JOINT POWERS AUTHORITY BOARD
AGENDA

Thursday, January 24, 2019 at 1:30 p.m.
Lunch at 12:30 p.m.

REGULAR BOARD MEETING 1:30 P.M.
Services and Support Center, Campbell Conference Room
1370 Dell Avenue, Campbell, CA 95008

In accordance with the Ralph M. Brown Open Meeting Act; this agenda was posted at the meeting site located at 1370 Dell Avenue, Campbell, CA 95008 on Friday, January 18, 2019. Items with an asterisk (*) in front of the number are on the consent calendar and may be voted on in one motion at the beginning of the meeting. If you wish to discuss any of these items, please request this item be removed from the consent calendar. All reports and supporting data are available for review at the Library’s Administrative Office the Friday before the meeting. This information is also available the day of the meeting.

CALL TO ORDER/ROLL CALL
Deletions, deferrals or corrections to the agenda.

ORAL COMMUNICATION
The Joint Powers Authority Board may take other actions relating to the issues as may be determined following consideration of the matter and discussion of the recommended actions. This portion of the meeting is reserved for persons desiring to address the Joint Powers Authority Board on any matter not on the agenda. Please limit your comments to three minutes. All statements that require a response will be answered in writing or status of response will be reported on the agenda for the next regular meeting of the JPA Board. NOTE: If you wish to speak on an item of business listed on the agenda, please fill out a speaker card and indicate the number of the agenda item you wish to address. The Chair will call upon you at the time the Board considers the item.

CONSENT CALENDAR

ACTION

*1. Approve Minutes from October 25, 2018, Joint Powers Authority Board Meeting.

*2. Accept the following cash gifts:
   a. Cash donation of $4,631.50 to the Santa Clara County Library District and augment the budget for library materials.
   b. Cash donation of $83,000 to the Los Altos Library and augment the budget for library materials.
   c. Cash donation of $6,000 to the Morgan Hill Library and augment the budget for library materials.
   d. Cash donation of $3,896.78 to the Saratoga Library and augment the budget for wayfinding.

*3. Approve the ratification of Finance Committee Appointments.

*4. Approve Calendar Year 2019 Meeting Schedule.

*5. Approve annual support for Santa Clara County Library District Foundation through June 30, 2021

*6. Amend the Library Building Policy
*7. Add one full-time Account Clerk II to the Services and Support Center and one half-time Janitor to Milpitas Community Library

*8. Approve the Food for Fines Project

NEW BUSINESS

9. Delegate authority to the County Librarian to negotiate and execute contract for Campbell Library construction cost estimates

10. Accept the Five-Year Financial Forecast for Fiscal Years 2018-2019 to 2022-2023 for the Library District

11. Adopt Three-Year Technology Replacement and Improvement Plan for Fiscal Years 2019/20 - 2021/2022

REPORTS/COMMENTS

12. County Librarian

13. JPA Board Members

ADJOURN

To the next Joint Powers Authority Board meeting on Thursday, April 25, 2019 at 1:30 p.m. at the Santa Clara County Library District Services and Support Center, 1370 Dell Avenue, Campbell, CA 95008.

In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the County Librarian’s Office 24 hours prior to the meeting at (408) 293-2326 x3090, TDD (408) 364-1528.
Mike Wasserman, Supervisor (Chair)
Santa Clara County Board of Supervisors Dist. 1
70 W. Hedding Street
San Jose, CA 95110
(408) 299-5010
mike.wasserman@bos.sccgov.org

Lynette Lee Eng, Mayor
City of Los Altos
1 North San Antonio Road
Los Altos, CA 94022
(650) 947-2720
lleeeng@losaltosca.gov

Courtenay C. Corrigan, Council Member
(Vice-Chair)
Town of Los Altos Hills
26379 Fremont Road
Los Altos Hills, CA 94022
(650) 248-9018
cccorrigan@losaltoshills.ca.gov

Carmen Montano, Council Member
City of Milpitas
455 E. Calaveras Boulevard
Milpitas CA 95035
(408) 655-0670
cmontano@ci.milpitas.ca.gov

Joe Simitian, President
Santa Clara County Board of Supervisors Dist. 5
70 W. Hedding Street
San Jose, CA 95110
(408) 299-5050
joe.simitian@bos.sccgov.org

Vacant
City of Monte Sereno
18041 Saratoga-Los Gatos Road
Monte Sereno, CA 95030
(408) 354-7635

Rich Waterman, Vice Mayor
City of Campbell
70 N. First Street
Campbell, CA 95008
(408) 866-2125
richw@cityofcampbell.com

Vacant
City of Morgan Hill
17555 Peak Avenue
Morgan Hill, CA 95037
(408) 621-7377

Darcy Paul, Council Member
City of Cupertino
10300 Torre Avenue
Cupertino, CA 95014
(408) 617-0802
dpaul@cupertino.org

Rishi Kumar, Council Member
City of Saratoga
13777 Fruitvale Avenue
Saratoga, CA 95070
(408) 805-5993
rkumar@saratoga.ca.us

Dion Bracco, Council Member
City of Gilroy
7351 Rosanna Street
Gilroy, CA 95020
(408) 422-1734
dion.bracco@ci.gilroy.ca.us

01/17/2019 rev
JOINT POWERS AUTHORITY BOARD

MINUTES

Thursday, October 25, 2018

Services and Support Center, Campbell Conference Room
1370 Dell Avenue, Campbell, CA 95008

Members Present:
Mike Wasserman, Supervisor, District 1 (Chair)
Courtenay C. Corrigan, Los Altos Hills (Vice Chair)
Joe Simitian, Supervisor, District 5 (1:50 p.m.)
Liz Gibbons, Campbell (Alt.)

