

SPOKANE COUNTY LIBRARY DISTRICT
BOARD OF TRUSTEES MEETING MINUTES: OCTOBER 21, 2014

CALL TO ORDER

The regular monthly meeting of the Spokane County Library District Board of Trustees was held Tuesday, October 21, 2014, in the public meeting room at Argonne Library, 4322 N. Argonne Rd., Spokane, WA. Chair Tim Hattenburg called the meeting to order at 4:01 p.m. and welcomed those in attendance.

PRESENT:

Tim Hattenburg - Chair
Mark Johnson - Vice Chair
Sonja Carlson - Trustee
John Craig - Trustee
Kristin Thompson - Trustee
Nancy Ledeboer - Executive Director and Secretary

EXCUSED:

None.

Guests: Roy Koegen, Attorney, and Debbi Haskins, Paralegal, of Kutak Rock LLP, Carol Lawson, Lori Burns, Vanessa Judd, and Barbara Lund.

Also Present: Kathy Allen, Library Supervisor; Jane Baker, Communication & Development Officer; Mary Ellen Braks, Library Services Manager; Rachel Edmondson, Librarian; Paul Eichenberg, Chief Human Resources Officer; Tammy Henry, Librarian; Patrick Roewe, Deputy Director, Library Services; Bill Sargent, Chief Financial Officer; Andrea Sharps, Deputy Director, Collection Services; Doug Stumbough, Deputy Director, Library Operations; Cindy Ulrey, Librarian; and Patty Franz, Administrative Assistant.

AGENDA APPROVAL

Mr. Hattenburg moved and Mr. Johnson seconded to approve the agenda.

The motion carried unanimously.

ACTION ITEMS

APPROVAL OF SEPTEMBER 16, 2014, REGULAR MEETING MINUTES

Mr. Hattenburg called for corrections to the September 16 regular meeting minutes. There were no corrections; the minutes stand approved as written.

APPROVAL OF SEPTEMBER 30, 2014, SPECIAL MEETING MINUTES

Mr. Hattenburg called for corrections to the September 30 special meeting minutes. There were no corrections; the minutes stand approved as written.

APPROVAL OF SEPTEMBER 2014 BILL PAYMENT VOUCHERS

Mr. Hattenburg moved and Mr. Craig seconded approval of bill payment vouchers for September 2014.

Fund

L01	Voucher numbers: 46749 through 46896 and W00200-W00204 totaling	\$ 528,302.72
	Payroll numbers: 09102014PR and 09252014PR totaling	\$ 356,940.72
	Total	\$ 885,243.44

In response to Trustee Craig's question about payments for collection agency services, Ms. Ledeboer explained the District pays a flat fee for every account referred to the collection agency service. We receive an accounting of the amount recovered, which includes the value of materials returned. Overall this service is revenue neutral.

The motion was unanimously approved.

UNFINISHED BUSINESS

LIBRARIES TRANSFORMING COMMUNITIES (LTC) PROJECT UPDATE. Along with a written report provided in advance of the meeting, Mr. Roewe provided a handout on narratives from community conversations held at Staff Day, September 26, and the Board of Trustees and Leadership Team Retreat, September 30. The LTC Team has a goal of conducting 100 conversations by June 2015. There was no further discussion.

BUY IT NOW UPDATE. Following the September 16 Board of Trustees meeting, Deputy Director Andrea Sharps asked OverDrive to add the "Buy It Now" or BIN option to the District's OverDrive site. The BIN feature went live September 19 and gave us the rights to purchase Simon and Schuster eBook content for members. Ms. Sharps said the District has purchased quite a lot of materials, yet no member comments or credits toward future content purchases have been received. Ms. Ledeboer noted although librarians were concerned about the change, it does not appear to be a concern for members. There was no further discussion.

NEW BUSINESS

COMMUNITY REVITALIZATION FINANCING AND TAX INCREMENT AREA AGREEMENT (RESOLUTION 14-05). Mr. Hattenburg moved and Mr. Craig seconded to approve the Community Revitalization Financing and Tax Increment Area Agreement.

