

**PUEBLO CITY-COUNTY LIBRARY DISTRICT BOARD OF TRUSTEES
WORK SESSION MINUTES**

March 13, 2012

I. CALL TO ORDER AND ROLL CALL

Ms. Baca called the meeting to order at 3:01 p.m.

Board Members Present: Sherri Baca, President; Marlene Bregar, Vice President; Rhonda Gonzales; Roy Miltner; Fredrick Quintana

Board Members Absent: Philip Mancha

Staff Present: Jon Walker, Executive Director; Chris Brogan, Chief Financial Officer; Sara Rose, Human Resources Director; others not recorded

Attorney Present: Charles Trechter

II. CORRECTIONS OR MODIFICATIONS TO THE AGENDA None.

III. DISCUSSION ITEMS

A. Financial Advice

Ms. Baca said the BLX Group is a registered local government financial advisory service selected by PCCLD through a competitive proposal process to assist with the contemplated upcoming financing and debt issue. Jim Manire, a Managing Director with the BLX Group, would provide an overview of strategies related to this matter and respond to questions.

Mr. Manire from BLX provided a lengthy explanation of the advantages of using an independent financial advisor, and provided details of the process anticipated to evaluate the refinancing options available to combine the Pueblo West Library Certificates of Participation (COPs) with financing for additional library facilities. Requests for Proposal will be issued for Direct Purchase and Public Offering, and information received as a result of those RFPs will be reviewed. A recommendation for the Board's approval may occur as early as April with a direct-purchase option or as late as July with a COP option. Mr. Manire responded to Board questions about current interest rates which could be as low as 4 to 4.25 percent and potential cost advantages of using the direct-purchase option.

B. Bond Counsel

Ms. Baca said PCCLD plans to arrange for financing in order to complete a number of planned capital projects. A competitive process had been used to select a recommended law firm for counsel on financing. The fees for this engagement are likely to exceed \$25,000 and, therefore, would require Board approval. Staff would present recommendations for discussion.

Ms. Brogan said the library started looking at bond counsel, needed when the library issues the RFP for financing, and received informal bids. There are two different rates for bond counsel depending on the financing selected. The rates are less for direct purchase and higher for COPs. Ms. Brogan said they received bids and selected the lowest bid. The lowest rate from Peck Shaffer would be \$30,000 for COPs, but if the library chooses direct purchase the cost would only be \$20,000. There were three bids received: Kutak Rock, Peck Shaffer, Sherman-Howard.

Mr. Walker said he would propose the Board approve an amount not to exceed \$30,000 for bond counsel from Peck Shaffer at the March meeting. Mr. Walker said the library will not know about the recommended financing for a while, but he would like to formalize the engagement with Peck Shaffer. If the library goes with direct purchase, the amount would be less than the \$25,000 level requiring Board approval. The Board agreed to add this to the March meeting agenda.

WORK SESSION MINUTES

March 13, 2012 — 2 of 5

C. Update to Library @ the Y Agreement

Ms. Baca said PCCLD entered into an agreement with the Pueblo YMCA in 2009 for the operation of the Library @ the Y. PCCLD Trustees had approved an annual plan statement for the Library @ the Y to enhance services at the Library @ the Y, including offering public access to the Internet and providing New Information Technology Center services at the Library @ the Y. A proposed updated agreement between PCCLD and the Pueblo YMCA, which will support enhanced services, would be presented for discussion.

Michael Cox, Youth Services/Library @ the Y Manager, distributed the proposed Amendment together with the 2009 Agreement between PCCLD and the YMCA.

Mr. Walker pointed out that statistics at the Library @ the Y had gone up, and the library is on the right path there and wants to continue that progress. Mr. Walker said Mr. Cox will speak more specifically about how, but the library would like the Board to consider updating the library's contract with the YMCA to expand services to be offered at the Library @ the Y.

Mr. Cox explained that there is a computer lab/game center that can be modified to be accessed through the Library @ the Y. The equipment in the computer lab was originally provided by the library and uses open source software. Currently, when the YMCA's computer is down, the Library @ the Y is also down, and the library would like to standardize access, add Windows software, and provide wireless access for users at the YMCA. They would also like to begin offering more information technologies, offering Nooks, laptops, etc. Mr. Cox explained plans to expand programming to reach all children in the YMCA's preschool and to provide technology tutoring.

