



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 6/1/2020

N29453 - Digital Services Agreement - ORDINANCE

Agenda Item#:

Background:

Sole Source for S21-N29453 - Approve an ordinance awarding a sole source contract to Library Ideas, LLC in the maximum contract amount not to exceed \$375,000.00 for Digital Services Agreement for the Houston Public Library.

Specific Explanation:

The Director of the Houston Public Library and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a **three-year sole source contract with two one-year options** to **Library Ideas, LLC** in the maximum contract amount not to exceed **\$375,000.00** for the digital services agreement for the Houston Public Library (HPL).

Freegal[®] Music is a database of over 40,000 music videos and 15 million songs holding from over 40,000 music labels that originate in over 100 countries. Freegal[®] provides access to thousands of library patrons to stream music as well as the ability to download and catalog songs from a variety of popular musical artists and genres, including the entire Sony music collection. HPL's goals are to provide entertainment to the citizens of Houston as they are no longer purchasing music CD's. Streaming and downloadable music is the only method our patrons have in accessing this type of material. The services provided allows our customers to access and utilize resources while visiting the various library branches or from the comfort of their residence.

Under the proposed scope of services, Library Ideas, LLC will provide HPL with the digital music services for an aggregate usage for an annual subscription fee of \$75,000.00 which includes:

- Five (5) downloads per patron per week and;
- Five (5) hours streaming per patron per day

Library Ideas, LLC is the sole developer, owner and marketing source for the Freegal[®] Music and related licensed, copyrighted services. These products are not available through distributors or dealerships, nor are they supported or maintained by any other entity. These are proprietary products licensed and copyrighted by Library Ideas, LLC and all services contracted pertaining to the installation, customization, conversion, maintenance, support and training can only be obtained through Library Ideas, LLC.

This recommendation is made pursuant to Chapter 252, Section 252.022 (a)(7)(A) "a procurement of items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies" of the Texas Local Government Code for exempted procurements.

M/WBE Subcontracting:

Zero-Percentage Goal document approved by the Office of Business Opportunity.

Pay or Play:

The proposed contract requires compliance with the City's Pay or Play ordinance regarding health benefits for employees of City contractors. In this case, Library Ideas, LLC provides health benefits to eligible employees in compliance with the City policy.

Hire Houston First (HHF):

This procurement is exempt from the City's Hire Houston First Ordinance. Bid/proposals were not solicited because the department is utilizing a sole source contractor for the purchase.

Fiscal Note:

Funding for this item is included in the FY2021 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DocuSigned by:
Jerry Adams
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Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

Department Approval Authority

6/24/2020

Estimated Spending Authority			
DEPARTMENT	FY2021	OUTYEARS	TOTAL
Houston Public Library	\$75,000.00	\$300,000.00	\$375,000.00

Amount of Funding:

\$375,000.00 - General Fund (1000)

Contact Information:

<u>NAME:</u>	<u>DEPARTMENT/DIVISION</u>	<u>PHONE</u>
Laura Guthrie, Purchasing Manager	FIN/SPD	(832) 393-8723
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ATTACHMENTS:

Description	Type
Sole Source Justification - Approved	Backup Material
Library Ideas, LLC License Agreement	Backup Material
Fair Campaign Ordinance	Backup Material
Statement of Residency	Backup Material
References	Backup Material
OBO Approved	Backup Material
Budget Form A General Fund (1000)	Financial Information