

**Minutes of the Fort Collins Regional Library District
Board of Trustees - Regular Meeting**

**May 7, 2007
4 p.m.**

**Main Library – Ben Delatour Room
201 Peterson**

FOR REFERENCE:

PRESIDENT:	Mary Robertson	217-9213
VICE PRESIDENT:	Mike Liggett	493-0361
LIBRARY DIRECTOR	Brenda Carns	221-6670
ADMIN SUPPORT:	Cynthia Langren	221-6526

BOARD MEMBERS PRESENT:

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

ABSENT:

None

LIBRARY STAFF PRESENT:

Tova Aragon
Lu Benke
Carson Block
Brenda Carns
Pamm Clements
Ken Draves
Lynda Dickson
Cynthia Langren

OTHERS IN ATTENDANCE:

Annie Fox, FRCC
Joseph Montalbano, Architect
Kim Seter, Attorney
Jane Thompson, League of Women Voters
Chuck Seest, City of Fort Collins
Steve Seefeld, City of Fort Collins
Marty Heffernan, City of Fort Collins

1. CALL TO ORDER

The meeting was called to order by President/Trustee Robertson at 4:07 p.m.

2. DECLARATION OF A QUORUM

Trustee Robertson declared a quorum of the board.

3. ADDITIONS TO THE AGENDA

None

4. APPROVAL OF MINUTES (April 16, 2007)

There was a motion by Trustee Kalkowski to approve the special meeting minutes of April 16, 2007 as presented. Trustee Bodenhamer seconded the motion. The motion carried by a unanimous vote.

5. PUBLIC COMMENT

None

6. FINANCIAL REPORT – *John Knezovich*

Trustee Knezovich reported that it wouldn't be until May 10 that the District would get their property tax check. Currently the District has earned \$12,000 in interest through the end of April from all the money that was invested from the tax collection. The District currently has \$2,330,000 in their account at the City of Fort Collins.

Trustee Knezovich noted that the County Treasurer has been deducting monies out of the monthly checks. In addition to a 2% administrative fee charged by the county, another 2% of the District's revenues from the 3 mill levy is being funneled into tax increment financing. One district that is probably collecting those tax increment monies is the Downtown Development Authority (DDA).

Trustee Knezovich will contact Steve Miller to confirm how much gross property taxes the District is supposed to collect.

7. DIRECTOR'S REPORT

Ms. Carns introduced her new Administrative Assistant, Cynthia Langren. Trustee Robertson requested that Ms. Langren start including her contact information on the Board's list.

Ms. Carns referred to the updates she included in the packets and briefly went over them. Topics included: the Library Park Condos and the potential impact to parking around Library Park; Main Library Maintenance Items; Elevator and ant problems at Main; Library Metrics (peer library comparisons); and Updates on Circulation, Library Systems Administration and Children's Services.

Ms. Carns will begin providing library circulation, door count and holdings statistics on a monthly basis.

8. COMMITTEE UPDATES

a. HR Committee – Trustee Gard

Trustee Gard reported that the subcommittee has had several meetings so far. They recently met with Mountain States Employment Council (MSEC) who came very highly recommended. The HR committee recommends that the district go forward with pursuing a membership with them at a cost of \$4,200. MSEC will supply survey information tailored to the needs of the District. There is a training manual that lists manager and personnel training, which is available in the library's administration office.

Trustee Kalkowski moved to proceed with a membership as soon as possible, because there are some other initial services that will help the board such as personnel policies that the board can tap into quickly. There was a second by Trustee Gard.

Discussion on the motion:

Bodenhamer: So primarily, the foundation of services they provide would be Human Resources and Legal, correct?

Gard: They do survey information on salaries and they would shepherd us through the legal process for both the employee and the employer on personnel issues.

Bodenhamer: So it's primarily replacing services offered by the City in terms of the HR department?

Kalkowski: Not entirely. They will help us develop policies.

Gard: They're like a resource and referral bank. They can help with things like job descriptions and benchmarks and such.

Liggett: Kim, are you familiar with them?

Seter: Yes I am. Rangeview uses them, Arapahoe uses them and Jeffco uses them.