Steven Scharf, Cupertino
Lynette Lee Eng, Los Altos (Alt.)
Burton Craig, Monte Sereno
Steve Tate, Morgan Hill
Emily Lo, Saratoga

Members Absent
Dion Bracco, Gilroy
Jean Mordo, Los Altos

Garry Barbadillo, Milpitas

Staff Present:
Nancy Howe, County Librarian
Chris Brown, Deputy County Librarian
Melissa Kinialochts, Deputy County Counsel

Chuck Griffen, Financial & Admin. Services Manager
Diane Roche, Director of Communication and Marketing
Cynthia Rios Garcia, Secretary

CALL TO ORDER/ROLL CALL
Chair Wasserman called the meeting to order at 1:31 p.m. There was a quorum present. There were no deletions, deferrals or corrections to the agenda.

ORAL COMMUNICATION
Linda Arbaugh, Secretary, Santa Clara County Library District Foundation, updated the Board on the Foundation’s financials, a new brochure they are designing and two pizza fundraisers.

CONSENT CALENDAR
*1. Approve minutes from June 7, 2018 JPA Board meeting
*2. Accept the Santa Clara County Library semi-annual gift report: January 1, 2018 – June 30, 2018, totaling $61,418.08
*3. Accept the following cash gifts:
   a. Cash donation of $5,906.44 to the Santa Clara County Library District and augment the budget for library materials and programs
   b. Cash donation of $2,250 to the Cupertino Library and augment the budget for the library courtyard redesign proposal
   c. Cash donation of $2,506.10 to the Cupertino Library and augment the budget for library materials
d. Cash donation of $8,000 to the Gilroy Library and augment the budget for library programming and supplies
e. Cash donation of $1,500 to the Los Altos Library and augment the budget for furniture and space improvements
f. Cash donation of $30,000 to the Los Altos Library and augment the budget for library materials
g. Cash donation of $30,000 to the Los Altos Library and augment the budget for library materials and programming
h. Cash donation of $14,000 to the Milpitas Library and augment the budget for library materials and the Reading Program
i. Cash donation of $142,000 to the Saratoga Library and augment the budget for library materials and programming

*4. Amend Bylaws
*5. Adopt 2018-2019 Legislative Policy Agenda

Motion was moved by Tate and seconded by Lo to approve Consent Calendar items #1-5 as on the agenda. The motion passed by the following vote:

Ayes: Wasserman, Corrigan, Simitian*, Gibbons, Scharf, Craig, Tate and Lo
Abstain: Lee Eng

NEW BUSINESS
6. Accept Fiscal Year 2017-18 Year-End Fiscal Report

Staff report. Chuck Griffen, Financial and Administrative Services Manager presented the FY 2018 Year-End Fiscal report. It is the Library’s practice every October to provide a summary of the prior year’s finances to the Board. This report was presented to the Finance Committee on October 10, 2018, and they recommended acceptance by the JPA. The report showed that the Library received expected operating revenues to cover all expected operating expenses. Any surpluses accumulated over time due to better than projected revenues would replenish the 10-Year Capital Maintenance Plan and the 3-Year Technology Plan. This year’s surplus was $4.5 million, of which approximately 80% was attributed to better than anticipated property tax revenue and savings of $516,000 in personnel costs due to vacancies throughout the year. Other savings were achieved by re-budgeting projects not completed in FY2017-2018 to the current FY2018-2019.

Mr. Griffen noted that worker’s compensation insurance costs for FY2016-2017 were $584,000 and in FY2017-2018, the insurance costs were $351,000. The substantial increase in FY2016-2017 was due to a one-time transfer to the County from all County departments to address an unfunded actuarial liability that is now paid. The Fund balance including designated reserves as of June 30, 2018 was $42,982,355.

