

**Minutes of the Special Meeting of the
JEFFERSON COUNTY PUBLIC LIBRARY
BOARD OF TRUSTEES**

June 8, 2023

CALL TO ORDER – SPECIAL MEETING

The special meeting of the Jefferson County Public Library Board of Trustees was held online via ZOOM and in-person in the Library Administration Pam Nissler conference room on June 8, 2023. Library Board of Trustees Chair, Kim Johnson, called the meeting to order at 5:30 p.m.

Other Trustees present: Emelda Walker (Vice-Chair), Jill Fellman (Secretary), Pam Anderson, Charles Jones and Charles Naumer.

Trustees not present: Jeanne Lomba and Pam Anderson.

Note: Trustee Pam Anderson joined the meeting at 5:41 p.m.

Staff present: Donna Walker, Executive Director; Julianne Rist, Director of Public Services; Steve Chestnut, Director of Facilities and Construction Projects; Bernadette Berger, Director of Technology and Innovation; Matt Griffin, Director of Business Strategy and Finance; Lisa Smith, Director of People and Culture; MJ Ivy, Director of Communications and Engagement; Amy Bentz, Assistant Director of Library Design Projects and Planning; Lizzie Gall, Assistant Director of Public Services for Resources and Programs; Amber Fisher, Executive Assistant, Office of the Executive Director; Katie O’Loughlin, Administrative Coordinator; and Brad Green, Systems and Security Manager.

There were additional Library staff members attending the meeting.

APPROVAL OF AGENDA

MOTION: Charles Jones moved that the Library Board of Trustees approve the agenda as presented. Seconded by Jill Fellman the motion passed by unanimous vote of all Trustees present.

PUBLIC COMMENT

The Board values public participation. Those who would like to address the Library Board can do so virtually, in-person, or online. The opportunity to address the Library Board does not include a question and answer session or response. Additionally, the Library Board does not respond to anonymous questions or comments. Comments will be acknowledged in the minutes of the meeting. The Chair provided the process and instructions for public comment.

The Chair noted that several public comments were received via the online form after the submission deadline for the May 11, Board meeting and she will forward them to the

Board. There were no other public comments, and the Chair closed the public comment portion of the meeting at 5:34pm.

EXECUTIVE TEAM OPERATIONAL UPDATES

Business Strategy & Finance

Finance and Budget

- A. Review DRAFT letter to the Board of County Commissioners certifying the mil levy necessary to maintain and operate the library
- B. Review DRAFT 2024 5-Year Capital Plan
- C. Review DRAFT 2024 Proposed Budget Plan

Matt Griffin, Director of Business Strategy and Finance addressed the Board and noted that the presentation from last month will be revisited. The Board's discussion from that meeting has been taken into account and the models and proposals for the 2024 budget and 5-year plan have been updated.

Operational Highlights

- 7% Increase in Property Tax Revenue
 - \$54,231,148 (Net adjustments)
 - 4.5 Mills for 2024 and beyond
 - 5% increases in each assessment year
- 14 Additional FTE to total 295.5
 - 9 – Added via the staffing assessment
 - 2 – Decision Packages
 - 3 – NW Positions

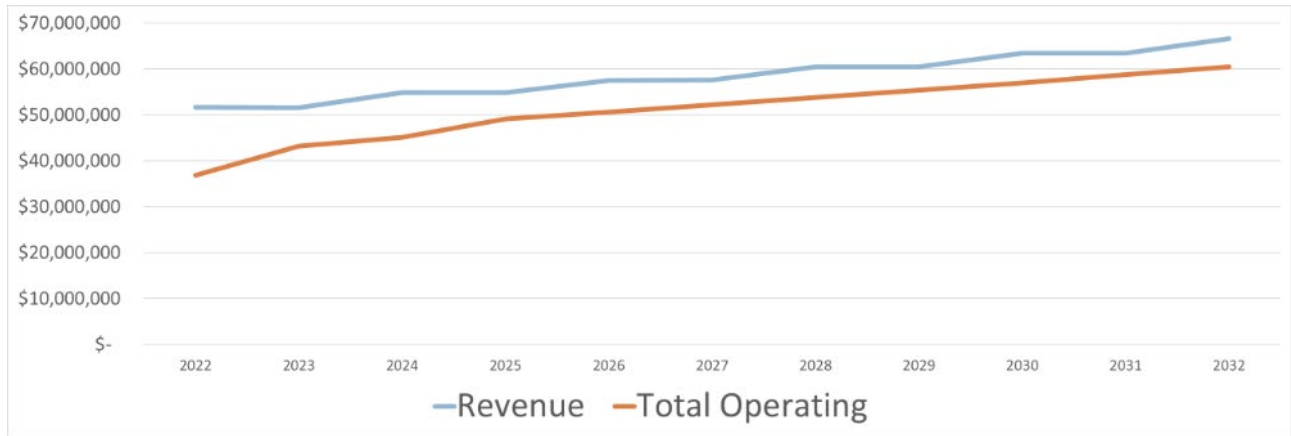
During last month's discussion on property tax revenue it was decided that a 7% increase was good to forecast for these numbers and into 2024. There are still some unknowns, and the Library will continue to monitor that through the end of the calendar year. The Library has not received any material updates on property tax revenue since the May 11 Board meeting. The models are at 4.5 mills for 2024 and beyond. The Board packet includes the draft letter to the Board of County Commissioners with that 4.5 mil levy. The models for property tax increases are at 5% for each assessment year which is every two years.

