

**CITY OF SAN ANTONIO  
INTERDEPARTMENTAL MEMORANDUM  
PURCHASING & GENERAL SERVICES DEPARTMENT**

ITEM NO. 39

TO: Mayor and City Council

FROM: Aubrey George, Acting Director of Library Department

THROUGH: Terry M. Brechtel, City Manager

COPIES: Erik J. Walsh, Assistant to the City Manager;  
Frances A. Gonzalez, Assistant City Manager; Janie B. Cantu, Director of Purchasing & General Services; File

SUBJECT: Library Automation System

DATE: May 20, 2004

**SUMMARY & RECOMMENDATION:**

This ordinance will authorize the City Manager to execute a contract between the City of San Antonio and Innovative Interfaces Inc. for the purchase of an integrated library automation system, in an amount not to exceed \$459,000 and an annual maintenance cost not to exceed \$66,631.

Purchase of this system (hardware, software licenses, database upgrade and implementation assistance) will provide online circulation of library materials, public access to the San Antonio Public Library catalog and additional databases, acquisitions (accounting), cataloging and authority control, serials control modules and management reports. This is the first phase of a three phase project. The second phase will provide additional enhancements to the basic system and the third phase will use any remaining funds to replace outdated computer equipment.

Library Board and staff recommend the approval of this ordinance.

**BACKGROUND INFORMATION**

For over eight years the Library Department has utilized the CARL Corporation computer system to provide: public access to an automated catalog; remote-access to the catalog from homes, schools, and businesses; and an inventory control and circulation system. This integrated system does not provide the necessary functionality to deliver exceptional service to library customers, the system reports do not meet the library's needs and it is not a cost effective service. Acquiring a more functional integrated library automation system that provides customers with broader and easier access to information was one of the Library Department's goals in its Strategic Initiatives, which were approved by the Library Board on April 10, 2002.

A request for proposal for a new automation system was released in May 2003. The Library RFP team was made up of representatives from all areas and levels of staff in the library department. In addition to library staff, representatives from ITSD, Purchasing and the City's Legal Departments as well as a community representative were included in the selection process. A three-step process was designed to target the best systems for the library by narrowing the list with each step. The process also ensured that the system was selected first on functionality, experience of the firm and references with the price considered at the end of the selection process.

In step one, the responsiveness to the RFP was evaluated, functionality was scored based on written response to the RFP and the vendors were short listed. Functionality/Technical included the way the system would enhance public use as well as basic system operations, performance, standards, security and the way the system modules worked to improve staff performance and workflow. Step two included a review of references and vendor demonstrations. Vendor demonstrations were used to verify written responses and determine integration of workflows. The demonstrations were carefully scripted and scored by the RFP team to ensure that each vendor demonstrated consistent information. Finally, in step three pricing was reviewed, vendors were rated based on overall score and price and both vendors were given the opportunity to submit a best and final offer. On a 100 point scale the selected vendor, Innovative Interfaces Inc., scored 77.26 compared to its competitor scoring 73.41. The Library Board approved the contract negotiation process on September 24, 2003.

Innovative Interfaces Inc. scored higher in all key areas of functionality/technical, experience and demonstration, as shown in attachment A. The initial cost of Innovative Interfaces Inc. is \$32,000 less than its competitor and the annual maintenance cost is comparable. All software features work together seamlessly, update simultaneously and provide staff state of the art management reports. Customers will have greater flexibility in the way they use library resources and will be able to execute searches in the catalog, remote databases and the Internet at the same time.

Innovative Interfaces Inc., founded in 1978, is a privately held company with 279 employees. They have a 24 hour a day help desk available through e-mail, fax, the Internet or toll free. Currently 330 libraries are using this product, including Brooklyn Public Library, San Francisco Public Library and Houston Public Library.

The system will be implemented in three phases. Phase one includes all basic system components: the public access catalog; circulation control; acquisitions; cataloging and authority control; serials control; and management reports. This phase will be implemented in approximately six months. Phase two includes enhancements to the basic system that will provide additional services to library customers and flexibility for staff and will be implemented approximately three months after the first phase. Approximately three months later, phase three will use any remaining funds to replace outdated computer equipment.

Innovative Interfaces will implement the system and will be paid according to milestones that are met. A detailed Project Implementation Plan with milestones for each phase of the implementation is scheduled on a 25 week timeline. 20% will be paid upon signing of the contract, 40% will be due at the initial training, 20% will be due at "Full Load" of the system or no later than 90 days from initial training, whichever is earlier and the final 20% will be due at live circulation or no later than 180 days from initial training, whichever is earlier.

### **POLICY ANALYSIS**

Acceptance of the proposed agreement will provide hardware, software and services necessary to operate and maintain the Library computer system. The contract period shall be for one year, and shall be extended by mutual agreement annually for up to four additional one-year periods. Funds necessary to execute this contract were authorized in the departmental budget appropriation for the Library Department for FY 03-04 and through lease-purchase funding secured by the Finance Department.