RESOLUTION NO. 14-05

A RESOLUTION OF THE BOARD OF TRUSTEES OF SPOKANE COUNTY LIBRARY DISTRICT, SPOKANE COUNTY, WASHINGTON, APPROVING A COMMUNITY REVITALIZATION FINANCING AND TAX INCREMENT AREA AGREEMENT; AUTHORIZING THE EXECUTION OF SUCH AGREEMENT; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO.

Roy Koegen, of Kutak Rock LLP, provided information about a proposed agreement among Spokane County, the Library District and Fire District concerning the creation of a new tax increment area in North Spokane. Debbi Haskins, paralegal, distributed copies of a boundary description map of the tax increment area.

The County has been working with businesses to promote development of this area. There currently is a tax increment area; however, it has not generated enough revenue to make the necessary public improvements to attract business investments. The new tax increment area is larger, with a potential value that will allow the county to sell bonds to invest in public improvements. By signing the agreement the District agrees to the creation of the tax increment district. The District continues to collect property tax based upon the current assessed value of the property within the District. As values increase, a portion of the taxes above the current base value will go into a fund to pay off bonds and/or to invest in public improvements in the area.

Trustee Hattenburg asked if the tax increment area and outstanding debt on bonds will prevent the City of Spokane from annexing the area once improvements are complete. Mr. Koegen responded that while there can be no guarantee that the city won't attempt annexation, the intent of parties to the agreement is to maintain the area as unincorporated. The major businesses currently in the area have agreed not to support annexation efforts. Mr. Craig asked if such agreements with businesses could prevent annexation. Mr. Koegen responded that it would make it more difficult for the City of Spokane; however, there are no guarantees regarding future annexation.

Ms. Thompson asked what would happen if the Board didn't take action on the resolution. Mr. Koegen responded that the county could move forward without the District's participation; however, in the past, the Library District has consented to similar requests to support tax increment areas. Ms. Ledebor indicated that the District supported the formation of the current tax increment area. Growth in the assessed valuation of this area has been minimal. By supporting the tax increment area, there is a greater chance that property values will increase. The District will continue to collect taxes on the current assessed value plus 25% of future growth. Once the tax increment area ceases, the District will benefit from the entire increase in assessed value within the area.

Mr. Koegen indicated that the agreement is for the tax increment area to last for 30 years; however, it is possible it would cease once bonds were retired. The agreement stipulates that the county would consult with the Library District prior to any secondary bond issue within the area.

Mr. Craig asked about prospects for development in this area. Mr. Koegen indicated the county is in discussion with several businesses and anticipates future growth in the area. There is need to enhance roads, sidewalks, traffic controls and other public improvements such as sewers to entice future development.

Mr. Johnson asked about environmental cleanup of the area. Mr. Koegen indicated that clean up at the Kaiser plant has been completed. There was no further discussion.

The motion was unanimously approved.

COLLECTION DEVELOPMENT POLICY. Mr. Hattenburg moved and Ms. Thompson seconded approval of the Collection Development policy. Suggested revisions added clarifying language that only District residents, as defined in the Member Privileges and

Responsibilities policy, may submit a formal Request for Review of Library Materials form when questioning materials in the collection. This addition codifies existing District procedure and practice.

The motion was unanimously approved.

