



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www.CityofSacramento.org

CONSENT  
August 18, 2009

**Honorable Mayor and  
Members of the City Council**

**Title: North Natomas Library Project (B13000700)**

**Location/Council District:** 4660 Via Ingoglia Street, District 1

**Recommendation:** Adopt a **Resolution:** 1) authorizing the City Manager or the City Manager's designee to execute a memorandum of understanding between the City of Sacramento and the Sacramento Public Library Authority (Library Authority) to reimburse the Library Authority, based on sufficient funding availability within the project, for the purchase of information technology software and hardware in an amount not to exceed \$589,199 and opening day materials collection services in an amount not to exceed \$1.4 million for the North Natomas Library, contingent upon Library Board approval of these dollar amounts; and 2) establishing revenue and expenditure budgets for the North Natomas Library Project in the amount of \$951,119 in grant funding for the project from the Natomas Unified School District (NUSD).

**Contact:** Yadi Kavakebi, Facilities and Real Property Superintendent 808-8432;  
Cynthia Kranc, Facilities Manager, 808-2258

**Presenters:** None

**Department:** General Services

**Division:** Facilities and Real Property Management

**Organization No:** 13001541

### **Description/Analysis**

**Issue:** The North Natomas Library has been a joint effort between the City, the Sacramento Public Library, NUSD, and the Los Rios Community College. Based on identified costs associated with information technology (IT) and opening day collection materials staff from the Sacramento Public Library will be asking the Library Authority to approve revised not-to-exceed amounts of \$589,199 for the purchase of information technology software and hardware, and \$1.4 million for opening day materials collection services on August 27, 2009. In an effort to keep this project on schedule staff is requesting authority for the City Manager to

sign a memorandum of understanding (MOU) for the added project cost, contingent upon approval of the revised expenditure amounts by the Library Authority. The revised expenditure amounts represent a realignment in the project spending plan, and the MOU specifies that they are subject to funding availability in the project budget.

The IT software and hardware will include but not be limited to: computers, printers, projectors, book security, access control, burglar alarm, closed circuit television, and other technology software and hardware. This will provide staff and customers access to library resources such as the online catalog, full-text journal articles, word processing, and the Internet. The opening day materials collection services will include but not be limited to: books, DVD's, and audio books.

Finally, on May 23, 2006, the City Council approved Agreement No. 2006-0518 authorizing the City Manager to execute an agreement with NUSD regarding the joint use of the Library for 40 years. The agreement included funding for the library in the approximate sum of \$900,000 but did not include budgetary authority to adjust the project budget. Therefore, staff is requesting authority to adjust the project budget based on the final grant award from the school district in the amount of \$951,119.

**Policy Considerations** This joint use project and partnership between the City, Library Authority, NUSD, and Los Rios Community College is consistent with the City's strategic plan to enhance livability in Sacramento's neighborhoods by expanding park, recreation and cultural facilities throughout the City. The recommendation is also consistent with the *2005-2010 Parks and Recreation Master Plan* policies including:

Policy 6.9: Partner with School Districts and other local and regional agencies to maximize funding opportunities.

Policy 12.1: Actively pursue and formalize partnership agreements with a broad range of public and private entities, including but not limited to schools, for the purpose of building or improving public facilities for maximum community use.

**Committee/Commission Action:** None

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** The current project has been determined to be exempt from the requirements of CEQA under Section 15061(b)(3), which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. This report involves only the purchase of IT software and hardware, and library opening day materials collection services. Therefore, it can be seen with certainty that

there is no possibility that the activity may have a significant effect on the environment.

**Sustainability Considerations:** The completion of the North Natomas Library fosters sustainability by facilitating the build-out of North Natomas in accordance with the North Natomas Community Plan. This will reduce carbon emissions by minimizing driving trips by library users to other surrounding libraries.

**Rationale for Recommendation:** The North Natomas Library is moving from 2,500 square feet inside Inderkum High School to a new building that will offer 22,645 square feet of space for programs, services, and collections. The current collection of library materials requires updating and clean up in preparation for the move to the new location. These materials will be stored by the selected materials collection vendor and delivered to the new library in rough shelf order as part of the move-in process to the new library. Libraries regularly rely on vendor assistance for these opening day materials collection services. The purchase of IT software and hardware will enable the new North Natomas Library to offer more public access computers and will include radio frequency identification equipment used to check books in and out of the library.