This item was presented to City Council Committee on Economic and Human Development on February 19, 2004.

**FISCAL IMPACT**

Funds in the amount of \$750,000 have been budgeted for all three phases of this project through lease/purchase funding secured by the Finance Department. Finance Department staff determined that \$750,000 in lease/purchase funds were available and were the best option for funding the new system. Lease/purchase funding is used to purchase items with large purchase prices and the debt is repaid from operating funds over a 5 year period. Of the \$750,000 available \$459,000 has been budgeted for the first phase. The basic system cost is \$459,000 to include software, services, and hardware after a \$312,502 software discount. Funds will be drawn down as needed to make purchases. Lease payments are made on a quarterly basis in the amount of \$40,417.44 which equals a fiscal year payment of \$161,699.76. The final lease payment is due on May 1, 2008.

The hardware will be purchased from the vendor to ensure system performance and vendor accountability. ITSD has reviewed and approved the hardware specifications for size and growth. The total funds remaining of \$291,000 will be used for system enhancements and to purchase new leased PCs where needed in the second and third phases.

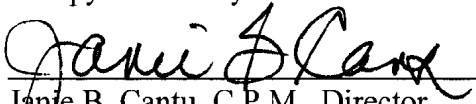
The current annual maintenance contract with the current CARL system is \$375,000. The Innovative Interfaces Inc. annual maintenance contract will be \$66,631 per year. This includes an annual software maintenance cost of \$57,679 and an annual hardware maintenance cost of \$8,952. The annual savings of \$308,369 will be used to offset the quarterly lease payments. The annual maintenance cost will apply after the first year of the contract. Funds in the amount of \$66,631 will be encumbered upon approval of each successive year's departmental appropriation for the Library Department to pay for systems maintenance and software upgrades.

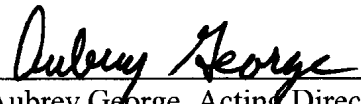
**COORDINATION**

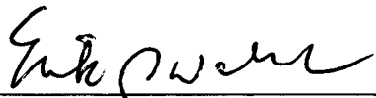
This item has been coordinated with the City of San Antonio Library, Information Technology Services, Legal, Finance and Purchasing Departments.

**SUPPLEMENTARY COMMENTS**

A copy of the City of San Antonio Discretionary Contracts Disclosure form is attached.

  
Janie B. Cantu, C.P.M., Director  
Purchasing & General Services

  
Aubrey George, Acting Director  
Library Department

  
Erik J. Walsh, Assistant to the City Manager  
City Manager's Office

  
Frances A. Gonzalez, Assistant City Manager  
City Manager's Office

## Final Scoring

|                                       | <b>Innovative Interfaces</b> | <b>SIRSI</b> |
|---------------------------------------|------------------------------|--------------|
| • <b>Experience of Firm (15)</b>      | <b>15.00</b>                 | <b>13.00</b> |
| • <b>Functionality/Technical (35)</b> | <b>33.19</b>                 | <b>33.13</b> |
| • <b>SBEDA (20)</b>                   | <b>0.00</b>                  | <b>0.00</b>  |
| • <b>Demonstration (20)</b>           | <b>19.07</b>                 | <b>17.47</b> |
| • <b>Price (10)</b>                   | <b>10.00</b>                 | <b>9.81</b>  |
| • <b>TOTAL (100)</b>                  | <b>77.26</b>                 | <b>73.41</b> |

**ATTACHMENT "B"**  
**CITY OF SAN ANTONIO**  
**Discretionary Contracts Disclosure\***

*For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2  
Attach additional sheets if space provided is not sufficient.  
State "Not Applicable" for questions that do not apply.*

*This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.*

disclose in connection with a proposal for a discretionary contract:  
the identity of any **individual** who would be a party to the discretionary contract:

**RESPONSE: Not Applicable.**

the identity of any **business entity** that would be a party to the discretionary contract:

**RESPONSE: Not Applicable.**

and the name of:  
any individual or business entity that would be a **subcontractor** on the discretionary contract;

**RESPONSE: Not Applicable.**

and the name of:  
any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

**RESPONSE: Not Applicable.**

the identity of any **lobbyist** or **public relations firm** employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

**RESPONSE: Not Applicable.**

**Political Contributions**

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made: Amount: Date of Contribution:

| To Whom Made:          | Amount: | Date of Contribution: |
|------------------------|---------|-----------------------|
| <b>RESPONSE: None.</b> |         |                       |

**Disclosures in Proposals**

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

|   |  |                      |
|---|--|----------------------|
| <b>RESPONSE: Not Applicable.</b>  |  |                      |
| <b>Signature:</b> Neil Block<br> | <b>Title:</b> Vice President,<br>North American Sales<br><br><b>Company:</b> Innovative<br>Interfaces Incorporated | <b>Date:</b> 6-18-03 |