Motion was moved by Lee Eng and seconded by Gibbons to accept Fiscal Year 2017-18 Year-End Fiscal Report. The motion passed unanimously by the following vote:

Ayes: Wasserman, Corrigan, Gibbons, Scharf, Lee Eng, Craig, Tate and Lo
7. **Accept Fiscal Year 2017-18 Year-End Service Report**

Staff report. Diane Roche, Director of Communication and Marketing presented the Fiscal Year 2017-18 Year-End Service Report highlighting many programs and services offered in FY2018. Some of the highlights included a partnership with the YMCA to offer a free early literacy preschool program at the Gilroy Library and approximately 3,000 programs offered library system-wide to children age’s birth to school age. Additional highlights were a record-breaking 178,913 books were read during the Summer Reading Program; a successful Lunch at the Library program; over 20,000 student library eAccounts were registered with the goal to reach every student; and many technology and STEAM programs offered. Community outreach efforts included increased Bookmobile stops and four new electric mobile libraries called, “Go Go Biblio”. Three waves of a direct mailer campaign generated 1,850 new eCardholders; Food for Fines was a success, enough food donated to feed a family of four for 7 years, and we saw an increase of 26% in new cardholders. Passport Services launched in April 2017 at the Cupertino and Milpitas Libraries, serviced 1,000 appointments in the first three months. The Reading Program matched 249 participants with volunteers who provided 6,742 instructional hours; and the Mindquest Mental Health and Wellness event held at the Gilroy Library drew in over 1,450 visitors. Silicon Valley Reads had over 10,000 participating in events held throughout the County.

District residents made up 64% percent of library cardholders; 9.3 million items circulated; program participation increased by 10%; three libraries expanded their open hours; and 3,337,726 people visited our libraries. All of this contributed to the Library District earning the Library Journal’s Star Library Award as a Four Star Library and recognition as one of America’s top ten public libraries in the nation for 10 years straight.

Goals for FY2018-2019 are to increase online card registration; redesign the Library’s website; an increase to the eResource materials budget; and to continue developing community relationships in the Library District.

**Motion** was moved by Corrigan and seconded by Tate to receive Fiscal Year 2017-18 Year-End Service Report. **The motion passed unanimously by the following vote:**

**Ayes:** Wasserman, Corrigan, Simitian, Gibbons, Scharf, Lee Eng, Craig, Tate and Lo

*Board Member Simitian requested to be recorded, as an Aye vote for the Consent Calendar, if there was no objection. There was no objection.

8. **Approve Increased Staffing Budgets and Additional Library Hours**

Staff report. Chris Brown, Deputy County Librarian, presented staff’s recommendation to augment the Library’s budget to increase Sunday hours throughout the Library District. The JPA Board directed staff to recommend a range of costs to open all libraries a minimum number of hours with an emphasis of being open on Sundays. Staff presented their findings to the JPA Board meeting on April 26, 2018, and the Board unanimously approved 61 hours per week if
additional revenue should become available with the goal of increasing to 71 hours per week if feasible. These hours were in response to the 2016 Patron Satisfaction Survey. At that time, staff recommended not funding the increased hours, as incremental funding for staff must run through the JPA funding formula and would be cost prohibitive.

However, the Library District is in a position because of better than expected revenues from property tax and cash reserves to meet the minimum set number of open hours discussed; therefore, staff proposed increasing staffing budgets and library hours to have all libraries open on Sundays. The cost to open all libraries on Sunday is $1,950,000 on an annual basis, with a minimum two-year commitment.

If approved, the Campbell and Gilroy Libraries could be open on Sundays and Saratoga Library could expand their Sunday hours as early as February 2019. Morgan Hill Library would open on Sundays effective December 9, 2018. All libraries would then be open 7 days a week. There would also be additional funding available to Cupertino, Milpitas and Los Altos Libraries, which are already open 71 and 72 hours per week. If approved, discussions will begin immediately with the cities and NCLA.

Staff recommended that the Board approve the augmentation of staffing budget and the listed positions.

**Motion** was moved by Lo and seconded by Gibbons to approve increased staffing budgets and additional Library hours. **The motion passed unanimously by the following vote:**
Ayes: Wasserman, Corrigan, Simitian, Gibbons, Scharf, Lee Eng, Craig, Tate and Lo

9. **Election of Officers 2019**

The nominating committee (Chair Mike Wasserman, Vice Chair Courtenay Corrigan and Board Member Steve Tate) proposed a slate for approval by the JPA Board for election of officers for 2019. There were no nominations from the floor. The Nominating Committee recommended the slate of nominees: Board Members Mike Wasserman for Chair and Courtenay Corrigan for Vice Chair.

**Motion** was moved by Tate and seconded by Craig to approve nominations of Board Members Mike Wasserman for Chair and Courtenay Corrigan for Vice Chair for 2019 Officers.
**The motion passed unanimously by the following vote:**
Ayes: Wasserman, Corrigan, Simitian, Gibbons, Scharf, Lee Eng, Craig, Tate and Lo

**REPORTS/COMMENTS**

10. **County Librarian**
   - City of Campbell’s Measure O is on the ballot to issue a $50 million bond for Library and Police facilities renovations. Two informational mailers were prepared in partnership with the City of Campbell.
Advocacy event, “We are Stronger Together”, will be held on November 9, 2018, 3:30 – 5:30 p.m. at the Santa Clara Convention Center. Special Guest: Joe Simitian, Supervisor, County Board of Supervisors. This event is open to all library supporters.

Morgan Hill Library will open on Sunday effective December 9, 2018. Morgan Hill City Council approved the expansion of the Children’s Program Room at the library.