Mr. Miltner asked about the current staff commitment, and Mr. Cox responded that the Library @ the Y is now open 30 hours per week; from 1:00 to 6:00 p.m. Monday through Friday, and 12:00 to 5:00 p.m. on Saturdays which is covered by two part-time staff or one full-time equivalent (FTE). After reviewing the library's circulation and the Library @ the Y's use, they have discovered it is currently only open during one of the YMCA's four busiest hours. Mr. Cox said they would like to expand the service hours to 9:00 a.m. to 1:00 p.m. and 4:00 to 8:00 p.m. Monday through Friday and 9:00 a.m. to 1:00 p.m. on Saturday, increasing the hours to 44 hours per week. Mr. Cox said one of the reasons to add evening hours was the YMCA's concern of having computer lab available for evening use, and that will mean the Library @ the Y will be the only library open after 6:00 p.m. on Fridays. In order to expand those hours, the library expects to hire an additional part-time (20 hours per week) employee, bringing the staff commitment up to 1.5 FTE. That will be a new hire who will be trained.

Ms. Baca asked about demographics served and who the audience at the Library @ the Y is. Mr. Cox responded most are YMCA members but are from across the county, and he discussed recent marketing efforts to get the word out that the library is available for everyone. There have also been opportunities for the library to partner with the YMCA's marketing efforts, and the YMCA has opened the use of their facilities to PCCLD card holders. Mr. Cox said the partnership between the library and the YMCA is a good example of resource sharing. There was additional discussion regarding reaching the immediate community near the YMCA, access to computer lab from the library, and cooperation from the YMCA when program attendance exceeded the library's boundaries although the meeting rooms are managed by the YMCA.

Mr. Cox said the library will need to sign an Amendment to the current Agreement. The library will begin purchasing software licensing and transitioning to the new hours in April, and the information technology will be installed in May, so by June the transition should be complete.

Mr. Walker added that the Board of Trustees approved the original Agreement with the YMCA in 2009, and the Amendment to that Agreement will allow PCCLD to begin to operate the computer lab and expand the hours of service there. Mr. Walker said the numbers at the Library @ the Y

WORK SESSION MINUTES

March 13, 2012 — 3 of 5

show it is on the right track, and he would like to continue that. Staff are in agreement and supportive of these changes.

Mr. Stuart remarked on the progress the Library @ the Y has made and applauded the efforts. The numbers show that interest in the library there continues to grow.

Ms. Gonzales asked Mr. Cox if he is aware of other libraries in YMCA facilities. Mr. Cox responded that he was not aware of any, but he will be attending a conference at the YMCA in Estes Park and will try to inquire then. The Trustees agreed to add the Amendment to the March meeting agenda. *(Ms. Bregar had arrived by this point.)*

D. Joint Work Session with City Council

Ms. Baca said a joint work session between City Council and the Library Board of Trustees had been scheduled for Monday, March 26, at 5:30 p.m. in the Council Chambers at 301 West B Street. The Board would discuss goals for this meeting.

Mr. Walker reviewed his plans for making a presentation to City Council to review the library's plans for an Eastside Library and bring them up-to-date on the progress to date, advantages for the city as well as the community, and to emphasize the need for the city's contribution of a site for the Eastside Library project.

After a great deal of additional discussion on the background, strategies and approaches, Ms. Baca suggested leading with an action plan which shows what the library is hoping to have from the city and the timeline for the project.

Mr. Walker encouraged as many Board members as possible to attend the joint work session. Mr. Stuart, Ms. Baca, Mr. Quintana, Mr. Miltner, and Ms. Gonzales indicated that they would be able to attend. Ms. Bregar indicated that she would not be able to attend.

There was significant additional discussion on potential sites that had been considered and price points for potential sites. Mr. Walker emphasized that the financial plans were made for building each of the three libraries on donated land.

There was additional discussion about whether the city might use a condemnation process, and Mr. Trechter explained the process in further detail. It was noted that the city would be the authority doing the condemnation process, paying property owners, and there were concerns about the process and time involved; however, it was noted that the Board should not express opposition to condemnation.

Mr. Walker anticipated that the library will state its case with a sense of urgency about the timeline. The library will remain open to the options from the city. The city may have access to some funds such as Community Block Development Grants, but the library will be working under some timelines. Mr. Walker was prepared to let the city know that not having a building site would put the project in some jeopardy.

Mr. Walker said since he has been here, the people on the eastside have longed for a public library in their community. At this time, but for having a site, we can build a library for them. Mr. Quintana said we need to take the opportunity of this work session as a starting place to find out what City Council can do and in what capacity before we go much further than provide them with the library's window of time.

E. Executive Session

Ms. Baca announced that the Trustees will enter into Executive Session for the purpose of discussing matters that may be subject to negotiations, development of strategy for negotiations and instruction to negotiators pursuant to C.R.S. 24-6-402(4)(e). The public and the attorney were excused at 4:19 p.m.

WORK SESSION MINUTES

March 13, 2012 — 4 of 5

The Board reconvened in public at 4:50 p.m. upon Motion made by Mr. Stuart and seconded by Mr. Quintana.

