



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
CFO: Cassey Ogden
DATE: November 15, 2022

SUBJECT

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Midwest Tape, LLC, for the purchase of streaming digital content through the Hoopla service for the Library, which is the sole provider of this software, in accordance with Texas Local Government Code 252.022, which provides that procurement of commodities and services that are available from one source are exempt from competitive bidding, and if over \$50,000, shall be awarded by the governing body; providing for the expenditure of funds therefor; and providing an effective date (File 8135 – awarded to Midwest Tape, LLC, in the five (5) year not-to-exceed amount of \$484,000.00).

INFORMATION/BACKGROUND

The Denton Public Library uses the Hoopla service to provide simultaneous access for library customers to thousands of digital titles, including audiobooks, ebooks, comics, music, movies, and TV shows. Hoopla provides the largest collection of simultaneous-use streaming digital content under the pay-per-circulation pricing model. All digital content provided is available under one login and available simultaneously to all library customers. Under the Hoopla pricing model, the Library pays for access only to the content selected by the customer, not for all available content.

Midwest Tape is the sole source vendor for the Hoopla delivery model and content. Hoopla is the only digital provider that provides access to ebooks, digital audiobooks, music, and streaming TV/Film/Documentaries in one platform. No other vendor can provide the number of formats and exclusive content under this pricing model. This is a free service provided to anyone with a City of Denton Library card. The anticipated spend below is based on the amount stipulated for these services within our allocated materials budget.

An intent to sole source was issued in the City's electronic bidding system (Ionwave) with no responses received challenging the purchase.

Historical Spend

| FY | Content Checkouts | Total Spend |
|-------|-------------------|-------------|
| FY 21 | 45,669 | \$88,100 |
| FY 22 | 48,168 | \$96,000 |

Anticipated Spend

| | Total Spend |
|--------------|------------------|
| Year 1 | \$96,800 |
| Year 2 | \$96,800 |
| Year 3 | \$96,800 |
| Year 4 | \$96,800 |
| Year 5 | \$96,800 |
| Total | \$484,000 |

Section 252.022 of the Local Government Code provides that procurement of sole source commodities and services are exempt from competitive bidding, if over \$50,000, shall be awarded by the governing body.

RECOMMENDATION

Award with a contract to Midwest Tape, LLC, as a sole source supplier, for the purchase of streaming digital content through the Hoopla service for the Library, in a five (5) year amount not-to-exceed \$484,000.

PRINCIPAL PLACE OF BUSINESS

Midwest Tape, LLC
Holland, OH

ESTIMATED SCHEDULE OF PROJECT

This is a five (5) year contract.

FISCAL INFORMATION

These products and services will be funded through the Library's budget on an as-needed basis. The City will only pay for services rendered and is not obligated to pay the full contract amount unless needed.

EXHIBITS

Exhibit 1: Agenda Information Sheet
Exhibit 2: LLC Members
Exhibit 3: Ordinance and Contract

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Jennifer Bekker, 940-349-8753.

Legal point of contact: Marcella Lunn at 940-349-8333.