Silicon Valley Reads 2019

- Theme: Finding Identity in Family History
- Three book selections: The Stranger in My Genes, Bill Griffeth; It’s All Relative, A.J. Jacobs; and Finding Samuel Lowe, Paula Madison
- Three companion books for children’s and teens
- JPA Board Members will be invited to read “Alma”

Save the date for the 16th Annual Friends, Foundations, Endowment and Commissioners Forum on Saturday, February 2, 2018, 8:30 a.m. – 12:30 p.m. Special Guest Presenter: Sharon Streams, Primary author of report, From Awareness to Funding: Voter Perceptions and Support of Public Libraries in 2018

11. JPA Board Members
None.

PRESENTATION

12. Recognition of Outgoing Board Members
Certificates of Appreciation and gifts presented to:
- Burton Craig of Monte Sereno for his 6 years of service to the Library District Joint Powers Authority Board
- Emily Lo of Saratoga for her 8 years of service to the Library District Joint Powers Authority Board
- Steve Tate of Morgan Hill for his 20 years of service to the Library District Joint Powers Authority Board

ADJOURN

With no further business, Chair Wasserman adjourned the meeting at 2:22 p.m., to the next Joint Powers Authority Board meeting on Thursday, January 24, 2019 at 1:30 p.m. at the Santa Clara County Library District Services and Support Center, 1370 Dell Avenue, Campbell, CA 95008.

Respectfully submitted,

Cynthia Rios Garcia, Secretary
Library District Joint Powers Authority Board
JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: January 24, 2019

TO: Joint Powers Authority Board

FROM: Nancy Howe, County Librarian

SUBJECT: ACCEPTANCE OF CASH GIFT

RECOMMENDED ACTION

The Finance Committee recommends that the Joint Powers Authority Board accept a cash donation in the amount of $4,631.50 made to the Santa Clara County Library District from various donors for library materials.

FISCAL IMPLICATIONS

There are no fiscal implications to the approved Library Budget. The budget for purchases will increase commensurately with the amount of the cash donation.

BACKGROUND/REASON FOR RECOMMENDATION

The Santa Clara County Library has received cash donations from various donors, which are to be appropriated for the acquisition of Adult & Children's library material.

STEPS FOLLOWING APPROVAL

The Library budget will be augmented to reflect this donation. The County Librarian will acknowledge this gift.
JPA
01/24/19

JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: January 24, 2019

TO: Joint Powers Authority Board

FROM: Nancy Howe, County Librarian

SUBJECT: ACCEPTANCE OF CASH GIFT

RECOMMENDED ACTION

The Finance Committee recommends that the Joint Powers Authority Board accept a cash donation for $83,000 made to the Los Altos Library from the Friends of the Los Altos Library for library materials.

FISCAL IMPLICATIONS

There are no fiscal implications to the approved Library Budget. The budget for purchases will increase commensurately with the amount of the cash donation.

BACKGROUND/REASON FOR RECOMMENDATION

The Friends of the Los Altos Library has presented the Library with a cash donation, which is to be appropriated for library materials.

STEPS FOLLOWING APPROVAL

The Library budget will be augmented to reflect this donation. The JPA Board Chair will acknowledge this gift.
JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: January 24, 2019

TO: Joint Powers Authority Board

FROM: Nancy Howe, County Librarian

SUBJECT: ACCEPTANCE OF CASH GIFT

RECOMMENDED ACTION

The Finance Committee recommends that the Joint Powers Authority Board accept a cash donation for $6,000 made to the Morgan Hill Library from the Friends of the Morgan Hill Library for library materials.

FISCAL IMPLICATIONS

There are no fiscal implications to the approved Library Budget. The budget for purchases will increase commensurately with the amount of the cash donation.

BACKGROUND/REASON FOR RECOMMENDATION

The Friends of the Morgan Hill Library has presented the Library with a cash donation, which is to be appropriated for library materials.

STEPS FOLLOWING APPROVAL

The Library budget will be augmented to reflect this donation. The County Librarian will acknowledge this gift.
JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: January 24, 2019

TO: Joint Powers Authority Board

FROM: Nancy Howe, County Librarian

SUBJECT: ACCEPTANCE OF CASH GIFT

RECOMMENDED ACTION

The Finance Committee recommends that the Joint Powers Authority Board accept a cash donation for $3,896.78 made to the Saratoga Library from the Friends of the Saratoga Libraries for wayfinding.

FISCAL IMPLICATIONS

There are no fiscal implications to the approved Library Budget. The budget for purchases will increase commensurately with the amount of the cash donation.

BACKGROUND/REASON FOR RECOMMENDATION

The Friends of the Saratoga Libraries has presented the Library with a cash donation, which is to be appropriated for wayfinding.

STEPS FOLLOWING APPROVAL

The Library budget will be augmented to reflect this donation. The County Librarian will acknowledge this gift.
JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: January 24, 2019

TO: Joint Powers Authority Board

FROM: Nancy Howe, County Librarian

SUBJECT: RATIFICATION OF FINANCE COMMITTEE APPOINTMENTS

RECOMMENDED ACTION

It is recommended that the Board ratify the following Finance Committee Appointments made by Chair Mike Wasserman:

- Mike Wasserman (Chair)
- Courtenay Corrigan (Vice-Chair)
- Dion Bracco (Past Chair)
- Carl Cahill (City Manager)
- Rich Waterman (At Large)
- Alternate: To be presented at meeting.

