

**BOARD OF TRUSTEES
PIERCE COUNTY LIBRARY SYSTEM
REGULAR MEETING, MARCH 12, 2008**

CALL TO ORDER

Chair Allen Rose called to order the regular meeting of the Pierce County Rural Library District Board of Trustees on March 12, 2008, 3:34 pm. Board members present were J.J. McCament, Eugene Matsusaka, and Budd Wagner. Paul Chasco was excused.

PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

1. Minutes of the February 13, 2008 Regular Meeting of the Board of Trustees
2. February 2008 Payroll, Benefits and Vouchers in the total amount of \$1,980,382.87
 - a. Payroll Warrants 2652 - 2658 dated 02/06/08 – 02/21/08 in the amount of \$550,045.84
 - b. Payroll Disbursement Voucher dated 02/21/08 in the amount of \$471,619.77
 - c. Payroll Disbursement Voucher dated 21/21/08 in the amount of \$491,082.60
 - d. Payroll Disbursement Voucher dated 02/21/08 in the amount of \$477.84
 - e. Accounts Payable Warrants: 601747 - 602062 dated 02/01/08 – 02/29/08 in the amount of \$928,539,68

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

BOARD MEMBER REPORTS

J.J. McCament: Ms. McCament reported that she had attended the Pierce County READS breakfast, “Mentoring, Networking, Learning – Puget Sound’s Women Entrepreneurs”, sponsored by the News Tribune and Key Bank. Approximately 150 – 200 people attended. It was an exciting event and the speakers were inspirational.

Budd Wagner: Mr. Wagner reported seeing a lot of work being done on the property next to the Gig Harbor branch and asked if library staff were aware of it. Larry McCarty said the work was commissioned by the church next to the branch to mitigate some clear cutting that had occurred. PCLS is continuing to take steps to purchase the property in order to expand the library branch and parking. A zoning change is required for expansion.

Al Rose: Chair Rose reported that he and Neel Parikh participated in a Fife City Council discussion related to provision of library services for Fife citizens. In particular, Mr. Rose and Ms. Parikh spoke to library system operational matters, services offered by Pierce County Library System and annexation requirements. Chair Rose noted that council members were concerned that the city should receive services equal to the money that residents would pay in property taxes.

OFFICER REPORTS

Library Services to Fife: Mary Getchell distributed a copy of an article from the Fife Free Press reporting on the discussion by the Fife Council related to library services. The article notes that Fife is looking for the most cost-effective way to provide such services to its residents and although appears supportive of providing library services, remains concerned that Fife residents might be paying more than their 'fair share' for such services.

Easter Sunday: Ms. Parikh distributed a talking points document regarding Easter Sunday closure of Pierce County Library System.

Early Learning Programming: Ms. Parikh distributed a flyer of a series of programs in April for parents and caregivers of young children. The programs are sponsored by Pierce County Library System, Bates Technical College and Pierce County Parks and Recreation.

Pierce County READS: Ms. Parikh further reported on the PC READS breakfast, noting the event gave great visibility for the library. She noted that representatives from Associated Ministries and Pierce College, as well as Pierce County Council member Calvin Goings, sat at the PCLS table.

Library Tax Base: Ms. Parikh reported on the library's tax base for 2008. The City of Fife is very aware of its per capita revenue and is looking at it in comparison to the library's district-wide revenue. In the district, the closest to Fife's revenue is Gig Harbor.

Comparison to Washington State Libraries: The Board had been sent a chart comparing Washington State libraries. This document was used in the presentation to Fife. The difficulty with the chart is that it doesn't reflect the 2007 comparisons since the successful levy lid lift in 2006. Ms. Parikh drew the Board's attention to the cities that could become part of the district and their 2008 revenue.

UNFINISHED BUSINESS

1. University Place Project Update:

Town Center: Mayor Linda Bird and City Manager Bob Jean presented renderings of the new proposed library/civic building. Bid documents are being prepared and portions will be bid separately so that steel can be ordered and core work will be underway quickly. The concrete contractor and forms are on site.

Mayor Bird reported that the city is engaged in a selection process between two developers for the Town Center project. She also stated that she knew about the Library Board's concern with statements about delaying the library project made by a University Place Council member. She assured the Board that the majority of council members are committed to meeting the commitment and timeline to build a library that is like for like or better than the facility that was torn down.