The addition of 14 FTE will take the total to 295.5 at the end of 2024. The breakdown of those FTE are 9 FTE from the staffing assessment, 2 FTE from 2024 budget decision packages and 3 FTE for the Northwest Jefferson County Expansion Project.

Revenue vs. Operating Expenses

This is an important graph to showcase the financial health of JCPL, ensures we are well positioned for growth and includes the expenditures required to run the day-to-day operations of the Library. Revenue trends above operating expenses for the next decade. Any difference between revenue and expenses is based on capital decisions. On average the Library shows revenue at 12% above operating expenses.

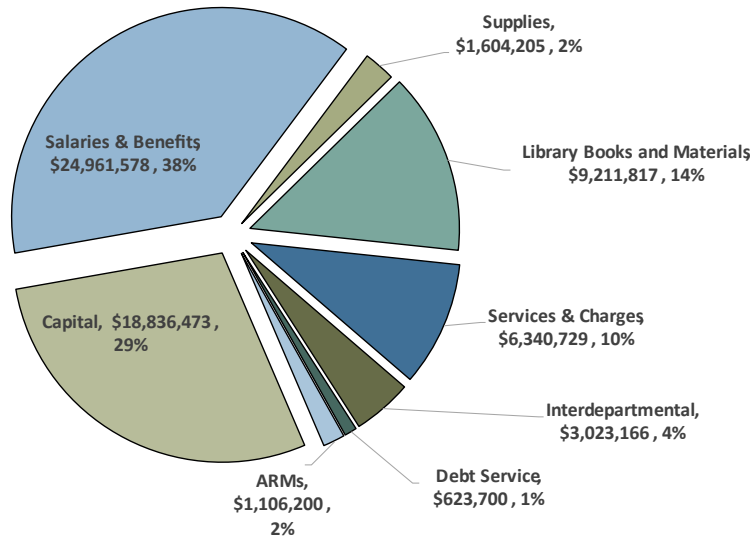
Revenue vs. Operating Expenses



2024 Total Projected Expenses

This chart shows the breakdown of total expected expenses for 2024 and includes everything the Library anticipates spending money on. As noted, in 2024 there is a spend in deficit due to capital plans. Those capital projects are anticipated, and the fund balance comfortably carries those expenditures.

2024 Total Projected Expenses = \$65,707,868



Capital Improvement Plan

- Capital Cost Updates
- 2024 Capital Investments
- 5 Year Capital Investments

There are three areas to review including the changes since the May Board meeting, where those changes came from and how they impact pricing for capital plans. The first look will be at our immediate future and outline the 2024 Capital Investment plans, then a review showing the shift in prioritization due to direction from the Board, and then a step back to outline the 5-year view and understand how projected spending affects the fund balance. The Library continues to have a focus on our priorities; increasing the square footage per capita data point; reaching more people; renovation of existing spaces/building libraries for the future; and health and safety focus (Arvada library). The models demonstrate priorities and front loading of capital investments and moving projects out as discussed at the May Board meeting.