BACKGROUND/REASONS FOR RECOMMENDATION

The Bylaws for the Santa Clara County Library District Joint Powers Authority includes the following section for the Finance Committee:

"The JPA Board shall establish a standing Finance Committee which shall oversee all matters pertaining to the financial structure of the Agency and review and make recommendations to the JPA Board. It reviews all financial matters pending before the JPA Board. The Finance Committee will be composed of 5 members with one JPA voting representative designated as an alternate. Membership includes the Chair, Vice-Chair, Past Chair, and a City Manager. The Chair, with consent and approval of the JPA Board appoints members to the Finance Committee. A quorum of 3 is necessary to conduct business. A majority affirmative vote of those present is necessary for action to be taken."
JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: January 24, 2019

TO: Joint Powers Authority Board

FROM: Nancy Howe, County Librarian

SUBJECT: CALENDAR YEAR 2019 MEETING SCHEDULE

RECOMMENDED ACTION

It is recommended that the Library Joint Powers Authority Board approve the following meeting schedule for 2019:

<table>
<thead>
<tr>
<th>DATE</th>
<th>TIME</th>
<th>LOCATION</th>
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</thead>
<tbody>
<tr>
<td>Thursday, January 24, 1999</td>
<td>1:30 p.m.</td>
<td>Services and Support Center 1370 Dell Avenue, Campbell</td>
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<tr>
<td>Thursday, April 25, 2019</td>
<td>1:30 p.m.</td>
<td>Services and Support Center 1370 Dell Avenue, Campbell</td>
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<tr>
<td>Thursday, June 27, 2019</td>
<td>1:30 p.m.</td>
<td>Services and Support Center 1370 Dell Avenue, Campbell</td>
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<tr>
<td>Thursday, October 24, 2019</td>
<td>1:30 p.m.</td>
<td>Services and Support Center 1370 Dell Avenue, Campbell</td>
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<tr>
<td>Thursday, January 23, 2020</td>
<td>1:30 p.m.</td>
<td>Services and Support Center 1370 Dell Avenue, Campbell</td>
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BACKGROUND/REASONS FOR RECOMMENDATION

The proposed meeting schedule for the Library Joint Powers Authority Board is recommended for approval. The June JPA meeting is customarily set at the first Thursday to enable the JPA to approve the Library budget in advance of the County budget hearings, thereby sending an approved budget to the Board of Supervisors for inclusion in the County's final budget.
DATE: January 24, 2019
TO: Joint Powers Authority Board
FROM: Nancy Howe, County Librarian
SUBJECT: APPROVE ANNUAL SUPPORT FOR SANTA CLARA COUNTY LIBRARY DISTRICT FOUNDATION THROUGH JUNE 30, 2021

RECOMMENDED ACTIONS

The Finance Committee recommends that the Joint Powers Authority Board approve resources for the Santa Clara County Library District Foundation ("Foundation") of up to $10,000/year and 40 hours/year of staff time through June 30, 2021.

BACKGROUND/REASONS FOR RECOMMENDATION

In October of 2015, the JPA Board approved the formation of the Foundation as a non-profit public benefit corporation organized for the exclusive support of the Santa Clara County Library District ("SCCLD"). At that time, the JPA Board also approved SCCLD resources to be used in the first year after formation, not to exceed $10,000 and 40 total hours/year of staff time. As this is a new organization made up entirely of volunteers and established to benefit the entire library system, additional SCCLD support is needed to ensure its success during its first few years of establishment and growth. While the amount of SCCLD money and staff time is expected to be de minimis in any given year, ongoing support is needed. Typical areas of support include website security, review of Foundation grants to ensure alignment with District services and priorities, legal and fiscal accountability, and publicity. The County Librarian or designee will be the liaison to the Foundation Board and other library district staff will provide support on an as-needed basis.
DATE: January 24, 2019

TO: Joint Powers Authority Board

FROM: Nancy Howe, County Librarian

SUBJECT: LIBRARY BUILDING POLICY RECOMMENDATION

RECOMMENDED ACTIONS

The Finance Committee recommends that the Joint Powers Authority Board amend the Library Building Policy to allow for staff participation in and funding toward design work for new, expanded, and/or significantly remodeled Library buildings, subject to JPA Board approval on a case-by-case basis.

BACKGROUND/REASONS FOR RECOMMENDATION

The Joint Powers Authority Library Building Policy was adopted by the JPA in 1999. A significant provision of this Policy is that the JPA no longer provides funding for library building expansions after contributing to library building projects in the cities of Gilroy, Morgan Hill, and Milpitas. Lease payments terms related to the construction of these three buildings were based upon action taken by the JPA Board in approving the “Agreement Settling Disputes and Releasing Claims” with the City of Milpitas dated April 28, 2012.