Liggett: Do you know if the membership is a calendar year or a year from the time we enroll?

Kalkowski: I believe it's a year from when we enroll.

Trustee Robertson called the question and the motion carried by a unanimous vote, 7 – 0.

Trustee Gard reported that the HR committee is visiting the Weld County Library on Wednesday and there is a meeting scheduled next week with ICMA, who handles retirement benefits.

She added that if anyone is interested in joining the American Library Association or the Colorado Association of Libraries, she is happy to share the information she has.

b. Marketing/PR Committee Update – Trustee Bodenhamer

Trustee Bodenhamer reported that the committee has been meeting with IT department staff regarding the web page. Trustee Viscount is going to serve as the point person for the web and collectively, the board. In other words, his approvals to Peggy serve as approvals of the board.

The committee also met with other staff and Library Management Team (LMT) staff members and the common message heard was basically the dire need in staff levels; the work that existing staff is doing and getting the many vacant positions approved and filled.

The committee heard very loud and clear that to postpone hiring of the communications person creates a lot of continuing and increased workload for a lot of people as well as a lack of coordination and ultimately getting things done. The committee heard that that need is huge and that waiting can create not only more of a problem, but it's also just a very difficult place in which to work.

Trustee Bodenhamer stated that she met with Kelly DiMartino in the City's Communications office on a few issues. One issue is that her staff is working on an interim visual ID for the District. At this point, it's still necessary to use the City logo on print material, but they are working on growing towards a district. DiMartino will have some things for the committee to look at visually that will convey that the District is happening and that good things can be expected.

Another topic that was discussed during their meeting was the process for Request for Proposals (RFPs) from marketing companies to come together and talk with the board about what a package would look like in terms of a new logo, possibly a new name, and a new website; basically a new branding package.

9. LEGAL REPORT

Mr. Seter stated that the report before the board is the format in which they can expect to receive all future legal reports.

Of special note, Mr. Seter referred to page 6, item H. and explained this task in more detail. Mr. Seter stated that he will talk to Larimer County about this issue once this Board indicates he should do so.

Mr. Seter stated that another concern is that there aren't any maps of these districts and there is really nothing in the statutes that requires that a district have a map. Ms. Carns and Mr. Seter have discussed this issue and agree that one should be done for this district first, then go to the State and let them know that every district really should have one.

After a brief discussion about getting a map done, it was agreed that under state statute, the county assessor has an obligation to correctly assess tax bills and it might be Mr. Miller's problem more than the District's.

Mr. Seter reported that he received a copy of the City's resolution forming the District, which contains a provision that says its approval is conditioned upon the County adopting a resolution. He contacted the County who said that they had not done so yet. Mr. Seter drafted a resolution and is working on getting it into the County's process as quickly as possible.

Trustee Liggett moved to authorize Mr. Seter to go forward with the mandamus action to accurately describe the boundaries of the district. There was a second by Trustee Viscount. The motion carried unanimously, 7 – 0.

10. OLD BUSINESS

None.

11. NEW BUSINESS

a. Southeast Branch Plans

Mr. Montalbano introduced himself and stated that he is working with Allard-Lingle Architects on the SE branch library. Mr. Montalbano then gave an electronic 3-D presentation showing the proposed floor plan of the new library.

Mr. Heffernan stated he has two topics to discuss with the board. One is the funding issue associated with the branch library and the other is to talk about the Intergovernmental Agreement (IGA) and a proposal to consider an interim agreement. The magnitude of the issues that need to be resolved on a permanent basis probably can't be resolved within the next month.

A third topic Mr. Heffernan would like to cover is how to fund continuing operations in 2007 and if the City is going to provide those operations because there are only enough city funds budgeted for the 1st quarter.

City staff went to City Council in early March and requested they appropriate \$5.5M for branch construction. This amount was believed to be sufficient to construct the branch library project in partnership with Bayer properties and to put all the books and materials in the facility. Of that amount, Council provided City staff with sole source authority to contract directly with Bayer Properties' contractor to build the core and shell of the facility. The cost is \$1.5M more than what it was thought to cost initially.

Staff went to Council to keep the project on track, prior to really having reliable cost estimates or a design to the point where it was really known what staff would be faced with.

