



Report to: General Committee

Report Date: June 9, 2014

SUBJECT: Award of Contract 285-R-13, Markham Public Library
Material & Processing Services

PREPARED BY: Larry Pogue, Director Administration,
Markham Public Library, Ext. 5986
Tony Casale, Senior Construction Buyer, Ext. 3190

RECOMMENDATION:

1. That the report entitled "Award of Contract 285-R-13 Markham Public Library Material & Processing Services" be received;
2. And That contract 285-R-13 include the Annual Library collection and Opening Day collection for South East Branch scheduled to open in Q4 2015.
3. And That contract 285-R-13 be awarded to the highest ranked and lowest priced bidder Library Services Centre ("LSC") for English and French materials in the total amount of \$6,343,475.62 inclusive of HST for a period of four (4) years, seven months for the following;

Section A: Annual Collection for the seven (7) current branches

➤ English & French materials

○ 2014 June – December	\$ 749,164.71
○ 2015 January – December	\$1,130,133.33
○ 2016 January – December	\$1,130,133.33
○ 2017 January – December	\$1,152,736.00
○ 2018 January – December	\$1,175,790.72

Section B: Opening Day Collection for South East Branch Q4 2015

➤ English & French materials \$1,005,517.53

4. And That contract 285-R-13 be awarded to the highest ranked and second lowest priced bidder Library Services Centre ("LSC") for multilingual materials (Asian and European language materials) in the amount of \$1,556,226.92 inclusive of HST for a period of four (4) years, seven months for the following:

Section A: Annual Collection for the seven (7) current branches

➤ Multilingual materials – Asian and European language materials

○ 2014 June – December	\$185,674.41
○ 2015 January – December	\$280,094.40
○ 2016 January – December	\$280,094.40
○ 2017 January – December	\$285,696.29
○ 2018 January – December	\$291,410.22

Section B: Opening Day Collection for South East Branch Q4 2015

➤ Multilingual materials – Asian and European language materials \$233,257.20

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5. And That contract 285-R-13 be awarded to the highest ranked and lowest priced bidder Chinese Publications for Canadian Libraries Ltd. ("CPCL") for Chinese only multilingual materials in the amount of \$1,792,628.43 for a period of four (4) years, seven months for the following:

Section A: Annual Collection for the seven (7) current branches

➤ Multilingual materials – Chinese only

○ 2014 June – December	\$218,212.46
○ 2015 January – December	\$329,178.84
○ 2016 January – December	\$329,178.84
○ 2017 January – December	\$332,470.63
○ 2018 January – December	\$335,795.34

Section B: Opening Day Collection for South East Branch Q4 2015

➤ Multilingual materials – Chinese only \$247,792.32

6. And That the award for the seven (7) current branches from June – December 2014 in the amount of \$1,153,051.58 (\$749,164.71 + \$185,674.41 + \$218,212.46) inclusive of HST be funded from account # 076-5350-14172-005 - Library Collections as detailed in the Financial Considerations;
7. And That the award for the seven (7) current branches from year 2015 – 2018 (January –December) be funded from the respective years' capital budget accounts, **subject to Council approval of the annual capital budgets;**
8. And that the Library Board be permitted **on a one-time basis only** to expend the remaining balance of \$192,490.42 in the 2014 Library Capital Budget account #076-5350-14172-005 "Library Collections" on additional French and multilingual materials to meet annual Library collection requirements;
9. And That the award for the Southeast Branch Opening day collection in the amount of \$1,486,567.05 (\$1,005,517.53 + \$233,257.20 + \$247,792.32) inclusive of HST be funded from account #070-5350-13892-005 - SECC&L - Library Collection as detailed in the Financial Considerations;
10. And That the remaining balance in the amount of \$833,932.95 be returned to original funding source from the Opening Day Library Collections – South East, Account #070-5350-13892-005 - SECC&L - Library Collection;
11. And That the Director of Administration for the Markham Public Library, have the authority to re-allocate contract amounts to the Library collection accounts (listed in financial considerations section) within the budget limit of each account to adapt to publishing trends, change in material formats and community needs;
12. And That Staff be authorized to amend the purchase order amounts in years 2015 – 2018 to reflect potential changes to the Markham Public Library operating budget accounts as approved by Council during the annual budgeting process;

13. AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

To obtain approval to award the contract for Markham Public Library Material Processing Services for a period of four (4) years and seven (7) months, for the Annual Library Collections and the South East Opening Day Collection in Q4 2015.

BACKGROUND:

Markham Public Library (MPL) currently serves a diverse population of over 310,000 from 7 locations. South East Branch is scheduled to open in Q4 2015 and will be MPL's 8th service location. Library holdings exceeded 791,336 in 2013 with an annual circulation of almost 5.0 million items. Approximately 234,000 customers are currently registered with the Library and there were 2.4 million customer visits in 2013.

MPL will require an annual budget to replace Library materials in order to meet ongoing customer needs. The Library provides materials in various formats including books, CD's, CD-ROMs, Talking Books, DVD's, Kits, and Videogames. In addition to English and French, the Library maintains materials in the following languages: Arabic, Chinese, Greek, Gujarati, Hebrew, Hindi, Italian, Korean, Punjabi, Persian, Russian, Spanish, Tagalog/ Filipino, Tamil, & Urdu. Additional languages will be required as the Library responds to community needs.