While these documents make it clear that ongoing annual JPA revenue will no longer be used for further expansion or construction projects for any of its Community or Branch libraries, the JPA-adopted Capital Maintenance Plan does include contributions for modernization and refresh of the Libraries’ interior spaces on a rotating basis.

For JPA member cities considering new or extensively remodeled or expanded Library buildings, Library administration recommends staff participation in the building design process, including potential funding toward preliminary design work subject to JPA approval on a case by case basis. Library District cities currently considering remodels or expansions include the communities of Campbell, Los Altos, and Morgan Hill, each of whom have asked for library district staff participation. Today’s building decisions result in decades of maintenance and energy costs for the Library District. Moreover, the interior design of today’s public library can contribute to the overall service experience. Good library design evolves and requires library expertise. Therefore, it is essential that Library staff participate in the design of new and expanded library spaces.
JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: January 24, 2019
TO: Joint Powers Authority Board
FROM: Nancy Howe, County Librarian
SUBJECT: ADDITION OF ONE FULL-TIME ACCOUNT CLERK II AND ONE HALF-TIME JANITOR

RECOMMENDED ACTION

The Finance Committee recommends that the Joint Powers Authority Board approve adding one full-time Account Clerk II to the Services and Support Center and one half-time Janitor to Milpitas Community Library.

FISCAL IMPLICATIONS

This will increase personnel costs by $15,816 in the current fiscal year and $51,316 in Fiscal Year 2019-20. Existing staffing budget resources for the Janitor will be shifted to keep in line with the established Library funding formula for the community libraries.

BACKGROUND AND REASONS FOR RECOMMENDATION

With increased staffing and spending associated with the expanded Library budget over the last several years, additional assistance is needed for payroll and accounting functions at the Services and Support Center. The addition of a full-time Account Clerk II will allow the department to maintain timely payroll payments and corrections while reducing the backlog in accounts payable. At the Milpitas Library, the addition of a half-time Janitor will allow staff to keep up with increased custodial demands associated with increased foot traffic and open hours.

STEPS FOLLOWING APPROVAL

The change will be implemented through the County's formal add/delete process.
JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: January 24, 2019

TO: Joint Powers Authority Board

FROM: Nancy Howe, County Librarian

SUBJECT: APPROVE THE FOOD FOR FINES PROJECT

RECOMMENDED ACTION

It is recommended that the JPA Board approve the Food for Fines project for the month of April 2019. Each patron who donates a can or package of food would have his or her fines waived up to $100.00.

BACKGROUND AND REASONS FOR RECOMMENDATION

The goal is to give patrons a simple way to clear their records up to $100 and welcome them back to the library – especially those in our community with limited funds, and who are the most negatively impacted. For those owing $20 or more, it is an opportunity to return to a borrowing status so that they can once again become active library users.

This was an extremely successful endeavor for the Library District in April of 2018, in which we collected 18 tons of food for 30,000 meals, while bringing patrons back into the Library and fostering goodwill. Second Harvest Food Bank has again agreed to work with the Library District. They would be responsible for providing food barrels and collection from SCCLD. While there are many organizations collecting food during the holidays, hunger is a year-round issue and there is high demand in the summer months when subsidized school lunches are not available. The 2018 program provided much needed relief for the families served by the Food Bank as we were able to collect food in advance of the high demand season.

FISCAL IMPLICATIONS

While this will result in a one-time reduction in revenues, this can be easily absorbed as the current fiscal year estimate for library fine revenue has already been met.
JOINT POWERS AUTHORITY  
BOARD TRANSMITTAL

DATE: January 24, 2019

TO: Joint Powers Authority Board

FROM: Nancy Howe, County Librarian

SUBJECT: DELEGATE AUTHORITY TO COUNTY LIBRARIAN TO NEGOTIATE AND EXECUTE CONTRACT FOR CAMPBELL LIBRARY CONSTRUCTION COST ESTIMATES NOT TO EXCEED $50,000

RECOMMENDED ACTIONS

The Finance Committee recommends that the Joint Powers Authority Board delegate authority to the County Librarian or designee, to negotiate and execute a contract for construction cost estimates related to the Campbell Community Library in an amount not to exceed $50,000.

BACKGROUND/REASONS FOR RECOMMENDATION

On November 6, 2018, Campbell residents approved Measure O, a $50 million general obligation bond “To provide a police emergency operation center that is fully operational during a disaster and an innovative library in seismically safe, accessible, and energy-efficient facilities meeting current safety codes.” For the Campbell Community Library, the text of the ballot measure provided for “a safe, energy efficient library that meets earthquake and fire safety codes, facilitating the collaborative and efficient use of space, which may result in longer operating hours, with space for senior reading, after-school homework programs, children’s story times and a children’s collection, summer reading programs, and public access computers and computer lab, ensuring access for senior and disabled residents.”

As this $50 million bond will be used for both police and library purposes, the JPA Board chair recommended that library staff obtain a rough order of magnitude cost estimate for the library portion of the bond, as this would be useful information as the City begins its analysis for use of the bond proceeds.

