



MEMORANDUM

To: Chien Wei, Director of Parks & Cultural Services
From: Teresa Potter, City Librarian
Darla Rance, Assistant City Librarian
Meredith Layton, Assistant City Librarian
CC:
Date: 9/7/2022
Re: FY2023 Library Materials Allocations

Comments: The Library's FY2023 budget allocates \$207,275 for new materials of all types.

While only one of the Library's vendor contracts is large enough to require Council approval, Library Administration would like to present an account of all materials vendors and contracts for the fiscal year.

Under section 252.022 of the Texas Local Government Code, books, and other library materials available under exclusive distribution rights for purchase for a public library are exempt from standard procurement rules and do not require competitive bids.

Baker & Taylor

The Library has allocated \$113,100 to be spent with Baker & Taylor and the expenditure requires Council approval.

The State of Texas developed an RFP solicitation for all public libraries that allows the purchase of print and audiovisual materials without the Library having to solicit individually. Information is attached detailing Texas Smart Buy 715-M2, as well as Baker & Taylor's current Terms and Discounts for Public Libraries. As noted on the attached 715-M2 document, the contract ends this October, with anticipated renewal through October 2023.

4800000 – 51500, Music CDs: \$2,000
4800000 – 51501, Reference Materials: \$5,500
4800000 – 51502, Children's Print Materials: \$42,500
4800000 – 51504, Adult and Teen Print Materials: \$61,300
20154800 – 51100, Gifts and Memorials: \$1,800

Brodart

The Library has allocated \$23,200 to be spent with Brodart. This vendor is covered by Texas Smart Buy 715-M2 contract.

4800000 – 51502, Children’s Print Materials: \$20,000

4800000 – 51504, Teen Print Materials: \$3,200

Gale Group

The Gale Group, Inc. provides purchase plans for monthly shipments of new large-print nonfiction and fiction books and library records. \$6,500 has been allocated for purchases with this vendor. The Gale Group is considered sole source.

4800000 – 51504, Adult Materials: \$6,500

Midwest Tape

Midwest Tape, LLC, is one of the many vendors covered by the Texas State Contract 715-M2. The Library has allocated \$14,900 for purchases with Midwest Tape.

4800000 – 51100, Children’s Movies & Educational DVDs: \$7,500

4800000 – 51500, Movies & Educational DVDs: \$7,400

Blackstone Audio and Books on Tape/Penguin Random House

Attached are the two primary audiobook vendors used for purchasing library audiobooks on CD.

These two selected library vendors are each other’s competitors in that they compete for the audiobook licensing of specific titles, authors, imprints, and publishers. Once a company has secured the rights to a title, they usually become the sole source vendor for that title. For the library to provide a comprehensive audiobook collection we must do business with both vendors.

4800000 – 51500, Audio Visual Supplies/Materials: \$5,000

Blackstone: \$4,500

Books on Tape/Penguin Random House: \$500

OverDrive

The library has participated in the Houston Area Database Consortium for the Overdrive platform since 2007, under an agreement which automatically renews every year. The platform fee and the bulk of the collection (\$90,980) are paid through Galveston County funds allocated from Galveston County Commissioners.

Locally held electronic materials are available through the consortium platform, but League City patrons are the only patrons who can check them out. Of City funds, \$34,675 has been budgeted for locally held eBooks, eAudiobooks, and eVideos for FY2023. OverDrive is considered sole source.

4800000 – 51502, Children’s Downloadable Content: \$15,000
4800000 – 51504, Adult and Teen Downloadable Content: \$19,675

Remaining and Unencumbered Funds

The remaining \$9,900 not otherwise accounted for with the above vendors are funds designated for materials unavailable with traditional library vendors, including purchases made with local vendors.

Galveston County Funds

Galveston County Commissioners have allocated \$149,294 of County funds to League City’s Library. These funds purchase titles for the Library’s physical and digital collections, as well as pay for courier services that allow resource sharing throughout the County.

Comparisons Between Texas Smart Buy 715-M2 Contract Vendor Baker & Taylor and Amazon

Smart Buy library distributors, such as Baker & Taylor, provide many benefits to the Library, such as professional reviews and specialized selection tools that help collection development staff make informed purchasing decisions. Library distributors also offer processing, catalog records, and automation services which save the Library operating costs and staff time. Distributors like Amazon and Barnes & Noble do not provide these types of value-added services.

Purchasing items from Amazon increases costs at an average of \$3.53 per item. This additional cost represents staff processing time, operating supplies to make items shelf-ready, and database maintenance to make the items accessible to our citizens. For example, in FY2021, 13,457 items were purchased from Smart Buy distributors, such as Baker & Taylor. If those items had instead been purchased from Amazon, in-house processing alone would cost the Library and our citizens an additional \$47,503.

Fiscal Year	Amazon Cost/Item	Smart Buy Cost/Item	Difference in Smart Buy Savings
2019	\$ 19.94	\$ 17.04	\$ 2.90
2020	\$ 17.35	\$ 16.45	\$ 0.90
2021	\$ 18.96	\$ 13.02	\$ 5.94

To provide a timely and specific comparison, collection development staff identified ten titles that have been in high demand by Library patrons. Staff created example orders for these titles in both Baker & Taylor and Amazon. The discounts compared

between Smart Buy and Amazon are apparent, especially when full processing and database maintenance are conducted in-house.

	Baker & Taylor (Smart Buy)	Amazon (City Account)	Smart Buy Savings	Percent Discount Compared to Amazon
Recent High-Demand Titles (without Processing)	\$ 148.78	\$ 155.20	\$ 6.42	4%
Recent High-Demand Titles (with Processing)	\$ 153.61	\$ 190.50	\$ 36.89	19%

Collection development staff also compared the same ten titles using the manufacturer's suggested retail price versus the discount offered by Baker & Taylor through the Smart Buy contract. Library materials distributors can indicate how much we save as staff select titles for purchase. The following table shows the Smart Buy contract discount from Baker & Taylor.

	Baker & Taylor (List Price or MSRP Amount)	Baker & Taylor (Smart Buy Net Price Amount)	Smart Buy Savings with Baker & Taylor	Percent Discount from Smart Buy Contract
Recent High-Demand Titles	\$ 249.73	\$ 153.61	\$ 96.12	38%