MPL staff have periodically conducted service and price comparisons in 1998, 2003, 2006 and 2013, and found that price strategies remained competitive.

This is the second time that the Markham Public Library has gone to the market for the provision of material and processing services. The services included are selection, processing, cataloguing, invoicing and delivery of materials. The Library requires Books, Console Games, Audio & Video (DVD) formats in English, French, Chinese and 14 other languages. All materials are processed according to Library specifications. The requirements of the Library are constantly changing to meet the needs of its customers. The Library recently developed its own system of classifying materials and requires proponents to adopt this method.

The South East Library branch will require an Opening Day Collection which will include materials in a variety of formats and languages based on the Service Area demographic data. The services included in this award are selection, processing, cataloguing, invoicing, storage, and delivery of materials.

This contract combines both the Annual Collection (Section A) and the South East Library Opening Day Collection (Section B) requirements. While the Annual Collection is an ongoing requirement, the Opening Day Collection for South East is specific and time-limited requirement. The opportunity to combine both projects in this RFP has created efficiencies that in turn are reflected in favourable pricing obtained from the bidders. For both Sections A and B, the non-official language (excluding English and French) materials were split out between Chinese and all other languages. The rationale is that the Chinese collection is by far MPL's largest and most popular non-English language, and represents the largest component of the multilingual materials budget.

This approach ensured the greatest degree of flexibility in determining the recommended options for this contract.

BID INFORMATION

Advertised	Electronic Tendering Network
Bids closed on	Jan. 23, 2014
Number of contractors picking up bid documents	10
Number of contractors responding to bid	5*

*One bidder was disqualified as they did not meet all the mandatory requirements specified within the Bid document.

OPTIONS/ DISCUSSION:

The proposals were evaluated by an evaluation team comprising of four (4) staff members from the Markham Public Library with Purchasing staff acting as the facilitator.

The proposals were evaluated based on pre-established evaluation criteria as listed in the request for proposal; 15% Qualification and Experience of the Consulting Firm, 15% Qualifications & Organizational Background; 30% Project Delivery and 40% price totaling 100%. The detailed evaluation information is listed in the following table:

DETAILED EVALUATION INFORMATION:

English & French Material - Sections A&B

Companies	Total Score (100%)	Ranking
Library Services Centre	99	1
Multicultural Books & Videos	No Bid	
Chinese Publications for Canadian Libraries Ltd.	No Bid	
Whitehots Inc.	93.48	2

Multilingual Materials (Asian & European) - Sections A&B

Companies	Total Score (100%)	Ranking
Library Services Centre	97.80	1
Multicultural Books & Videos	88.00	2
Chinese Publications for Canadian Libraries Ltd.	No Bid	
Whitehots Inc.	No Bid	

Multilingual Materials (Chinese Only) - Sections A&B

Companies	Total Score (100%)	Ranking
Chinese Publications for Canadian Libraries Ltd.	99	1
Multicultural Books & Videos	63.98	2
Library Services Centre	59	3
Whitehots Inc.	No Bid	

The Bids submitted included annual price escalations for 2017 and 2018, which are as follows:

Library Services Centre	2% annually for 2017 and 2018
Chinese Publication for Canadian Libraries Ltd.	1% annually for 2017 and 2018

FINANCIAL CONSIDERATIONS AND TEMPLATE:

Below is a budget breakdown of accounts to be used for this award:

A. Annual Library Collection for the Seven (7) Current Branches

Original budget	\$2,088,000.00	Account #076-5350-14172-005
Budget Available for this award	\$1,345,542.00	Amount allocated for this award
Less: This award	<u>(\$1,153,051.58)</u>	Award to LSC and CPCL*
Budget remaining	\$ 192,490.42	

*Award based on requirements for June 1 to December 31, 2014. The award for years 2015 – 2018 (January –December) will be funded from the respective years' capital budget accounts, subject to Council approval of the annual capital budgets.

The remaining balance of \$192,480.42 in account #076-5350-14172-005 "Library Collections" would normally be returned to source as per the "Capital Budget Control Policy". However, Staff recommends **on a one-time basis only**, the remaining funds be used by the Library Board to purchase additional French and multilingual materials to meet the annual Library collection requirements.

B. Opening Day Collection –Southeast Library

Original budget	\$2,991,000.00	Account#070-5350-13892-005
Budget Available for this award	\$2,320,500.00	Amount allocated for this award
Less: This award	<u>(\$1,486,567.05)</u>	Awarded to LSC and CPCL
Budget after this award	\$ 833,932.95	

The remaining balance of \$833,932.95 in account 070-5350-13892-005 "SECC&L - Library Collection" will be returned to original funding sources.

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 Southeast Community Centre and Library.

The Markham Public Library Material & Processing Program offers considerable value to the local community and the City as a whole. The Library offers a wide selection of material in many languages which provides ongoing value to the community.

ENVIRONMENTAL CONSIDERATIONS:

Not Applicable

ACCESSIBILITY CONSIDERATIONS:

Not Applicable

ENGAGE 21ST CONSIDERATIONS:

Not Applicable

BUSINESS UNITS CONSULTED AND AFFECTED:

Not Applicable

RECOMMENDED BY:

6/6/2014

6/6/2014

X 

Catherine Biss
Chief Executive Officer Markham Public Library

X 

Brenda Librecz
Commissioner, Community & Fire Services

ATTACHMENTS:

Not Applicable