 - (2) Cancellation, termination, or suspension of the Agreement, in whole or in part.
- F. Incorporation of Provisions: CONSULTANT shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. CONSULTANT shall take such action with respect to any subcontract or procurement as the AUTHORITY may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event CONSULTANT becomes involved in, or is threatened with, litigation with a subCONSULTANT or supplier as a result of such direction, CONSULTANT may request AUTHORITY to enter such litigation to protect the interests of AUTHORITY.

12. **Entire Agreement.** This document, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by CONSULTANT, and by AUTHORITY, in accordance with applicable provisions of the Sacramento AUTHORITY Code.
13. **Severability.** If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
14. **Waiver.** Neither AUTHORITY acceptance of, or payment for, any Service or Additional Service performed by CONSULTANT, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder. Enforcement of Agreement. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
15. **Assignment Prohibited.** The expertise and experience of CONSULTANT are material considerations for this Agreement. AUTHORITY has a strong interest in the qualifications and capability of the persons and entities who will fulfill the obligations imposed on CONSULTANT under this Agreement. In recognition of this interest, CONSULTANT shall not assign any right or obligation pursuant to this Agreement without the written consent of the AUTHORITY. Any attempted or purported assignment without AUTHORITY's written consent shall be void and of no effect.
16. **Attorney Fees.** In the event of litigation between the parties arising from this Agreement, the prevailing party shall be entitled to reasonable attorney fees and costs as determined by the Court.
17. **Binding Effect.** This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 16, above.