

Library Board of Trustees Minutes
Regular Meeting
March 7, 2007 3:00 P.M.
Main Library
201 Peterson St., Fort Collins CO
Ben Delatour Room

Board Members Present

Mary Robertson, Nina Bodenhamer, John Knezovich, Robin Gard, Shelly Kalkowski,
Mike Liggett, Bob Viscount

Board Members Absent

None

Library Staff

Brenda Carns, Library Director, Claire Thomas, assistant to Library Director

Also present

Kim J. Seter, Esq., Seter & Vander Wall, PC, Marty Heffernan, Director of Cultural,
Library, Recreational Services, City of Fort Collins, Stewart Ellenberg, Risk Manager,
City of Fort Collins, and Library Staff to include: Ken Draves, Branch Manager-
Harmony Library, Lynda Dickson, Circulation Supervisor, Tova Aragon, Lead Librarian-
Adult Services, Lu Benke, Lead Librarian-Children's Services, Carson Block,
Technology Coordinator, Robert Holzfast, Finance Technician, Annie Fox, FRCC
Librarian, and community member Jim McCauley.

Call to Order and Introductions

Brenda Carns called the meeting to order by introducing herself and explaining that for this first meeting, she had put together an agenda with the assistance of Kim Seter, our legal counsel for the library since the passing of Issue 5C, allowing a 3 mill property tax levy to fund an independent Library District, in November 2006.

The new Trustees introduced themselves and described their residency in Fort Collins and specific skills they bring to the Board.

Brenda Carns introduced the audience members; most of whom are library staff and persons interested in the process of developing the Library District.

Introduction to the Public Library

Brenda Carns presented a power point presentation illustrating the library's historical path and current needs. There were also slides laying out the ballot language of the November election. A text copy of the electronic slide show is attached as Exhibit A.

There was specific discussion about the district boundaries and the possible overlap of Estes Valley Library District and the city of Wellington's library. This is something Kim Seter can address at a later time.

Discussion during the slide show revealed that there are many unknowns as we go forward, but the quicker the Board gets bylaws approved, officers elected and preliminary work done on a budget, the better. The wording and approval of an Intergovernmental Agreement is also of the utmost importance.

Trustee Packet Contents

Brenda Carns lead the board through a tour of the packet they received. Packet contents include:

1. Agenda
2. Board of Trustees Contact
3. Reporting to the Director organizational chart
4. Library Financial Overview
5. Colorado Pocket Handbook for Boards and Trustees
6. Memorandum RE: Annual Actions-Conflict of Interest Disclosure Req.
7. Interim Bylaws
8. Certified Copy of Annual Admin. Resolution of FCRLD
9. So Now You're a District—a Checklist
10. Memorandum from Stewart Ellenberg, City Risk Manager
11. Invoice for election expenditures Nov. 2006

She explained how the lead librarians and staff members are referred to as the LMT, Library Management Team. Brenda Carns also offered to the Trustees a tour of the library. She will do this individually or in a group

Library Financial Overview

Although the state would have needed the Library's budget for this year by January 31, it has agreed to delay the due date so that the Trustees may adopt a budget that works for the new District.

Kim Seter stated that as of this date, March 7, 2007, the Trustees have 90 days to work with the City and County on an IGA. Until that date, June 4, the library facilities continue to be part of the City of Fort Collins. The City may want payment of the library expenditures it will make from Jan. 1 to June 3.

The Board of Trustees will need to schedule a public hearing on the budget; to be announced by publication in the local newspaper. Even though the District is incurring expenses, it cannot spend any money until its budget is approved and funds are appropriated. The order of urgent items is: approve bylaws, vote for officers, research and adopt a budget through a public hearing, create and sign IGA.

Brenda Carns and staff expressed concern about the current level of staffing. She has discussed this need with City officials and they have approved restoring some staff positions that were lost with budget cuts over the last five years. The restored staff positions then would be absorbed into the District along with other staff.

Pocket Guide for Trustees

Kim Seter joined the Board's table in order to help the group along through the details of the meeting. Kim reminded the group that they are governmental officials. The pocket guide describes in a short format the duties and responsibilities of a Board Trustee.