The Campbell Library building is not ADA accessible and is in dilapidated condition, requiring frequent and difficult maintenance by SCCLD. Working in partnership with the City, we will be participating in preliminary design work. We believe it is critical to prepare ourselves with credible and unbiased cost estimates to correct the most serious deficiencies, which are limiting our ability to provide quality library service.
DATE: January 24, 2019

TO: Joint Powers Authority Board

FROM: Nancy Howe, County Librarian

SUBJECT: FIVE-YEAR FINANCIAL FORECAST
FISCAL YEARS 2018-2019 THROUGH 2022-2023

RECOMMENDED ACTION

The Finance Committee recommends that the Joint Powers Authority Board consider and accept the report on the five-year financial forecast for the Santa Clara County Library.

BACKGROUND

An annual five-year financial forecast is prepared covering Library resources and expenditure obligations. This document is intended as general guidance to the Board concerning the current and future financial challenges.
Santa Clara County Library

Five-year Financial Forecast
Fiscal Years 2018-19 to 2022-2023

Introduction

This forecast is presented as a financial planning tool to assist the Joint Powers Authority Board in understanding the potential long-term effects of expenditure decisions on the Library’s financial position over the next five fiscal years. It is not the budget document, nor will acceptance of this report constitute a budgetary approval.

The reliability of any financial forecast is limited by the ability to predict future costs and resources based upon historical reference. For the purposes of preparing this five-year forecast a set of assumptions has been selected based upon experience of the last five years and a limited number of known cost escalation/reduction factors. Library staff acknowledges that unpredictable forces such as significant state budget action, fluctuation of the local real estate market, economic conditions in general, and the powers of the state legislature to take away revenue sources could dramatically change this forecast. Accordingly, the forecast becomes increasingly less reliable in later years.

Forecast Summary and Conclusions

Since the Library is extraordinarily reliant upon property tax proceeds to fund operations, any significant change in real estate transactions and value results in a corresponding impact on Library revenue. Nevertheless, a modest amount of growth is expected in this forecast.

On the expenditure side of the finance equation, it is expected that the combined salary and benefit costs will increase 5.6% per year; however, the library will ultimately see long-term benefits due to the new tier of retirement benefits for new employees hired after December 31, 2012.

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>Projected REVENUE</th>
<th>Projected EXPENSE</th>
<th>Net Surplus/ (use of prior year funds)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018-19</td>
<td>51,901,985</td>
<td>53,558,744</td>
<td>(1,656,759)</td>
</tr>
<tr>
<td>2019-20</td>
<td>53,329,847</td>
<td>52,062,196</td>
<td>1,267,651</td>
</tr>
<tr>
<td>2020-21</td>
<td>55,737,669</td>
<td>54,242,675</td>
<td>1,494,994</td>
</tr>
<tr>
<td>2021-22</td>
<td>57,755,654</td>
<td>56,752,374</td>
<td>1,003,280</td>
</tr>
<tr>
<td>2022-23</td>
<td>59,854,386</td>
<td>59,392,051</td>
<td>462,335</td>
</tr>
</tbody>
</table>
Using the following set of assumptions, the above Chart 1 summarizes the Library’s financial status over the next five years.

**Forecast Assumptions/ Methodology**

- Property tax proceeds from all sources are estimated to grow at least 4-5% growth annually. There are four cities in the Library District with former Redevelopment Agencies (“RDA’s”). With the State mandated dissolution of RDA’s, we will continue to see gradual increases in secured property tax receipts over and above the expected growth in the real estate sector. The effect of dissolution will not be immediate as the State is allowing obligated debt and other expenses to be paid off from the RDA successor agencies before the revenue shifts to the entities that receive secured property tax revenue.

- As the Special Tax is calculated at a fixed rate, the growth is limited to the increase in housing stock, changes in land use designations, and the annexations of parcels in and out of Library District boundaries. Growth is estimated at 9/10 of 1% annually.

- Salary and employee benefit total costs will grow 5.6% annually in the out years for salary and benefit cost adjustments.

- Funding for book/ materials acquisition will be held between 10-15% of operating revenues each year with additional increases based upon contributions.

- Projected revenues represent all recurring revenue sources expected to be received and there is no reliance on possible one-time “windfall” gifts or donations.

- The inflationary costs of services and supplies will not exceed 2% annually.

- Facilities cost increases will not exceed 1% annually.

**REVENUE REVIEW**

The components of each major revenue category have been analyzed to develop a separate inflator factor. (See Chart 2) Property Tax is the most important revenue category, constituting nearly 82% of the Library’s total revenue. This important revenue source shows no discernible trend line with annual change ranging from 4.17% to 10.65% over the last five years. The task of projecting property tax revenue is made difficult by the fact that it has nine constituent parts that are calculated differently and respond differently to changes in the real estate market. For example, the supplemental roll component has no base number: in FY 2017 the amount exceeded $1 million but in a year with few real estate transactions the proceeds could drop below $400,000. The future total projected revenue is shown in Chart 4.

