

**BOARD OF TRUSTEES  
PIERCE COUNTY LIBRARY SYSTEM  
REGULAR MEETING, MAY 14, 2008**

**CALL TO ORDER**

Chair Allen Rose called to order the regular meeting of the Pierce County Rural Library District Board of Trustees on May 14, 2008, 3:33 pm. Board members present were Paul Chasco, Eugene Matsusaka, and J.J. McCament. Budd Wagner arrived later.

**PUBLIC COMMENT**

There was no public comment.

**CONSENT AGENDA**

1. Minutes of the April 9, 2008 Regular Meeting of the Board of Trustees
2. April 2008 Payroll, Benefits and Vouchers in the total amount of \$2,068,877.04
  - a. Payroll Warrants 2666 dated 03/26/08 in the amount of \$2,296.37
  - b. Payroll Warrants 2667 – 2679 dated 04/07/08 – 04/21/08 in the amount of \$4,334.24
  - c. Payroll Disbursement Voucher dated 04/07/08 in the amount of \$532,470.89
  - d. Payroll Disbursement Voucher dated 04/21/08 in the amount of \$538,142.83
  - e. Accounts Payable Warrants: 602454 – 602862 dated 04/04/08 – 04/30/08 in the amount of \$991,632.62
3. Resolution 2008-03: Declare Furnishings and Equipment Surplus to Public Needs

Mr. Matsusaka moved for approval of the consent agenda. Mr. Chasco seconded the motion and it was approved.

**BOARD MEMBER REPORTS**

**J.J. McCament:** Ms. McCament complimented Pierce County Library staff for their excellent and diligent work on the Pierce County READS project. It was highly successful and really showcased the library system.

**OFFICER REPORTS**

**55+ Summit:** Georgia Lomax reported that 200 people attended the summit. Cindy Bonaro will present a report at the next regular Board meeting.

**Security Breach:** Cliff Jo reported that on May 9<sup>th</sup>, staff at the Lakewood branch discovered that a patron had hacked into the PCLS system and accessed a file containing confidential employee information. The 2001 file contained the names and social security numbers of current (128) and former (80) employees with Regence health insurance. They were contacted immediately and given information on how to protect their identity from theft. Security measures are being taken to stop any future incursions and protect information. Meetings have been held with the union and information is being shared broadly with staff. As yet, there have been no verifiable incidents of attempts on identify theft or credit usage. Mr. Wagner asked if the library were paying for the staff credit monitoring costs. Mr. Jo reported that he had contacted the state auditor who is seeking guidance on the issue as there may be a conflict related to the use of public funds. Ms. Lomax commended Cliff Jo and the Human

Resources staff for responding to quickly to the issue and working through the weekend to locate and contact affected persons.

**Capital Facilities Plan:** In the near future, the library intends to release a RFQ for a consultant to create a Capital Facilities Plan.

**2007 Community Activities:** The Board had been sent a list of staff community involvement efforts in 2007. She noted that library staff are committed to community involvement and she hoped the list really captured all the efforts. She asked if the Board wished her to continue generating the annual list. The Board indicated it would like to continue receiving such a list, but would also like to see the criteria used in why staff become members of particular organizations and levy of activity.

**2008 Balanced Scorecard:** Georgia Lomax briefly presented the 1<sup>st</sup> quarter report of the Balanced Scorecard, showing an assessment and measurements of how goals are being met. The second report contains statistics related to the impact of the levy implementation. The 3<sup>rd</sup> report contains major initiatives being undertaken to meet the library's objectives. Ms. McCament asked for some time on a future agenda to discuss Community Outreach Services. Mr. Chasco asked that at the next meeting, the Board be given a 10-minute refresher course on the Balanced Scorecard.

**Homeless Project:** The News Tribune recently ran an article about a homeless encampment near the Summit Branch library. Chair Rose noted that the camp is located in the wooded area next to the Rite Aid store.

**Pierce County READS:** Mary Getchell presented updated information about the scope of effort by Pierce County READS community partners. She noted that partners have indicated interest in next year's campaign.