PERSONNEL POLICY. Mr. Johnson moved and Mr. Craig seconded that revisions to the following Personnel Policy sections be approved as presented: 4.1 Eligibility (for District Benefits); 4.2 Medical (incorporates ACA requirement that 30 hours per week employees are eligible for full-time benefits, effective 1/1/2015); 4.3 Dental, Vision, and Life (Clarification); 4.7 Other Benefits (3) Expands eligibility and criteria for Tuition Reimbursement Assistance; 4.10 Pretax Medical Benefit Plans (clarification); 6.8 District Expectations, sub-section, Electronic Communication Equipment and Computer Systems (updates section to reflect current practices, incorporates the District's Software Control policy, and adds a section on public records retention); Chapter 1: Safety and Health (clarification); sections 11.1 Accident/Incident Reporting (clarification); 11.2 Distracted Driving (new); 11.3 Annual Facility Inspection/Fire Drill (clarification); 11. 4 Bloodborne Pathogen Exposure Policy (clarification); 11. 7 Weapons in the Workplace (clarification); 11. 8 Inspections and Searches (clarification); 11. 9 Safety Committee, General Duties and Responsibilities (clarification).

In response to Trustee Johnson's question regarding the new Distracted Driving policy and District handling of texting, Chief Human Resources Officer Paul Eichenberg said texting is against the law and is handled accordingly should an employee be involved in an accident while on the job. In response to Trustee Craig's question, Mr. Eichenberg said like all policies or agreements, District insurance policies could potentially be vulnerable to claims should a District employee be involved in an accident on personal time. Discussion ensued regarding Section 11.8, Inspections and Searches. Ms. Ledebor said this policy has been in place and procedurally applies to everyone, both professional and non-professional staff. When it comes to safety, she would like to have a measure in place to enable searches.

Mr. Eichenberg confirmed the policy is consistent with state law. There was no further discussion.

The motion was unanimously approved.

JANITORIAL SERVICES CONTRACT. Mr. Hattenburg moved and Mr. Johnson seconded approval of the Janitorial Services contract award. Chief Financial Officer Bill Sargent recommended the District's current contractor, American Building Maintenance, which proposed the best price structure of all submitted proposals, and therefore did not require a budget adjustment for 2015. Mr. Sargent explained the Washington State Prevailing Wage Law, noting contractors with whom we work are required to pay prevailing wage and file with the IRS as well. There was no further discussion.

The motion was unanimously approved.

COURIER SERVICES CONTRACT. Ms. Thompson moved and Mr. Johnson seconded approval of the Courier Services contract award. DeVries Moving and Storage is the District's

current provider and the only contractor to submit a proposal. DeVries will continue to provide services at its current rate, requiring no budget adjustment needed for 2015. There was no further discussion.

The motion was unanimously approved.

DISPOSAL OF SURPLUS PROPERTY HEARING FOR 9220 EAST UPRIVER DRIVE. Mr. Hattenburg called the Public Hearing for Disposal of Surplus Property to order at 4:44 p.m. and called for public testimony. There was none; the hearing closed at 4:45 p.m.

2015 BUDGET

PUBLIC HEARING ON AUTHORIZED REVENUE SOURCES. Mr. Hattenburg called the Public Hearing on Authorized 2015 Property Tax Revenue and Other Revenues to order at 4:45 p.m. and called for public testimony. There was none; the hearing closed at 4:46 p.m.

ORGANIZATIONAL MEMBERSHIPS REVIEW. Mr. Johnson moved and Mr. Hattenburg seconded that organizational memberships be approved for inclusion in the 2015 General Operating Fund. Ms. Ledebouer pointed out that the list of memberships was provided in advance to Trustees; therefore, if the 2015 is approved, the various memberships will also be approved, as dues are included in the budget. There were no questions or discussion.

2015 PRELIMINARY BUDGET PRESENTATION. Chief Financial Officer Bill Sargent reviewed line item budget information including preliminary revenue and expenditure changes for the 2015 budget, using comparisons to 2014. Mr. Sargent said as in the past, the budget was built on a baseline, plus any one-time additions or deletions. With support of a PowerPoint presentation, Mr. Sargent reviewed details for potential revenues and expenses in 2015. Although there remain the usual unknown items, such as fluctuating property tax revenues and the outcome of open enrollment for staff health benefits, Mr. Sargent relayed known expense increases for salaries, benefits, services, equipment and software, library materials and other, for a total of \$728,595. He noted minimum wage will increase 1.59%, from \$9.32 to \$9.47 per hour, effective January 1. Overall, salaries and materials amount to 80% of budgeted expenses and will increase 4.4%, to include step increases and realignment of resources related to the Community Impact Plan. Health benefits costs increased and the number of employees eligible for full District coverage also increased. Contract fees will decrease next year because of mitigation agreements, and based on the District's five-year plan, building repairs and maintenance will decrease \$5,000, along with non-Capital technical equipment. Mr. Sargent noted anticipated bond election costs have been added to the Capital Projects Fund, as well as interest earnings and potential sale of the Upriver Drive property. He does not anticipate significant additional changes before the final budget is presented in December.