Conflict of Interest Issues and Disclosure Forms

Kim Seter stated it is important for the Trustees to complete the Conflict of Interest Disclosure Forms found in the packets. These forms provide protection from future legal proceedings and offer a way for the Trustees to disclose any business, financial or other practices that might be called into question. The completed forms should be returned to

Brenda at the next meeting so that she can file them with the Secretary of the State. The conflict of interest and disclosure statement also applies to spouses. There is an oath the Trustees will take next meeting that Kim Seter will provide.

Interim Bylaws

The interim bylaws are suggested ways of operating temporarily as a library district. The Trustees can amend them and make them the Districts. Shelly volunteered to look at the bylaws closely and have recommendations for the board. The Board agreed that new bylaws should be approved by July 1, 2007. The Trustees read through the proposed interim bylaws. The Trustees decided to add "Treasurer" to Section 18 on Page 3. The Trustees also determined to change the proposed "Annual Meeting" to March instead of January.

A motion was made by John Knezovich to adopt the interim bylaws with the changes stated above. Shelly Kalkowski seconded the motion. A vote showed all in favor. The bylaws have been adopted.

Officers Elected

The Board of Trustees held elections for officer positions. After discussion of roles and strengths of the Trustees, a motion was made by Nina Bodenhamer to elect:

Mary Robertson, President
Mike Liggett, Vice President
John Knezovich, Treasurer
Shelly Kalkowski, Secretary

Bob Viscount seconded the motion. By unanimous vote, the officers were elected.

Administrative Resolution

The Board reviewed a document entitled CERTIFIED COPY OF ANNUAL ADMINISTRATIVE RESOLUTION OF THE FT. COLLINS REGIONAL LIBRARY

DISTRICT and filled in numerous blanks directing work to be done on behalf of the District.

Number 17 of the resolution requires the board to appoint a law firm as general counsel for the District. A motion was made by Mike Liggett to retain Kim Seter and the firm, Seter & Vander Wall, P.C. as interim general counsel. Nina Bodenhamer seconded the vote. The vote was unanimous to retain Seter & Vander Wall, P.C.

A motion was made by John Knezovich to approve the resolution as completed. Nina Bodenhamer made the second. The board voted unanimously to approve and adopt the Annual Administrative Resolution.

Fort Collins Risk Management

Stewart Ellenberg, City Risk Manager

Part of the transition to a Library District will include an application for new insurance on the property, finances, and employees of the District. Stewart Ellenberg distributed a memo explaining different coverages. The City of Fort Collins has contacted the insurance broker, Flood & Peterson on the District's behalf. An application has been filled out, but it is yet to be turned in. The broker will ask for bids from Colorado Special District Association's network of insurance companies. Stewart Ellenberg suggested that the District not search and bid for new insurance each year, that every five years is more appropriate. The new policy in the District's name would be effective when property belonging to the City is passed over to the District. It will probably take two weeks to get the quotes. The City meanwhile covers the Libraries until the IGA is signed. Brenda Carns offered to contact Flood & Peterson and facilitate acquiring quotes.

Stewart Ellenberg also brought the Application for Employer Identification Number, and the Application for Colorado Business Registration. John Knezovich took the papers to fill them in and submit.

Intergovernmental Agreement

Marty Heffernan

Marty Heffernan is the Director of Cultural, Library, and Recreational Services for the City. Marty explained that the City recognizes the changing role of the Library, from City department to District. Marty brought a memorandum addressing issues to be included in the IGA. He is also providing Brenda Carns with a letter describing her employment with

the City and directing her to work for the best interests of the District, declaring conflicts and maintaining confidences as necessary. Negotiations between the City and District will be kept confidential from Brenda, on the City side. She is free to discuss the transition with the Board of Trustees.

The City also recognizes that the facilities, material, and staff are still under the City. At the signing of the IGA, the City will transfer those assets and more to the Board of Trustees and the District. All decisions will be resolved by then and programs will be in place to continue library operations, technology services, and human resource needs. Marty also offered his time and work to the Board of Trustees. He is willing to help in any way so that their questions are answered, and will listen to their ideas until the IGA is executed. One part of the IGA may include provisions for reimbursing the City, for Library operations since Jan.1. The City Manager and City Council will be discussing these and other issues of the IGA.

Marty said that although the library hasn't had a relationship with the county before, the Board might want to involve it in the transition.