## UNFINISHED BUSINESS

**1. University Place Project:** Bob Wagoner, Architect and Pam Lund, Interior Designer, presented design development plans for the University Place Branch Library. Ms. Parikh noted that Mr. Wagoner has been working with the library since the beginning of this effort, almost 5 years.

*Design Development:* Mr. Wagoner noted that last December, the Board approved the schematic design phase. Using design boards, he reviewed the layout of the branch, including the atrium at the entrance. The public areas are focused on the east side of the facility where the windows are located. Inside the entrance, is the high activity area with moveable shelving, with defined lighting to highlight the area. The children's area is to the left of the entrance and the meeting room and reference area to the right of the entrance. The teen area is adjacent to the window area and the PC area is in the middle. A loading elevator, bookdrop and rear service entrance are on the Drexler side. There is a 3-story parking garage under the building.

He reference specific architectural features, such as the large bay window, high floor to floor area separating the library and city hall above, allowing interesting design of the ceiling heights (11', 14' and 22') for public spaces, and clerestory windows. Wave forms (special acoustic bands) are being placed in order to visually define areas and to provide further acoustical control to contain noise in specific areas. Lighting and mechanical issues are being discussed.

Mr. Chasco asked if the city had allocated funds for art. Ms. Parikh noted that the city decided to expand a deck from their city council chambers. The design shrunk the clerestory windows by 8 feet. Ms. Parikh expressed her concern that this reduced natural daylight and unhappiness by the light reduction, particularly in the children's area. Mr. Wagoner noted that there was a budget of \$35,000 for skylights, however, the city facility now covers most of the library and a skylight is impossible, so those funds may be used to provide a 'light element' in the children's area.

The Board expressed their distress that such a decision was made without the library's input or consideration of the negative impact on the library facility. Chair Rose was asked to send the city a letter expressing the Board's concerns and asking that care is taken to avoid future situations, particularly since the library is now in advanced design development stage.

Ms. Lund introduced the materials and textures that will be used for the interior design. The teen and children's area will be defined differently than the rest of the library. There will be hard surface flooring in the self-check out and desk area. A lot of the elements include sustainable materials: bamboo and recycled materials. The interior design theme is earth colors, using as many green elements as possible. It was necessary to create an entry that has a retail flavor and then creation of unique areas reflecting the purpose of the area (such as teen area, children's area). Library staff has participated fully in the development of the plans.

Mr. Chasco asked who was responsible for designing the atrium. Mr. Wagoner noted it was the city's responsibility. Mr. Wagoner responded that the city will be using a great deal of bamboo, but hasn't yet decided on flooring. Mr. Wagoner wants to ensure that there is continuity between the atrium and the entrance of the library. All interior elements have been certified as meeting LEED standards. In response to noise questions from the teens and children's area, Ms. Lund noted that some acoustic material will be used with a lower ceiling in the area. A quiet lounge area moved further away from the teen section.

Mr. Wagoner distributed a signage plan developed by the city's consultant. The library will integrate into the city's plan, using metallic lettering on glass. There will be signage at the entrance and side of the library, and on the Drexler side as well, so that it is visible from Bridgeport.

Ms. Parikh reported that an operating agreement for the atrium, a condominium agreement and a lease agreement will be developed. Chair Rose stated that he wished a joint city/library committee be formed to make decisions on the uses and activities allowed in the atrium area.

Ms. McCament moved for approval of the Design Development phase as presented on May 14, 2008 and further, to authorize moving to the construction documents phase, with expectation that the signage plan will be resolved and approved by library staff by the time that the construction documents are completed. Mr. Chasco seconded the motion and it was adopted.

*PCLS Expenses for Project:* Ms. Lomax presented the budget for facility enhancements for University Place library enhancements that will be funded through the capital improvements fund and the University Place Capital Campaign.