F. Architectural Firm Selection

Ms. Baca said an Architectural Firm Evaluation Committee had been working to review and evaluate submittals and interview selected firms, and a presentation on the committee's recommendations would be discussed.

Mr. Walker provided a slide presentation reviewing the committee members to include Michael Cox, Roy Miltner, Al Perea, Teresa Valenti, and Jon Walker. Ten firms responded to the RFQ, and five were invited to submit proposals. All five firms accepted the invitation to submit proposals; however, the firm from Minnesota withdrew after the library sent the invitation citing timing issues as the reason. The library asked for specific proposals from each of the four remaining firms. The evaluators rated the firms based on their responses to the specific issues requested with scoring on 15 criteria. OZ Architecture was the clear top choice.

Mr. Walker said the committee asked them for a price for specific services based on a \$1.2 million construction cost per building. OZ Architecture also came out on top with the best cost proposal at \$259,460. Mr. Walker went back through the proposals, taking the cost out, and OZ Architecture was still the winner.

Mr. Walker said he, Michael Cox and Teresa Valenti went to Nederland, Colorado to see the library there built by OZ. Mr. Walker said they were interested in seeing that library because it is only 5,000 square feet, which is slightly smaller than the size envisioned for the libraries in Pueblo. Mr. Walker showed photographs from the visit to the Nederland Library. Features included an exterior rock facade, a bridge over a creek leading to the library, and exterior reading areas.

Mr. Miltner said it was interesting that many of the architects talked about how important outdoor space is to their clients in Colorado. There was additional discussion of the library in Nederland, how the space was arranged to make it look and feel larger, and the two-sided fireplace. Mr. Walker provided a floor plan and explained pocket doors were used to expand the reading area of the library when the meeting room was not in use and other features that provided nice flexibility.

Mr. Walker said the library is contemplating 7,500 square feet for the new libraries repeated at three locations, although how it is oriented on the site might change. The representatives from OZ talked about the possibility of changing rooflines between libraries to add uniqueness to the building without adding cost.

Mr. Walker said OZ plans to use a local architect, Greg Van, as part of the local representation. Mr. Walker said the committee is recommending OZ, and he would like to ask the Board to authorize him to negotiate a contract with OZ that would not exceed \$259,460.

Mr. Walker will begin writing letters to the other firms not selected. Mr. Walker expects the architect will use a standard AIA contract for the project.

There was additional discussion with respect to specifics of the contract, financing plans, and ownership of the architects' work in the event work could not proceed. There was also discussion about the advantages of using a CMG or design/build instead of a hard bid process. Mr. Walker provided specific provisions of the proposal with prices for each phase of the project.

Mr. Miltner said OZ would be in town to conduct meetings in each of the three communities and to assist with fundraising, and he felt that was an important aspect. They were also willing to use a local architect to provide some local preference.

Mr. Walker asked if the Board would be comfortable approving a not to exceed phased contract, with the architects doing only one phase at a time in case something happened with respect to property or financing.

WORK SESSION MINUTES

March 13, 2012 — 5 of 5

Mr. Miltner asked if the Board will decide on bids or if the architect will select a single contractor. Mr. Walker said it would be the Board's decision because that will be a huge cost. The Board agreed to add the architect contract to the March meeting agenda.

G. Other – Letter from Patron

Mr. Walker provided a letter sent to the Board of Trustees. Mr. Walker said the writer lives outside of Pueblo, and she was trying to use the library's OverDrive materials. Mr. Walker explained the library's contract with OverDrive only allows those who live, work or go to school in Pueblo County to use the service. Mr. Walker said this is common among libraries.

Ms. Bregar asked if any of the library's subscriptions are based on the service area population, and Mr. Walker said the price is based on the population of the library's service area, although it allows the library to include those who "live, work or go to school" in the service area.

Ms. Baca said the writer indicates that she also copied the Pueblo Chamber of Commerce. After some discussion it was agreed that Mr. Walker will write a letter to the Chamber of Commerce, and will draft a letter to the patron for Ms. Baca's signature.

There was additional discussion about the patron's understanding that the El Paso County Library allowed her to use their services; however, Mr. Walker was not sure if she had been misinformed or if El Paso had negotiated a contract for an extended service area.

IV. ADJOURNMENT

Ms. Baca reminded the Board that the regular Board meeting will be held on Thursday, March 22 at 5:30 p.m. at the Lamb Library. The Board Audit Committee will meet immediately prior to the meeting at 4:30 p.m. at the Lamb Library.

There being no further discussion, the meeting adjourned at 5:18 p.m.

Respectfully submitted,

Jane Carlsen
Secretary