In compliance with the Library Authority's Contracts and Procurement Policy, Requests for Proposals (RFP) were issued by the Library Authority on November 20, 2007 through December 1, 2008. The proposals were reviewed by Library staff from Branch Services, Youth Services and Collection Management. Envisionware, and Dell were selected to provide IT software and hardware, and Baker and Taylor, and Midwest Tapes were selected to provide materials collection services.

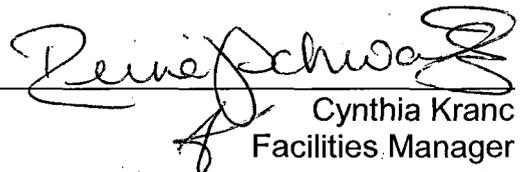
**Financial Considerations:** The existing project is approximately 85 percent complete and has an approved budget of \$15,807,494. The requested budget adjustment for the NUSD grant in the amount of \$951,199 will bring the project budget to \$16,758,693. Staff is currently working on securing agreements to provide donations of library materials and collections as follows: (1) \$85,000 from the Library Authority; (2) \$60,000 from the Los Rios Community College; and (3) an additional \$297,650 from the NUSD. These donations are in addition to the not-to-exceed amount of \$1.4 million for materials and collections that is recommended in this report.

The project budget includes \$7,013,889 in State grant funding for eligible project costs. The City has received reimbursement for approximately 60 percent of the grant eligible expenses but future grant reimbursements are uncertain because the state has issued few bonds during the current economic crisis. To ensure project completion, the City Council adopted Resolution No. 2009-483 on July 21, 2009 authorizing a loan as needed of up to \$1.3 million from the North Natomas Transit Fund to cover anticipated cash flow needs in the absence of the state grant funding. Project savings of approximately \$2 million are anticipated within the scope of the current project. For this reason, the potential loan amount is less than the full amount of the state grant.

On May 28, 2009, the Governing Board of the Sacramento Public Library Authority authorized the Library Director to: 1) enter into an agreement with the City to reimburse the Library Authority for the purchase of IT software and hardware in an amount not to exceed \$400,000; and 2) sign all documents related to the opening day materials collection services contingent upon approval of a MOU by the City Council to reimburse the Library Authority for the purchase of opening day materials collection services in an amount not to exceed \$1,300,000. The purchase of IT software and hardware, and opening day materials collection services are included in the project budget subject to funding availability.

On August 27, 2009, the Library Authority will be asked to approve revised not-to-exceed amounts of \$589,199 for the purchase of information technology software and hardware, and \$1.4 million for opening day materials collection services. The MOU recommended within this council report includes these additional expenses and specifies that reimbursement to the Library Authority is subject to funding availability within the project budget.

**Emerging Small Business Development (ESBD):** Neither Envisionware, Dell, Baker and Taylor, nor Midwest Tapes are certified as emerging/small business firms.

Respectfully Submitted by:   
Cynthia Kranc  
Facilities Manager

Approved by:   
Reina J. Schwartz  
Director, Department of General Services

Recommendation Approved:

  
for Ray Kerridge  
City Manager

**Table of Contents:**

Report	Pg 1
<b>Attachments</b>	
1 Background	Pg 5
2 Resolution	Pg 7

**Attachment 1**

**BACKGROUND INFORMATION**

- On February 12, 2002, City Council adopted Resolution No. 2002-072 establishing a Capital Improvement Project (CIP) for the North Natomas Library Project.
- On December 16, 2003, City Council adopted Resolution No. 2003-901 approving the Library for the North Natomas Grant Application and Related Documents for funding a joint use, co-located public library and resolving to provide local matching funds.
- On May 10, 2005, City Council adopted Resolution No. 2005-323 approving the Memorandum of Understanding between the City of Sacramento, Sacramento Public Library Authority, Natomas Unified School District, and the Los Rios Community College District for the Natomas Town Center Education Complex, which includes the North Natomas Library.
- On December 13, 2005, the City Council adopted Resolution No. 2005-909 accepting the State Library Grant for the North Natomas Library in the amount of \$7,013,889. The Natomas Unified School District applied for joint-use funding through the California State Office of Public School Construction in the amount of \$2 million.
- On April 18, 2006, the City Council adopted Resolution No. 2006-250 approving a supplemental agreement with Nacht and Lewis Architects for the purpose of completing architectural/engineering drawings and specifications for approval by the City and the Division of the State Architect's Office.
- On May 23, 2006, the City Council approved Agreement No. 2006-0518 authorizing the City Manager to execute an agreement with Natomas Unified School District regarding the joint use of the Library for North Natomas for 40 years. The agreement included funding for the library in the approximate sum of \$900,000 but did not include budgetary authority to adjust the project budget.
- On July 31, 2007, City Council adopted Resolution No. 2007-569 authorizing the Mayor to sign the State Library Grant in the amount of \$7,013,889 for the purposes of constructing a North Natomas Library.
- On August 28, 2007, City Council adopted Resolution No. 2007-639 amending the FY2007/08 Capital Improvement Program budget by transferring \$3.8 million from the North Natomas Community Improvement fund balance (Fund 3201) to the North Natomas Library project.
- On June 17, 2008, City Council adopted Resolution No. 2008-402 awarding a construction contract to McCarthy Construction in an amount not to exceed

\$6,998,000 for construction of the North Natomas Library.

- On June 16, 2009, City Council adopted Resolution 2009-395 authorizing various North Natomas Library appropriation adjustments resulting in a reduction in City project support from \$9,027,244 to \$8,793,605 to reflect the project need.
- On July 21, 2009, City Council adopted Resolution 2009-483 approving an interfund loan of development impact fees as needed to continue work on the North Natomas Library pending reimbursements from State grant funds.

## **RESOLUTION NO. 2009-XXXX**

Adopted by the Sacramento City Council

**August 18, 2009**

### **APPROVING APPROPRIATION ADJUSTMENTS AND A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SACRAMENTO AND THE SACRAMENTO PUBLIC LIBRARY AUTHORITY FOR REIMBURSEMENT OF THE PURCHASE OF INFORMATION TECHNOLOGY SOFTWARE AND HARDWARE AND FOR THE PURCHASE OF THE OPENING DAY MATERIALS COLLECTION SERVICES FOR THE NORTH NATOMAS LIBRARY PROJECT (B13000700)**

#### **BACKGROUND**

- A. The City of Sacramento has a project requirement to purchase information technology software and hardware and opening day materials collection services for the North Natomas Library.
- B. On May 23, 2006, the City Council approved Agreement No. 2006-0518 authorizing the City Manager to execute an agreement with Natomas Unified School District regarding the joint use of the Library for North Natomas for 40 years. The agreement included funding for the library in the approximate sum of \$900,000 but did not include budgetary authority to adjust the project budget.
- C. Request for Proposals (RFP) were issued on November 20, 2007 through December 1, 2008 by the Sacramento Public Library Authority. These RFPs were sent to the major vendors for IT software and hardware, and materials collection services. Each RFP was posted on the contracting opportunities websites of the Library Authority and the County of Sacramento. Responses were received from three vendors for IT software and hardware, and five vendors for materials collection services. The proposals were reviewed by Library staff from Branch Services, Youth Services and Collection Management. Envisionware, and Dell were selected to provide IT software and hardware, and Baker and Taylor, and Midwest Tapes were selected to provide materials collection services.
- D. On May 28, 2009, the Governing Board of the Sacramento Public Library Authority authorized the Library Director to enter into an agreement with the City of Sacramento to reimburse the Library Authority for the purchase of information technology software and hardware in an amount not to exceed \$400,000, and opening day materials collection services in an amount not to exceed \$1.3 million.
- E. On August 27, 2009, the Library Authority will be asked to approve revised not-

to-exceed amounts of \$589,199 for the purchase of information technology software and hardware, and \$1.4 million for opening day materials collection services.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Manager or the City Manager's designee is authorized to execute a memorandum of understanding between the City of Sacramento and the Sacramento Public Library Authority to reimburse the Sacramento Public Library Authority, based on sufficient funding availability within the project budget, for the purchase of information technology software and hardware in an amount not to exceed \$589,199, and opening day materials collection services in an amount not to exceed \$1.4 million for the North Natomas Library, contingent upon Library Board approval of these dollar amounts.
- Section 2. A revenue and expenditure budget for the North Natomas Library Project in the amount of \$951,119 in grant funding for the project from the Natomas Unified School District is established.