Mr. Chasco moved to authorize \$272,000 from the capital improvements fund to finance improvements for the University Place branch, as outlined in the core and shell budget document presented on May 14, 2008. Mr. Matsusaka seconded the motion and it passed.

*Capital Campaign: Update:* Lynne Hoffman, Development Director, was pleased to report that Karen Bellamy made a \$100,000 pledge for the fundraising campaign, \$50,000 of which is an outright gift and \$50,000 to be used as a match gift. Ed and Betty Larson made a gift of \$10,000 to match. \$215,000 has been raised to date for the University Place library.

*Agreement:* Ms. Parikh reported that the agreement with the city has been signed and includes all the items discussed during the last Board meeting. Ms. Parikh attended a city council meeting to respond to questions.

**2. Fife Annexation: Possible Agreement Points:** Ms. Parikh distributed a revised City of Fife Agreement Outline. She reported that Steve Worthington, Fife City Manager, indicated that the city council is interested in taking the annexation question to the voters in November.

Attorney Dan Gottlieb joined the discussion via telephone. Mr. Gottlieb's firm has done bond counsel legal work for the City of Fife and municipal and public finance related work for the Pierce County Library System. Mr. Gottlieb would be acting as counsel for the library in its relations with Fife and he believes it would not create a conflict of interest. He requested that the library sign a statement indicating its understanding of the matter and to waive any concern regarding a potential conflict of interest. He assured the Board that his firm only works on bond-related issues for Fife and it would not prevent him from zealously representing the library.

Ms. McCament moved to authorize signature of the Waiver of Potential City of Fife conflict of Interest letter. Mr. Chasco seconded the motion and it passed.

In discussing a possible annexation agreement with the City of Fife, Mr. Gottlieb noted that he did not see any risk to entering into an annexation agreement with the City of Fife for provisions of services before tax revenue has been received. Mr. Chasco stated that it was good business to set out the expectations in writing for both parties in order to protect the interests of all parties, and commits actions by both parties. It also has the advantage of demonstrating the library's good faith to the voters.

Ms. Parikh reviewed a timeline of activities to take place if the annexation is approved during the November 2008 election. PCLS would provide library cards and Outreach services to Fife before the tax revenue comes in 2010. There are two concepts for the city to consider: 1) open a branch in September 2009 in leased space before revenue is received, with operating expenses or 2) open a branch in leased space in January 2010 when revenue is received. PCLS and City of Fife would work jointly to plan for a future permanent facility. If a capital facilities bond passes, the library would build a permanent facility in Fife of at least 5000 sq. ft.

Ms. Parikh noted that the City of Puyallup would lose non-resident revenue as Fife residents would be able to use Puyallup Public Library branch at no cost. Mr. Chasco asked if there would be any negative impact on current services if we began to provide bookmobile and Outreach services in January 2008. Ms. Lomax said that it would not negatively impact any current services, although staffing may need to incrementally increase. There would be an immediate fiscal impact to the library's capital improvement fund, but library staff feel it would be a good long-term investment for the library. Ms. Parikh noted that it would place limits on other projects included in the capital improvements plan.

Cliff Jo reported that in the long term, revenue from Fife will exceed the expenditures to run the facility. The Board reviewed a cash-flow analysis, including planned expenses for University Place and potential purchase of property for parking expansion at Peninsula Branch. Over a five-year period, the library will recover the upfront costs to provide service prior to receiving revenue. The capital fund would be reduced resulting in a need to borrow in order to pay bills the first few months of 2011 and 2012. The six-year sustainability of the levy projects remains firm. \$1.2 million would need to be removed from the capital fund to establish a branch in Fife in a leased facility. Mr. Chasco suggested that the library investigate issue council-manic bonds with a pay-off date to be set for receipt of revenue from Fife. Mr. Jo will report back to the Board.

Mr. Chasco moved to enter into discussions with the City of Fife to complete an agreement with respect to timeliness and actions as outlined on the City of Fife Agreement Outline reviewed this date. Mr. Matsusaka seconded the motion and it passed.