Unfortunately, staff has learned that there's a shortfall of approximately \$1.1M on the project. The core and shell estimate is short about \$700,000. He said that there are two options. One is to cut back on the project; or, the City can find additional money and hopefully Council will appropriate that money. This question goes to Council on May 15. Mr. Heffernan stated that he would like to go forward with the Board of Trustee's approval and support for the staff recommendation to appropriate more money.

Mr. Heffernan stated that there are available funding sources to manage the \$1.1M problem. Staff's recommendation is to not cut back on what we're intending to build, basically what Mr. Montalbano just showed the BOT. He stressed that there really aren't any easy cuts remaining that could be made. Since there is money to make up the difference, staff feels this is the better approach. The money would come from three different sources:

- 1) Impact fee money – there is more than we thought.
- 2) Reserves in the Library budget (up to 2006) of \$339,304.
- 3) Donation Reserves

Trustee Knezovich said that he lauds the efforts that Heffernan and other City staff are making and said that it appears that the City is in the process of collecting about one-quarter million dollars in Impact Fees. Theoretically, as part of the IGA, the district is going to ask the City to continue to collect Impact Fees. He asked if the district can anticipate collections of Impact Fees and add another \$170,000 of Impact Fees coming in for the rest of this year and anticipate next year's one-quarter of a million dollars and devote those resources to either current problems at the library or other enhancements that inevitably come up in the

construction process or if Mr. Heffernan thinks that these monies should be reserved for the other unexpected things that haven't been talked about yet?

Heffernan stated that this is a good question. The difficulty with Impact Fees is that it can't be predicted with regularity how much there will be because they're based on new residential construction. Secondly, the City's purchasing requirements won't allow the use of anticipated revenues that aren't currently collected to fund a current construction project. If additional funding comes in over the course of this year and into next year that will produce additional revenue that could later be appropriated by the Council for additional needs that the project could have.

The Board discussed the SE Branch funding issue and agreed to support staff's recommendation. ***There was a motion by Trustee Viscount to request City Council to appropriate an additional \$1.1 million for the branch library. That funding would come from the sources spoke of earlier and also to increase the sole source authority and use Bayer and their contractor to build a core and shell up to \$2.2 million. There was a second by Kalkowski. Trustee Knezovich recommended that the Board send a letter of support on behalf of the BOT to City Council. Trustee Robertson called the question and the motion carried by a unanimous vote, 7 – 0.*** Trustee Kalkowski stated that she would attend that Council meeting and suggested that others attend as well if possible.

Mr. Heffernan stated that with regard to the IGA, Mr. Seter was able to get City staff a copy of the draft IGA last week. Mr. Heffernan said that there are a number of issues that will need to be discussed and negotiated with City Council. Much of it has to do with ownership issues with regard to the Main Library. Mr. Heffernan stated that his recommendation and that of the City Manager and City Attorney is to consider adopting an interim IGA for the rest of the year that would be in accordance with the draft IGA's proposal that the City continue library operations for the rest of the year. Essentially, that the District pays for that and that everyone will work diligently to resolve those issues and have a permanent IGA in place, hopefully by December 1, and then operations would be turned over to the District the first of next year.

Heffernan would like to include this item at the May 15 Council agenda as well if the Board approves. Mr. Heffernan pointed out that the City Manager does request that the district pay for support services costs for this year. His reasoning is that it's a General Fund expense to the City and the City is hurting for money. The actual expenses associated with providing library services for this year is simply utilities, custodial, and

maintenance expenses for the building. The rest of it is HR, payroll, risk management expenses, etc.

Trustee Knezovich expressed a concern with the interim agreement that the City of Fort Collins operates the library, but the BOT runs the library. He stated he has some hesitancy by signing an interim IGA that somehow the City believes it has greater control than it does. He added that he would like to have it clarified in the interim agreement that the City may be operating the library, but the BOT is running it.

Trustee Liggett stated that he understands the concern, but also doesn't want the BOT to forget that it is the citizen's who own all of it. Perhaps Trustee Knezovich's concern could be addressed in the "whereas" clauses in the beginning of the agreement where the transition is addressed.