In response to Mr. Johnson's question about a planned expense to conduct a Districtwide salary review, Ms. Ledebouer said the District has outsourced a review every five years to help ensure it remains competitive with other libraries. Also in response to Mr. Johnson regarding another expense included in the category of Professional Services, Ms. Ledebouer indicated the increase would fund a second mailing to library members. In the fall of this

year, we increased public awareness of library programming as a result of the direct print mailing for the Creativity series.

Discussion ensued regarding the preliminary budget shortfall for 2015, which would require drawing upon reserves to meet expenditures. Trustees suggested the District could potentially send the wrong message to the community by going into the New Year with a budget shortfall. Board direction to staff was for the District Leadership Team to consider items that could potentially be taken off the table for 2015 and, if possible, bring back a balanced preliminary budget for review at the November meeting.

BOARD DIRECTION TO STAFF. Trustees provided no additional direction to staff regarding the 2015 budget process. There was consensus for the Leadership Team to proceed as determined.

DISCUSSION ITEMS, POSSIBLE ACTION

FUTURE BOARD MEETING AGENDA ITEMS

Mr. Hattenburg reviewed the list of tentative agenda items and activities scheduled over the next two months. Mr. Hattenburg pointed out the November agenda will include a resolution for surplus of property. In response to Trustee Craig, a reserve amount will be set for the property at 9220 East Upriver Drive. In December the budget for 2015 will be finalized, and among other agenda items, the District Leadership Team will hold a holiday gathering in the Administrative Offices reception area. Ms. Ledeboer pointed out the GSI Economic Forecast will be held November 18. Trustees are invited to attend.

REPORTS

TRUSTEES

Ms. Thompson noted she will return to the Dominican Republic at the end of the month. There were no other reports.

EXECUTIVE DIRECTOR

The Executive Director's written report provided prior to the meeting included information on the Business Office, Finance and Facilities, Collection Services, Human Resources, Information Technology, and Community Activities. Ms. Ledeboer reported that a Citizens Advisory Group will meet at the Administrative Offices tomorrow to begin work toward a 2015 bond election campaign. Ms. Ledeboer acknowledged library supervisors and librarians Districtwide, who have been presenting information about library services and programs at various City Council meetings. She also corrected her August report regarding the Transportation Committee Meeting that featured Karl Otterstrom, CEO of Spokane Transit Authority. The potential request by STA to increase sales tax was off by one-tenth of a percent and should have read \$.002 or .003.

PUBLIC SERVICES

Deputy Directors Patrick Roewe and Doug Stumbough provided written reports prior to the meeting for September 2014, with data for customer use measures, programming and library activities. Mr. Roewe explained statistics for library circulation were not yet available because of a database switchover. Mr. Johnson remarked that the announcement of SNAP being awarded the PRIME grant was great news. Mr. Roewe pointed out the grant period began October 1 and runs for a year, thus staff have moved into high gear to achieve the compressed timeline. There was no further discussion.

COMMUNICATION

Communication & Development Officer Jane Baker provided a written report prior to the meeting for September 2014 communication activities. There was no discussion.

FISCAL

Revenue and Expenditure Statement through September 30, 2014.

Fund 001

Revenues	\$	6,679,873
Expenditures	\$	8,313,912
Ending Fund Balance	\$	2,506,526
Fund Budget Expended		73.84%

There was no discussion.