**3. Tacoma Public Library Reciprocal Borrowing:** Ms. Parikh reported that the proposed pilot project agreement had been reviewed by the library's attorney and no concerns were noted.

Ms. McCament moved to approve the Tacoma Public Library Pilot Reciprocal Borrowing Agreement. Mr. Wagner seconded the motion and it passed.

**1. Financial Reports:**

*2007 Year-end Financial Report:* Revenues came in at .77% over budget. Delinquent property taxes collected is significantly less than anticipated (\$523,000 less), but offset by nearly \$198,000 in on-time payments. Delinquent tax payments are following the downward refinancing trend of real estate in Pierce County. Making up for most of the next loss of about \$300,000 are additional revenues from private harvest tax, interest, fines and sales of fixed assets.

Total expenditures came in under budget by \$2,229,761, a 9.41% decrease from the original 2007 budget. Personnel savings were \$2,378,964 due to open hours occurring in June, unfilled positions and implementation of the classification and compensation study in 2008. The materials collection in 2007 was 16.27%, exceeding the 16% goal. The e-rate refund expected in 2007 will be received in 2008.

Regarding the capital fund, there was a lot of activity last year for repairs, furnishings and equipment for new staff. The 2007 budget for capital improvement fund expenditures was \$2,195,101 and total expenditures amounted to \$1,871,841. Some projects were carried forward into the 2008 capital improve fund. There is currently \$1,596,679 in the capital improvement fund. Mr. Jo noted that a project accounting project is underway which will allow better tracking of projects.

*2011 Cash Forecast:* Mr. Jo reported that factoring in all revenue and expenditures, the library will be able to increase the end fund balance by \$3.73 million. \$60,000 will be held to fund future levy lid elections. Unused cash is invested and the library receives about a 3% interest return.

**2. Capital Improvement Projects: Requested Changes:** The Steilacoom branch main compressor failed and it was recommended that the entire unit be replaced, using funds that had been allocated for drainage problems at the Buckley branch. The unit had been scheduled for replacement in 2010. The Buckley drainage project would be reduced in scope and completed by the maintenance staff from the repair maintenance budget.

It was also requested that funds designed for a roof replacement and duct work at the Sumner Branch be used instead to replace the roof of the Parkland/Spanaway branch. The City of Sumner is not prepared to fund their portion of the Sumner project at this time.

Mr. Wagner moved to accept the staff recommendations in respect to capital improvement projects as outlined in the May 1, 2008 memo. Mr. Chasco seconded the motion and it passed.

**3. Art Donation to Orting Branch:** David Kennicott introduced Alexa Eccles, the Managing Librarian for the Summit and Orting branches. Ms. Eccles was pleased to report that the Orting branch was the recipient of a bequest from Ms. Winifred Henry. In keeping with Ms. Henry's interests, Orting library staff recommended the bequest be used to create a piece of glasswork art in her memory. Local artist, Doug Fillbach, was commissioned to create the piece. Artist Doug Fillbach presented representations of the artwork, intended to showcase the natural beauty of the Orting Valley through depictions of mountains, rivers, trees and salmon. Mr. Fillbach's glasswork art pieces have also been installed in the Summit, Graham, Sumner and Steilacoom branches. The bequest was for \$3,700 and Mr. Kennicott noted that Mr. Fillbach has always produced high quality pieces at a reduced cost for the library. Mr. Fillbach described his life-long association with and appreciation for libraries.

Mr. Wagner moved that the Pierce County Library System graciously accept the proposed artwork for the Orting branch. Ms. McCament seconded the motion and it passed.

**ANNOUNCEMENTS**

Chair Rose reported that the person arrested at the Lakewood Branch several months ago had been convicted and will be sentenced shortly.

Mr. Chasco requested a three year staffing snap-shot of staffing to see what the changes have been and the demographics of staff.

**ADJOURNMENT**

The meeting was adjourned at 6:25 pm on motion by Mr. Wagner, seconded by Ms. McCament.

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Secretary

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Chair