Mr. Heffernan stated that he agrees that everyone is working together for a common purpose, which is to provide great service. He also said he needs to be clear that under this proposal, Library staff will be City employees. Ms. Carns will still report to Mr. Heffernan who reports to the City Manager. He also stated that if this board wants to accomplish something, staff would bend over backwards to do that. If anything that is politically sensitive does come up, Mr. Heffernan will need to run that through his superiors and if something came up that the board wanted to do and the City didn't, then that would have to be talked through, which would be true under whatever IGA was in place until the transfer occurs anyway.

There was a discussion about whether or not to move the due date up for the interim IGA to cease and the final one to take effect. In conclusion, it was agreed that Mr. Heffernan and Mr. Seter will get together to discuss the specific language along with Trustees Liggett and Kalkowski.

Mr. Heffernan stated that there is one more issue to take to Council and that is the funding of the library operations through the end of the year. Trustee Knezovich stated that there is \$3.8M in the base budget and the Library District will reimburse the City as those costs go forward. The District will be involved in future staffing levels and are in agreement that the District will reimburse the City as part of those costs. The board is prepared to reimburse the City, to a degree, for overhead costs. Trustee Knezovich will send a detailed email to Mr. Heffernan to clarify this issue.

Mr. Seest agreed to send a detailed breakout of the support services to the BOT.

b. Board Communication Policy – Mary Robertson

Trustee Robertson stated that this draft communication policy was put together from a variety of other districts so the board can clarify how they want to establish communication flow and understand their role. *Trustee Robertson moved to recommend approval of the draft Board Communication Policy as presented. There was a second by Liggett.*

Discussion on the motion:

Trustee Viscount expressed his concern with the wording of item #7. After a brief discussion, the BOT agreed that #7 will now read as follows: **The Library Director shall address all operational issues that can be addressed without Board approval or authorization.**

Trustees Robertson and Liggett accepted the new wording as a friendly amendment. The question was called and the motion carried by a unanimous vote, 7 – 0.

c. Schedule Board Retreat – Brenda Carns

Ms. Carns stated that she contacted Ms. Patricia Froehlich, who is willing to come and join the board for a half-day retreat, and for the second half of the day, staff could do presentations. The purpose of having Ms. Froehlich come is to get the board grounded in libraries, i.e. the issues and policies around libraries.

The board agreed that they would prefer a half-day retreat with Pat Froehlich only and that they would meet at Home State Bank on Mountain Avenue. Ms. Carns will get some dates from Ms. Froehlich and get back to the board. The BOT prefers to meet from approximately 9 a.m. to 1 p.m. on a day during the week.

There would then be a second retreat, phase 2, for the BOT to do strategic planning for the Library District. Trustee Robertson stated she would recommend an executive committee plan the content and outline the process that the BOT would like to go through for this particular retreat.

12. EXECUTIVE SESSION

There was a motion by Trustee Bodenhamer and second by Trustee Liggett to adjourn into Executive Session at 6:25 p.m. The motion carried unanimously, 7 – 0.

Trustee Gard moved to exit out of Executive Session. There was a second by Trustee Knezovich. The motion carried unanimously, 7 – 0.

The Board returned to open session at 7:25 p.m. Trustee Robertson announced that no action had been taken during the executive session.

Trustee Gard moved the Board to approve the Tier 2 hiring positions shown on the Revised Hiring Plan that was distributed during the meeting. Trustee Bodenhamer seconded the motion.

A discussion followed concerning the need to include the Tier 1 hires and whether they had been previously approved.

Trustee Knezovich moved to amend the motion to state that spending for the positions approved in the past and now being approved shall not exceed \$225,000.00 including salary, costs and benefits for the remainder of the year. The proposed amendment was accepted by Trustees Gard and Bodenhamer.

The motion was unanimously approved as amended.

13. ADJOURN

Trustee Liggett moved to adjourn the regular meeting of the Fort Collins Regional Library District Board of Trustees at 7:30 p.m. There was a second by Trustee Viscount and the motion carried unanimously, 7 – 0.

Respectfully submitted,

Cynthia Langren
Executive Administrative Assistant

Michelle Kalkowski
Secretary