Kim Seter proposed to incorporate Mr. Heffernan's memo into an IGA form and present it to the Board for discussion in an executive session. After the Board determines items it needs in the IGA, it will be forwarded to Mr. Heffernan to begin discussions with the City.

Adjourn

A motion was made by Mike Liggett to adjourn at 5:30 pm. Shelly Kalkowski seconded the motion. All voted yea. Meeting adjourned.

Respectfully submitted,

Claire Thomas
Assistant to Brenda Carns, Library Director

Shelly Kalkowski
Library District Board, Secretary

Itemized list of topics the Trustees would like to come back to at a future meeting:

- Discuss the name of the Library District in order to reflect the city, county and region it encompasses.
- Discuss map issues, Wellington, Timnath, and Estes Valley Library District
- Discuss the Poudre Creamery Site, land at the Civic Center
- Schedule a Trustee's tour of the Main Library, Harmony Branch and Technical Services on Howes and Mountain.
- Signing of the Annual Administrative resolution form, approved and adopted by the President and Secretary
- Appointing permanent general counsel for District
- Building relationship with Wellington and Timnath
- Receive and review insurance quotes from Flood & Peterson Insurance Company
- Invite Marty Heffernan back to answer questions the Board has about the memorandum he left with the board today.

Proposed Agenda Items for next meeting

Review of the Intergovernmental Agreement with the City of Fort Collins
Indemnify one another
Return of Disclosure Statement
Interim Budget

EXHIBIT A

Text Copy of Brenda Carns Power Point Presentation

Library Use Has Increased Dramatically
2000 - 2005 Library Circulation and Budget Compared with Growth in City Population

The November 2007 Ballot Measure
Established a 3 mill property tax
Created new governmental entity with governing board
Current revenue projections are \$6,198,088.58 minus 2% County administrative fee

And created district boundaries as:

PSD + City's growth management area
Excludes Wellington, Red Feather Lakes Library District & Estes Valley Lib. Dist.
The New Library District Governing Board of Trustees:
Oversees Budget and Capital
Sets Policy
Hires Director to supervise staff and operate the library

Ballot Language Provides Funds For
Restored services cut in recent years
Increased hours of operation
New services delivered outside the City
Support services formerly provided by City
Improvement of the collection and programs offered
Operation of a new Southeast Branch
Restoration of Community Bookdrops
More programs such as storytimes

District Checklist for New Library Districts Provided by Colorado State Library

Hire an attorney
Adopt "Intergovernmental Agreement" with city/county to include:
Buildings (and contents)
Building and Grounds Maintenance
Accounting
Transfer of employee benefits (accrued retirement)
Employee administration
May ask city to continue for a period
May Outsource or bring all or part in-house
Appointment procedure for board of trustees
Insurance responsibilities
Review and adopt Bylaws
Review and adopt Library Policies
Develop Purchasing Policy
Contract with Library Director

Other Important Tasks Unique to FCRLD

Negotiate IGA with FRCC
Adopt Budget for submittal to DOLA
Conduct cost analysis of contractual services currently received

Statutory Intergovernmental Agreement (IGA)

Formed after Trustees selected and ratified
Formed between the City, County and Library Board
Must be effected within 90 days

City IGA Will Address

Use, lease or ownership of library buildings and personal property

Agreement with Front Range CC
New branch library

Use of Library Impact & Building on Basics Library Technology money
IGA Continued...
Use of Poudre Creamery site for future library
Provision of any support services

Risk Management and liability issues
Transition of library employees from the City to the District

City Staff Recommendations
Library services continue as a City operation
Until the IGA is signed
City will be reimbursed when property tax revenue is available, April 2007
Current support services provided for all of 2007 without charge
Allows for smooth and successful transition
Provided by current staff
Included in 2007 budget

Proposed Expansion: Southeast Branch
Located within the retail development at Harmony and Ziegler Roads
16,000 sq ft. space on the 2nd floor
Centrally located in an attractive building
Benefits of Current Plan
Bayer Properties to build and provide infrastructure
Parking
Roads
Utilities

City Thinking Thus Far...
City will pay the cost for the building shell and finish the interior
City will own the 2nd floor space and lease to the library district
City IGA specifies use of the space for a library

City Thinking about Funding for Branch
Construction funding provided by library impact fees
Operations paid by the District
Issues that need to be addressed?