SPOTLIGHT OTIS ORCHARDS LIBRARY

Library Supervisor Kathy Allen and Community Librarian Tammy Henry reported on Otis Orchards Library, its history and the community it serves. Ms. Henry, who joined the District in June, introduced herself and opened the presentation. Ms. Allen has been with the District over 17 years, yet is relatively new in her supervisory position for Otis Orchards and Fairfield. She noted, therefore, that she and Ms. Henry are exploring the community, members, and organizations with new eyes.

The Otis Orchards Library was built in 1991. Currently it is open four days and 36 hours per week to serve residents of Otis Orchards, Newman Lake, Greenacres, and thanks to a reciprocal agreement, Liberty Lake. DVDs, Books-to-go, mysteries, romances and picture books are the most popular checkouts. With supportive PowerPoint and photographs, Ms. Allen introduced the Otis staff and noted how well they work together with great efficiency. Ms. Allen shared a brief history of Otis Orchards, originally established after 1880 as a railroad stop known as Otis. In the 1890's the first dry-land apple orchard was established. The first Apple Blossom Day Festival was held in 1919, where 5,000 participants consumed 1,000 apple pies. After Valley fruit growers' fields were devastated by an infestation of apple-leaf rollers, trees were removed and the open fields were planted with vegetables, wheat, alfalfa, and corn for feeding livestock. The first fire station was built in 1945 and is still next door to the library. Ms. Allen noted it as a potentially excellent partner to build a Fire Awareness program into Play and Learn Storytime.

To support the first focus area of the Community Impact Plan (CIP), Develop Young Learners, the library hosts Storytimes. Attendance at Play and Learn, for children ages 2 to 5, averages about 19 per week. Ms. Allen shared that Ms. Henry's enthusiasm has been well received by the Storytime community. Outreach visits include Doodle Bug Child Care, East Valley Enrichment Center and ECEAP, Otis Orchards Elementary School and Little Explorers Daycare. Total attendance for outreach groups this year thus far has been 461. Library Interactive Discovery stations include a round table where children color, play, and read. The Love Talk Play shelving offers a variety of discovery activities, and toys stimulate imagination and creativity or simply provide a comforting friend. In addition, iPads will soon be introduced and made available for check out. To Support Job Seekers and Local Businesses, the second focus area, library staff supports those seeking employment, proctor exams, and offer meeting rooms for free. A goal is to increase partnerships with local businesses for future programming. Through the Innovation Initiative, the library recycles its unused surplus rubber bands through the local Post Office. In support of the third focus area, Explore and Discover, a number of programs help to inspire members to tap into their creativity: book art, digital photography, Zentangle, and the Spokane Symphony ensembles are some of the upcoming programs. So far this year, some of the most well attended programs were Lego Day, with 163 participants, Secrets of Sauerkraut had 25 participants, and music programs featuring Milonga and Taiko Drummers. To Connect with Communities, the fourth focus area, the library participates in the Otis Orchards Day Parade, Food for Fines, and supports development of the new Friends Foundation. Library goals include continuing to seek connections and develop relationships with local organizations, businesses, and local schools—East Valley School District, East Farms, STEAM Magnet School, and INTEC, the new career and technical education center for ninth graders, and to remain relevant and as a place of learning into the future.

Ms. Allen shared the CommunityConnect data with Trustees. The Otis service area population is 12,702; about 40% are card holders, which is a higher than national average. Three of its demographic segments share many of the same interests, such as DIY activities, healthy lifestyles, outdoor activities, gardening, and finances. Its thematic statement is Self-sufficient Country Living Growing in Knowledge.

As part of the library's Innovation Initiative, a Seed Lending Library pilot program will kick off in January/February of 2015. Members will be able to check out seed packages to grow in their own gardens. Programming will be developed to expand upon this interest during spring and fall of next year.