Evergreen Library Capital Costs

- Fransen Pittman Guaranteed Maximum Price (GMP)
 - \$196.49 per sq./ft.
- Furniture, Fixtures & Equipment (FF&E) Quotes Received
 - \$40.63 per sq./ft.
 - Incorporated into the Design Standard

At the May Board meeting we discussed how the Library estimates costs via a sliding scale with one end being a future look at what we think something will cost or a rough order of magnitude (ROM). At the other end is either a quote or guaranteed maximum price so we know at that point exactly what something will cost. Since the May Board meeting, we received the guaranteed maximum price for the Evergreen project from our contractor, Fransen and Pittman, and received quotes for Furniture, Fixtures and Equipment (FF&E). With the FF&E, the project worked with our design standards and all our furniture can be worked around the price per square foot. This has also been built in for all future capital projects so we know what furniture for future projects will cost. This is a standardized approach for all libraries in Jefferson County and provides a consistent standard across the board. Steve Chestnut, Director of Facilities and Construction Projects, will talk further about the Evergreen project later in the meeting.

2024 Capital Investments

The following chart shows the 2024 capital investments and the changes since the May Board meeting. Those changes come down to FF&E and the Evergreen project. 5.8% of the Capital Improvement budget is designated for Annual Replacement & Maintenance (ARM). Those funds are allocated to upkeep and improvement of existing systems and capital improvements. 94.2% of the 2023 Capital Improvements budget will be used for

Capital Projects. This is where we have been able to tighten our estimates of costs and be more accurate. The plan continues the focus on our priorities.

2024 Capital Investments



Annual Replacement Plan	
ARM-01 Capital Maintenance	\$ 250,000
ARM-02 Equipment Replacement	42,000
ARM-03 Computer 5-year Replacement Plan	479,200
ARM-04 Book Sorter Replacement	40,000
ARM-05 IT Infrastructure Replacement	295,000
Total ARM & Ongoing Projects	\$ 1,106,200
5-Year Capital Improvement Plan	
South County Library	\$ 5,772,052
Evergreen Library Remodel	983,626
Northwest Jeffco New Build	11,280,795
Arvada Redesign	800,000
Total CIP	\$ 18,836,473
Total 5-Year Capital Plan	\$ 19,942,673



5-Year Capital Investment

The 5-Year Capital Investment chart was shared with the Board and included in the information packet ([https://jeffcolibrary.org/wp-content/uploads/sites/46/2023/06/06-08-23 Special Board Meeting Packet - Amended.pdf](https://jeffcolibrary.org/wp-content/uploads/sites/46/2023/06/06-08-23%20Special%20Board%20Meeting%20Packet%20-%20Amended.pdf)). Anything in grey is the carryforward amounts that have been approved. Those dollars will be allocated to those specific projects. With focus on 2024 and the total column on the right, note that those amounts are not the total project costs, but reflect spending in the 5-year plan. This chart is a good demonstration of our frontloading priorities with the operations center only partly funded for planning and preparing, in the 5-year plan. Three of the projects have been moved out of the 5-year plan taking into account the Board’s feedback from last month’s meeting.

5 Year Capital Investment



Project	2023 Budget (Amended)	2024 Budget (Proposed)	2025 Projected	2026 Projected	2027 Projected	2028 Projected	Total 2024-2028
5-Year Capital Improvement Plan							
South County Library	\$ 8,698,826	\$ 5,772,052	\$ -	\$ -	\$ -	\$ -	\$ 5,772,052
<i>South County Carryforward</i>	16,368,585	-	-	-	-	-	-
Evergreen Library Remodel	3,520,000	983,626	-	-	-	-	983,626
<i>Evergreen Carryforward</i>	584,587	-	-	-	-	-	-
Northwest Jeffco New Build	9,989,475	11,280,795	-	-	-	-	11,280,795
<i>Northwest Jeffco Carryforward</i>	4,690,872	-	-	-	-	-	-
Operations Center	-	-	-	-	-	800,000	800,000
Lakewood Redesign	-	-	-	-	-	-	-
Standley Lake Redesign	-	-	-	-	-	-	-
Arvada Redesign	-	800,000	13,986,781	-	-	-	14,786,781
Conifer Opportunity	2,500,400	-	-	-	-	-	-
Golden Opportunity	-	-	350,000	6,118,000	-	-	6,468,000
Bookmobile Replacement	-	-	-	-	-	-	-
Document Management System	-	-	-	-	-	-	-
<i>DMS Carryforward</i>	59,763	-	-	-	-	-	-
Belmar Open Space	-	-	-	-	-	-	-
Unspecified Capital Project	-	-	-	-	-	-	-
Offsite Services	60,000	-	50,000	-	175,000	-	225,000
Library Location Holds Lockers	-	-	-	-	-	-	-
<i>Holds Lockers Carryforward</i>	205,000	-	-	-	-	-	-
Data Warehouse	-	-	-	-	-	-	-
<i>Data Warehouse Carryforward</i>	125,000	-	-	-	-	-	-
New ILS	-	-	200,000	150,000	-	-	350,000
Total CIP	\$ 46,802,508	\$ 18,636,473	\$ 14,586,781	\$ 6,268,000	\$ 175,000	\$ 800,000	\$ 40,666,254

