



Report to: General Committee

Report Date: March 09, 2011

SUBJECT: Award of Contract 254-R-10, East Markham Public Library - Library Collections
PREPARED BY: Tony Casale, Senior Buyer
Deborah Walker, Director of Strategy and Innovation (MPL)

RECOMMENDATION:

1. THAT the report entitled “Award of Contract 254-R-10, East Markham Public Library - Library Collections” be received;
2. And That Request for Proposal 254-R-10 East Markham Public Library - Library Collections be awarded to the sole bidder Library Services Centre (LSC) in the amount of \$1,992,935.06 inclusive of HST ;
3. And That the award be funded from the Library Collections – East Markham Account # 070-5350-10558-005 account as detailed in the Financial Considerations;
4. And That a contract project manager (part-time) be hired for the period from April 2011 to September 2012 at the maximum cost of \$80,000 (inclusive of benefits) and be funded from the Library Collections – East Markham Account # 070-5350-10558-005 account as detailed in the Financial Considerations;
5. And That the surplus funding remaining in the amount of \$694,460 be returned; 90% (\$625,014) to Development Charges (DC) reserve and 10% (\$69,446) to the 10% non-DC growth reserve;
6. And That report entitled “Award of Contract 254-R-10, East Markham Public Library - Library Collections” brought forward to the April 5, 2011 Council meeting;
7. And That Staff be authorized and directed to do all things necessary to give effect to this resolution;

EXECUTIVE SUMMARY:

Not Required

PURPOSE:

To obtain approval to award the contract for the East Markham Public Library – Library Collections.

BACKGROUND:

The Markham Public Library serves a diverse population of over 300,000 from six (6) locations. A new (seventh) branch is under construction in the East Markham Service Area. The East Markham branch will require an opening day collection of approximately

100,000 items. Construction began in 2010 with an estimated completion date in the 3rd quarter of 2012.

The East Markham library branch will require an opening day collection which will include materials in a variety of formats (books, DVDs, CDs, audio books, kits and console games), and a variety of languages (English, French and other languages based on Service Area demographic data). The services included in this award are selection, processing according to library specifications, cataloguing, invoicing, storage and delivery of materials.

The Town of Markham has been contracting the material and processing services to Library Services Centre (LSC) for the last 20 years and has continuously provided exemplary service. In 2008, the Town released a Request for Proposal to the market for material and processing of all collection services for a period of three (3) years. The contract was awarded to LSC, which was the highest ranked and lowest priced proponent in four of the five categories;

Part A - Material & Processing Services for English & French books & kits

Part B - Talking books

Part C - English and French DVDs & Music CDs

Part E - Multilingual Print, English CD ROMs and Video Games

It should be noted that LSC is a not for profit organization and their pricing strategies are competitive for library collections.

The Markham Public Library staff have periodically conducted service and price comparisons in 1998, 2003 and 2006 and limited comparative work in 2007 and found that price strategies from LSC remained competitive.

Purchasing staff contacted other municipalities regarding library material processing services and feedback received was that both the City of Brampton and City of Vaughan recently awarded contracts to LSC for library materials / processing.

BID INFORMATION

Advertised	Electronic Tendering Network
Bids closed on	Jan. 21, 2011
Number of contractors picking up bid documents	8*
Number of contractors responding to bid	1

*Of the bidders that picked up the bid document but did not submit a bid, one bidder advised that the delivery schedules proved challenging and that storage of materials at their facility was a concern and another bidder did not believe they would be competitive.

The proposal was evaluated by an evaluation team comprising of three (3) staff members from the Markham Public Library with Purchasing staff acting as the facilitator.

The proposal was evaluated based on pre-established evaluation criteria as listed in the request for proposal; 15% past experience of the firm; 15% qualifications &

organizational background; 40% project delivery and 30% price totaling 100%. The detailed evaluation information is listed in the following table:

Company	Score (out of 100)	Rank Results
Library Services Centre	92.5	1

OPTIONS/DISCUSSION:

To manage and ensure successful, efficient and timely contract implementation, a project manager (part-time contract) is required during the period of building the East Markham branch opening day collection (April 2011 to September 2012). The duties of this contract position will include serving as the operational contact point for day-to-day administration of the contract, liaising with the vendor, monitoring budgets through fund code reports, administering claims and quality control, ensuring that the vendor-selected materials conform to collection profiles and merchandising guidelines regarding content, quantity, price, and format of the material, ensuring that processing and C3 cataloguing standards are complied with, and monitoring delivery and budget targets and timelines in relation to project milestones.

FINANCIAL CONSIDERATIONS AND TEMPLATE:

Original Budget and Account #	\$3,127,000	Library Collections – East Markham Account #
		070-5350-10558-005
Budget Available for this award	\$2,767,395	
Less Award	<u>(\$1,992,935)</u>	Awarded to Library Services Centre
Balance remaining after Award	\$774,460	
Less Project Manager (Contract P/T)	<u>(\$80,000)</u>	For period Apr 2011 to Sep 2012
Budget Remaining	\$694,460	*

* The cost estimate for this award was \$2,767,395; when compared to the actual award cost of \$1,992,935 there is a balance left of \$774,460 (due to favourable pricing), part of which will be used to offset the cost of hiring a part-time project manager for the maximum cost of \$80,000 (similar to that which was approved for the Angus Glen library). The surplus balance of \$694,460 will be returned 90% (\$625,014) to Development Charges (DC) reserves and 10% (\$69,446) to the 10% non-DC growth reserve.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This project aligns with the Integrated Leisure Master Plan (ILMP) for Parks, Recreation, Culture, and Libraries, and supports the implementation of the ILMP recommendations regarding the East Markham Community Centre and Library.

ENVIRONMENTAL CONSIDERATIONS:

None

ACCESSIBILITY CONSIDERATIONS:

None

ENGAGE 21ST CONSIDERATIONS:

None

BUSINESS UNITS CONSULTED AND AFFECTED:

Finance

RECOMMENDED BY:

3/24/2011

3/24/2011

X 

Catherine Biss
Chief Executive Officer, Markham Public Library

X 

Brenda Librecz
Commissioner, Community & Fire Services

ATTACHMENTS:

None