In response to Trustee Hattenburg, Ms. Allen said there are many members from Liberty Lake who utilize library resources through the reciprocal agreement. Trustees expressed appreciation for the informative report.

OVERVIEW DEVELOP YOUNG LEARNERS

Library Services Manager Mary Ellen Braks and Librarian Rachel Edmondson provided an overview of one of the four Community Impact Plan objectives, Develop Young Learners, and its goals, noting how they are having a lot of fun this year. One of the annual goals of this service priority is for parents, teachers and caregivers to have the opportunity to participate in at least 50 programs or resource sharing activities. As of October 6, Ms. Edmondson shared the District has offered 42 opportunities, and fully anticipates achieving its goal of 50. These

opportunities include Love Talk Play, Prime Time Family Reading and dinner program, Baby Fair, Ready for K programs, ECEAP Fair, a library Child Care Fair, and STARS classes (credited classes for those who work in day care), with additional programming still to come. Ms. Braks noted she was filmed last night as part of The Raising of America (KSPS, November 11), and discussed Say it with Flannel and Prime Time Family Reading programming. Another goal was by 2015 to increase collaborative efforts with early learning agencies by 50%. This goal has already been exceeded through the BUILD Initiative, a national organization that BUILDS Early Learning Systems, for which Washington State was selected to participate in a pilot project. BUILD and the Institute for Museums and Libraries (IMLS) are working together to loop Museums and Libraries into Early Learning Systems. Ms. Braks was asked to present about including libraries when talking about early learning at a BUILD conference held this past summer in Denver. Also, through Gonzaga University, she is part of a committee developing an Early Learning Conference schedule for October 2015. Another goal is for 70,000 young children and their parents and caregivers each year to attend an early learning program presented by the library. Ms. Edmondson said with 12 weeks to go and about 1,000 children and caregivers attending Storytime each week, at 33,792, the District is well on its way to achieving this goal. Ms. Braks described the new program, Family Construction Zone, which will be offered in November, where kids and their grown-ups can literally build the day away with five stations of architectural block activities designed to foster critical thinking skills and engagement with STEM. The District has two complete sets of blocks that will also be made available to ESD 101 for family engagement programs. Another goal is by the end of 2015, libraries will have at least five or eight interactive discovery stations. These goals have been achieved or exceeded, except for Spokane Valley. Regarding “screen time,” new this year, iPads will be made available for check out, which will allow parent and child to stay together for more interaction in the library. Parents have control over screen time, and it has been determined that kids get more out of their computer time. Regarding Play and Learn Storytime, Ms. Edmondson described recent Storytime skills training offered to librarians as a refresher, to conduct sessions with intention. As for what’s coming up, Ms. Braks said she will attend the first STEM grant meeting this week in Seattle, All Aboard for Kindergarten, BUILD Initiative, and Jim Gill, whose concert was a huge draw for families last year. Trustee Hattenburg commented on the wonderful variety of programming offered. Ms. Ledebor pointed out a recent blog post by Ms. Edmondson’s on Internet security for kids. There was no further discussion.

PUBLIC COMMENT

Three guests, Lori Burns, Vanessa Judd, and Barbara Lund, joined the meeting to voice their concerns to the Board about the physical placement of magazines at Moran Prairie Library. Ms. Burns had placed a Request for Review of Library Materials form in August, for which she was not satisfied with the outcome or action taken by the District. Chair Hattenburg explained the process for public comment. Advance public notice of 24 hours is required for any items taken up for discussion at the meeting. Thus, this topic will be added to the November 18 agenda.

Ms. Burns provided a written copy of her remarks in response to the request of Trustees.

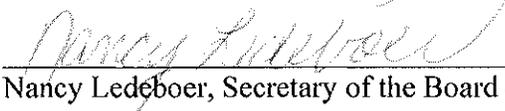
There were no other public comments.

ADJOURNMENT

The meeting adjourned at 6:14 p.m.



Tim Hattenburg, Chair



Nancy Ledebor, Secretary of the Board of Trustees