5-Year Fund Balance Model

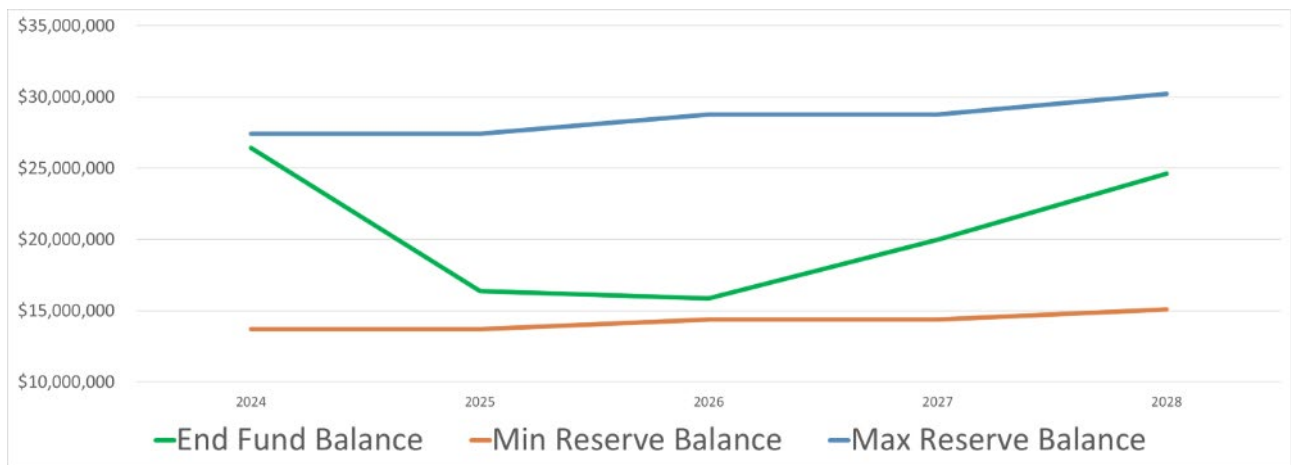
The 5-Year Fund Balance Model was shared with the Board and included in the information packet ([https://jeffcolibrary.org/wp-content/uploads/sites/46/2023/06/06-08-23 Special Board Meeting Packet - Amended.pdf](https://jeffcolibrary.org/wp-content/uploads/sites/46/2023/06/06-08-23%20Special%20Board%20Meeting%20Packet%20-%20Amended.pdf)). The grey shaded box is capital spending, taking into account the carry forward amounts expected to carry forward to 2024. From 2023 onwards, year over year, capital spending is reducing as we come to the end of this phase of capital spending and are entering the growth period when the fund balance grows again. The blue shaded area is operating expenses showing steady growth year over year. The green line is the reserve balance above the minimum. The lowest is in 2026, which is \$1.4 million above the minimum threshold. The grey line is the ending fund balance with the lowest point at \$15.8 million.

5 Year Fund Balance Model



Another 5-year fund balance graph was shared with the Board and included in the information packet (see previous links). The blue line is the maximum reserve balance, the orange line is the minimum reserve balance, and the green line is the ending fund balance, which stays comfortably in that range. This model gives a level of confidence in the health of the fund balance. As we go into 2028, we see the fund balance growing. Each year the Library reviews projects with the Board and is an opportunity to evaluate those projects and the estimates on a sliding scale, and plan accordingly.