Mr. Jean reported that Bridgeport Way improvements will be made this summer. He also presented preliminary exterior design of the library/city hall facility and noted that library signage needs are being discussed in order to assure readily visible recognition of the library. Ms. Parikh stated that the library's design development will be completed in May.

He further reported that the design team is moving quickly and the city is beginning design development and bid preparation. Early steel and elevator bid documents will be released in April and May. Core & shell construction should be out to bid in June and construction to begin in August. Early core work will begin in a month or so and steel erection in October 2008. Ms. Parikh reported that library staff has chosen interior colors. It is becoming clear where the fundraising from the capital campaign will make a difference in providing the desired enhancements. Ms. Parikh noted that an open house will be held at the University Place branch in May to report to the public on design and progress of the new library. Board Members requested specific information on completion dates. Mr. McCarty noted that September 29, 2009 is the official substantial completion date. The board asked if there were barriers to meeting

that date, such as city financial concerns. Mr. Jean reported that he has the financial pieces worked out and was feeling very good in relation to both program components and the financing. The city will need about \$6 million to complete the city hall, in addition to existing commitments. City's finances are fine and the project is on schedule. He was asked if the library/civic building is no longer tied to the Town Center developer or Town Center financing and Mr. Jean responded that it will be a municipal project and not a developer project. The library will be the owner of the library's portion of the building. In response to a question about internal staff, Mr. Jean responded that the city has very capable people working on the project. Mayor Bird was asked how many city council members would be up for election before the building is complete and noted that four will be up for election in November 2009 and it would not affect the project. In response to a question about dedicated library parking, Mr. Jean reported that the library would own 80 parking spaces and have shared use of another 20 spaces.

Mr. Jean reported that the city will build the future expansion piece and the library will pay approximately \$120,000 a year over the next 10 years to purchase the space. In return for that, the library will own the spaces as long as the public garage is used for public spaces. If the city were to sell it, the library would retain ownership of the parking spaces. Mayor Bird noted that the Town Center project is designed to offer diversity in retail and community experiences. Community-based, neighborhood-based centers are replacing shopping malls. Mr. Jean stated that the Town Center project is a strategic move by the city to create a mix of civic/retail/office and residences to create a sense of place. Mr. Jean commended Pierce County Library and staff for having been great partners in developing ideas and establishing cost control measures.

Ms. Parikh reported that the library has received a revision of the agreement between the city and library, which includes a timeline. Mr. Jean noted that the library completion target date is end of December 2009, with a no penalty clause for a 3 month extension to March 2010. There will be financial penalties to the city if construction goes beyond March 2010. The city hopes to meet the late 2009 date. Chair Rose expressed the Board's deep concern that the city has been using different completion dates. At the direction of the city, the library has been assuring its users of the September 2009 date and now it appears the city is using a 2010 completion date. He is concerned that the library looks negligent in not meeting its promise to its customers. Mayor Bird suggested that if the board wished it, the city would use only the September 2009 date. Ms. McCament noted though, that if the date should slide and then had to be extended, it would cause a difficulty. It was agreed that the Board would continue its discussion on a completion date at a future meeting.

Mr. McCarty stated that the design development should be completed in time for the Board to review at its May meeting. He noted he was pleased with new architect and consultants and should have solid cost estimates in the next few days. LEED Silver certification is very much on target. The tenor of the project has changed to one of action.

Capital Campaign: Lynne Hoffman reported that the Capital Campaign Steering Committee continues to make contacts with potential members. Although the process takes a long time to coordinate, in the next month and a half, 'asks' will begin.

2. 2008 Legislation Relating to Libraries: Ms. Parikh reported that the legislative session will end in a few days and that she was happy to report that libraries had a successful year. The school libraries program was funded with \$4 million, the talking books initiative received \$340,000 and the digital libraries proposal received \$750,000. The School libraries initiative was a passionate grass-roots effort that began with 3 mothers from Spokane.

Ms. Parikh reminded the Board of the Tim Eyman initiative approved last year that requires performance audits on governmental agencies. King County Library System's capital projects program has been chosen for a performance audit.