5 Year Fund Balance Model



Next Steps

- **June:** Board authorizes JCPL to submit 2024 recommended budget and 5-year Capital Plan
- **August:** Preliminary certification of values; revenue projections will be refined
- **November:** Property Tax will be included in the Ballot and Jefferson County will respond to any adjustments
- **November:** BCC Adoption of 2024 Budget for Jefferson County
- **December:** Board authorizes JCPL's Executive Director to implement the 2024 spending plan

In response to questions, the Board was advised that:

- In the 5-year capital investment chart, the final column is essentially unapproved dollars, and the total reflects years 2024-2028. The first column is approved dollars. Carryforward amounts are approved dollars and are reflected in the 2023 column.
- In Table 5 of the proposed 2024 budget, the last column is the difference between the 2023 budget and 2024 budget. This column calculates the difference year-over-year. The dollars in 2023 are still there but haven't been budgeted for 2024.

There were no further questions from the Board.

The Chair advised the Board that at the June 15 meeting, the Board will be asked to approve the budget for submittal. She asked the Board to send her any questions that may come up between now and then. It was noted that there were no changes requested and the 2024 5-Year Capital Plan and 2024 Budget information as presented will be provided to the Board at the June 15 Board meeting.

Facilities & Construction Projects

A. Evergreen Redesign - Guaranteed Maximum Price from Fransen Pittman

Steve Chestnut, Director of Facilities and Construction Projects addressed the Board and provided information on the Evergreen Redesign project.

Community Desires for the Evergreen Redesign

Information was provided on input received during the community engagement process in April, 2022 and what the community wanted to see in the redesign of the Evergreen Library.

1. Open Up Main Entry
2. Larger Flexible Community Room
3. New Storytime Space
4. More Small Group Study
5. Preserve Quiet Reading Room
6. Open Teen Area
7. Combined Staff Space

The new design focuses on the critical elements the community asked for. In January of this year, the Library presented the 30% DD (design development) information for this project. The Board was advised that due to cost escalation and code requirements, there would be a 10 to 12 percent increase over the current budget. The Board acknowledged that increase and approved moving forward with development of the 100% construction documents. As the Library worked through the design, there was considerable effort on value engineering including design changes, material substitutions and other cost saving measures. During that process the Library moved to refinement of those costs and getting quotes. At schematic design (SD) the Library realized that the construction costs were going to exceed our budget from \$182 per square foot to \$196.50 per square foot.

What's Driving These Costs

Changes in code requirements for lighting efficiencies, mechanical systems and structural changes to accommodate community desires are driving the escalation in costs. Updating existing systems to meet code including the need to take the whole system down for the boiler replacement. It is less expensive to update existing systems like the boiler while the building is closed. There is continuing cost escalation in construction labor and materials.

The Executive Director advised the Board that the Evergreen Library has not been touched since it was built in 1993 and this is an important investment. The structural changes like the entry is a significant pain point and has to be done.

In response to questions, the Board was advised that:

- The original project budget was \$4.22 million. The current project cost is \$5.2 million.
- The capital plan projections the Board reviewed earlier in the meeting include the increase in costs for the Evergreen project.
- Contingency funds are built into the \$5.2 million.
- Some of the things that were value engineered include getting grants for some electrical work and charging stations and substituting materials for the ceilings and carpet tiles with less expensive materials.
- If the Board approves moving forward, the Library will submit permits after the June 15 Board meeting. That permit process is anticipated to take 6 to 8 weeks and construction would start in late summer. Construction is estimated to take 6 months.
- The boiler replacement is included in the project cost including increased costs to meet changes in code requirements.
- Another driver of increased costs is bringing the bathrooms up to code including moving all the drains for the restrooms and updating plumbing. Other code requirements driving costs are the mechanical fire protection systems and HVAC systems. Bringing all these systems up to code is expensive.

The Chair asked for and received indication of support for the additional funds for the Evergreen project.

The Executive Director advised the Board that the Library will bring the recommendation to move forward with the Fransen Pittman guaranteed maximum price at the June 15 Board meeting.

Communications & Engagement

A. Draft Evergreen Naming Solicitation Package

MJ Ivy, Director of Communications and Engagement addressed the Board and provided information on the draft Evergreen Naming Solicitation Package. There was wide ranging discussion.

Note: Trustee Anderson lost connection to the Board meeting at 6:22 pm.

In response to questions, the Board was advised that:

- The Library used a consultant to draft the naming solicitation package and it was modeled after the Belmar naming solicitation package.
- The Director of Communications and Engagement is working closely with the Jefferson County Library Foundation (JCLF) executive director on the package including a community and stakeholder outreach plan.
- Everything in the Evergreen project is funded except for the outdoor adventure space (\$500,000) and reading deck (\$100,000). If donations in those amounts were to be received, there may be further discussion on whether or not the Board would want the funds to go to these items.
- The Library will review the language to provide clarity for donor impact and intent.
- The Library will review the pricing of naming opportunities for this and future projects.
- The Library will review the number of naming opportunities provided and adjust as needed for this project.