3. Reciprocal Borrowing: Update:

Tacoma Public Library: During a recent conversation, Susan Odencrantz, Director, Tacoma Public Library, mentioned that she thought her Board was responding favorably to a reciprocal use pilot project with Pierce County Library System. As her Board continues to have questions about the PCLS loss rate, Georgia Lomax will supply data for them.

City of Roy: David Kennicott and Sally Porter-Smith will meet with Roy officials regarding reciprocal use between the Roy Public Library and the Pierce County Library System.

City of Enumclaw: The Branch Manager of Buckley Pierce County Library suggested to David Kennicott that the City Enumclaw be approached for a reciprocal use agreement. There is a lot of cross-use between the Buckley and Enumclaw communities. Board members agreed it was a good idea.

4. Audit: Clifford Jo distributed the 2008 budget summary document. He was pleased to report that Pierce County Library System has received 13 consecutive clean audits. An exit interview for the last audit was held on March 4th. Ms. Parikh, Ms. Lomax, Mr. Jo and Chair Rose participated in the exit interview with two state auditors. There were no findings, recommendations or management letters. The audit refers to issues from previous audits that have been corrected, and the change of accounting systems was noted.

NEW BUSINESS

1. City of Fife: As reported earlier, Ms. Parikh and Chair Rose attended a Fife City council meeting regarding provision of library services to its residents. Council members were introduced to several options, including operating its own city library and annexation to the library system. Ms. Parikh spoke to the council about the district's financial operation and services that were available. She also assured council members that a library would be located within city limits. City council members asked several questions related to facility issues, such as using a storefront and meeting room space. A number of comments and questions were related to the tax revenue the library district would receive from Fife and per capita comparisons with other cities. The city is concerned that the city will not be receiving equal value – revenue vs. cost of services received.

Ms. Parikh has had conversations with City Manager Steve Worthington, who indicated that the council is very interested in annexation, but has a couple of facility related issues it wishes to resolve. Issues included questions about a storefront facility and what could be done with it; a timeline for service and a timeline for when a permanent building would be built and its size.

Ms. Parikh noted that the Board has been talking about making service as attractive as possible to Fife. One option might be to offer to open a building, build a collection and furnish it as soon as possible after annexation occurs, prior to receiving revenue from the city. The capital facility fund is sufficient to build a materials collection and purchase furnishings for a library. Later revenues from Fife could reimburse the capital improvement fund for the expense. In response to a question, she noted that this option would cost the library approximately \$1 million and would not impact or delay other scheduled capital projects. Board members indicated that they felt this was a low-risk option.

If the annexation issue were approved by voters in the May election, Fife would go on tax rolls in January 2009 and the library would collect taxes in April 2009. PCLS could consider opening that branch before January. There is expectation by the voter that if they vote yes, they will immediately receive service. If the election doesn't happen until November, it would be 13 months before tax revenue would be received. We might have to negotiate with Fife for a contractual fee or the library could choose to open a branch without a revenue stream. In this case, the library would front the capital costs and the operational costs. The Board felt Fife should be approached and asked to share the operational costs.

Ms. Parikh noted that it was vital not to jeopardize the levy lid promises made to the public, but the library does want to serve Fife.

2. Balanced Scorecard: Ms. Lomax briefly reviewed the history of the Balanced Scorecard process for PCLS. She noted that balanced scorecard is a strategic planning tool to move things forward and show progress. One of the key things is to look at all aspects of the business, track statistics and use the information to ask in-depth questions.

The Board had received a report of 2007 balanced scorecard achievements. Ms. Lomax noted that the focus for 2007 was implementation of the levy promises. The 2008 balanced scorecard has been refined to set more realistic benchmarks and measurements and set hard targets.

Departments have developed departmental 2008 scorecards and a summary has been produced. She has noticed that the library is learning the value of the SWOT and departments are using it in setting initiatives. Some departments are using the four strategies in setting their initiatives and targets.

Key indicators show that the library is making progress in using the balanced scorecard, such as using shared language (adopted terms), seeing scorecards becoming more connected to the individual to help understand the role individuals play in success, starting to generate the questions we need to ask to assess what we're doing.

ADJOURNMENT

The meeting was adjourned at 6:04 pm on motion by Ms. McCament, seconded by Mr. Matsusaka.

Secretary

Chair