Public Services

A. Baker and Taylor Print Materials & Processing Contract Information

Lizzie Gall, Assistant Director of Public Services for Resources and Programs addressed the Board and provided information on the Baker and Taylor contract. The Library issued a RFP (request for proposal) and received three responses. The number of responses was expected based on the companies that provide the services that meet JCPL requirements. Baker and Taylor was the successful applicant.

There were no questions from the Trustees. The Chair advised the Board that this contract will go on the consent agenda for the June 15, Board meeting.

B. D-Tech Book Locker Purchasing Renewal Information

Lizzie Gall addressed the Board and provided information on the D-Tech book locker renewal. This is the fourth and last renewal under the contract with this vendor. The renewal maintains pricing for an additional year. The Library does have decision packages in the 2024 budget to place holds lockers in Golden.

There were no questions from the Trustees. The Chair advised the Board that this contract will go on the consent agenda for the June 15, Board meeting.

BOARD SCHEDULE – NEXT MEETINGS

Location of meetings of the Library Board of Trustees are being determined in cooperation with guidelines from Jefferson County. Information on meeting location will be posted at least one week prior to the scheduled meeting date.

2023 Board Meeting Schedule

- June 15, 2023 – Board Meeting – 5:30 pm Hybrid: Virtual via ZOOM. In-Person Location: Lakewood Library Meeting Room
- July 13, 2023 – Study Session – 5:30 pm Hybrid: Virtual via ZOOM. In-Person Location: Lakewood Library Meeting Room
- July 20, 2023 – Board Meeting – 5:30 pm Hybrid: Virtual via ZOOM. In-Person Location: Lakewood Library Meeting Room
- August 10, 2023 – Study Session – 5:30 pm Hybrid: Virtual via ZOOM. In-Person Location: Lakewood Library Meeting Room
- August 17, 2023 – Board Meeting – 5:30 pm Hybrid: Virtual via ZOOM. In-Person Location: Lakewood Library Meeting Room

EXECUTIVE SESSION:

At 6:35 pm, the Chair called for a motion to adjourn the special meeting, reconvene in Executive Session and adjourn the special Board meeting at the conclusion of the Executive Session.

MOTION: Jill Fellman moved to adjourn the special meeting of the Library Board of Trustees, reconvene in Executive Session regarding the Northwest Jefferson County Library Expansion Project, AND adjourn the special Board meeting at the conclusion of the Executive Session. Statutory citations authorizing an executive session for this topic are:

- Pursuant to 24-6-402(4)(a) Concerning the purchase, acquisition, lease, transfer or sale of Property.
- Pursuant to 24-6-402(4)(e)(I) for discussion of strategy and instructions to negotiators.

Seconded by Charles Jones the motion passed by unanimous vote of all Trustees present.

The Chair announced a five minute break to allow the Board and staff time to clear the room, leave the existing ZOOM meeting and then join the Executive Session at 6:42pm.

The Chair called the Executive Session to order at 6:42pm with the following Trustees present, Charles Jones, Jill Fellman, Charles Naumer and Emelda Walker. Also present were Donna Walker, Executive Director; Julianne Rist, Director of Public Services; Steve Chestnut, Director of Facilities and Construction Projects; Matt Griffin, Director of Business Strategy and Finance; MJ Ivy, Director of Communications and Engagement; Bernadette Berger, Director of Technology and Innovation; and Amber Fisher, Executive Assistant, Office of the Executive Director.

It is noted that the session was recorded and that the recording will be retained for the required 90 days.

CALL FOR ADJOURNMENT OF EXECUTIVE SESSION AND REGULAR MEETING

MOTION: At 7:07 pm Charles Naumer moved to adjourn the Executive Session and special meeting of the Library Board. Seconded by Emelda Walker the motion passed by unanimous vote of all Trustees present.

It is noted that the Library Board of Trustees met in Executive Session concerning the purchase, acquisition, lease, transfer or sale of property and discussion of strategy and instructions to negotiators with respect to the Northwest Jefferson County Library Expansion Project. The Trustees held those discussions, and this summary is provided as required by Colorado Statute.



Jill Fellman, Secretary