State funding support has eroded from a high of $3.98 million in FY 2002 to $81,000 last fiscal year, currently consisting only of grants as the State support for Public Library Foundation (PLF), Transaction Based Reimbursements (TBR) were eliminated in 2012. This loss over time has been filled by property tax growth.
EXPENDITURE REVIEW

The expenditure forecast does not assume any significant new programs or service level enhancements; and with the exception of additional hours added this fiscal year, it holds current staffing levels as the base. Expenditure history was analyzed in the component parts to develop inflators for future years. Salary and benefit costs, which make up nearly 60% of the Library expenditures, have risen historically in the range of 10.39% to less than 2% annually. These historical increases have resulted from negotiated labor agreements as well as the addition of new positions.

Expenditure analysis has been performed on annual recurring operating costs (see Chart 3). Future increases represent the cost to keep the Library functioning with the same number of staff, open hours, library materials and supplies. It is assumed that fixed assets will either be purchased from reserve funds or one-time “wind-fall” revenue sources. The future projected costs are summarized in Chart 5.

Conclusion

This forecast represents a conservatively optimistic future. The additional tax revenue associated with a continued robust economy will offset future estimated increases in recurring operating costs. Library district staff will watch these trends closely to ensure sufficient cash reserves balanced with fulfillment of community expectations of library services.

Attachments

Chart 2: Five year revenue history
Chart 3: Five year expenditure history
Chart 4: Future projected revenue
Chart 5: Future projected operating expenditures
Chart 6: Summary of five year forecast
<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>PROPERTY TAX</th>
<th>% Change</th>
<th>Special Tax</th>
<th>% Change</th>
<th>STATE FUNDS</th>
<th>% Change</th>
<th>FINES &amp; FEES</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>32,448,943</td>
<td></td>
<td>5,766,358</td>
<td></td>
<td>90,837</td>
<td></td>
<td>812,859</td>
<td></td>
</tr>
<tr>
<td>2015-16</td>
<td>35,904,614</td>
<td>10.65%</td>
<td>5,818,256</td>
<td>0.90%</td>
<td>119,876</td>
<td>31.97%</td>
<td>555,736</td>
<td>-31.6%</td>
</tr>
<tr>
<td>2016-17</td>
<td>37,401,559</td>
<td>4.17%</td>
<td>5,857,783</td>
<td>0.68%</td>
<td>83,203</td>
<td>-30.59%</td>
<td>548,507</td>
<td>-1.30%</td>
</tr>
<tr>
<td>2017-18</td>
<td>40,852,344</td>
<td>9.23%</td>
<td>5,824,984</td>
<td>-0.56%</td>
<td>81,383</td>
<td>-2.19%</td>
<td>526,435</td>
<td>-4.02%</td>
</tr>
<tr>
<td>2018-19 Proj</td>
<td>42,903,854</td>
<td>5.02%</td>
<td>5,888,732</td>
<td>1.09%</td>
<td>53,523</td>
<td>-34.23%</td>
<td>526,000</td>
<td>-0.08%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>CITIES</th>
<th>% Change</th>
<th>COUNTY</th>
<th>% Change</th>
<th>OTHER</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>926,649</td>
<td></td>
<td>51,000</td>
<td></td>
<td>957,066</td>
<td></td>
</tr>
<tr>
<td>2015-16</td>
<td>979,046</td>
<td>5.65%</td>
<td>51,000</td>
<td>0.00%</td>
<td>1,021,238</td>
<td>6.71%</td>
</tr>
<tr>
<td>2016-17</td>
<td>1,273,699</td>
<td>30.10%</td>
<td>51,000</td>
<td>0.00%</td>
<td>1,996,620</td>
<td>95.51%</td>
</tr>
<tr>
<td>2017-18</td>
<td>1,584,993</td>
<td>24.44%</td>
<td>51,000</td>
<td>0.00%</td>
<td>1,793,679</td>
<td>-10.16%</td>
</tr>
<tr>
<td>2018-19 Proj</td>
<td>1,701,271</td>
<td>7.34%</td>
<td>51,000</td>
<td>0.00%</td>
<td>777,605</td>
<td>-56.65%</td>
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<table>
<thead>
<tr>
<th>TOTAL REVENUE</th>
<th>% Change</th>
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</thead>
<tbody>
<tr>
<td>41,053,712</td>
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<tr>
<td>44,449,765</td>
<td>8.27%</td>
</tr>
<tr>
<td>47,212,371</td>
<td>6.22%</td>
</tr>
<tr>
<td>50,714,818</td>
<td>7.42%</td>
</tr>
<tr>
<td>51,901,985</td>
<td>2.34%</td>
</tr>
</tbody>
</table>

Chart 2
## 5 Year Expenditure History

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>SALARIES &amp; Benefits</th>
<th>% Change</th>
<th>SERVICES &amp; SUPPLIES</th>
<th>% Change</th>
<th>Books &amp; Materials</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>23,650,819</td>
<td></td>
<td>3,749,960</td>
<td></td>
<td>4,555,277</td>
<td></td>
</tr>
<tr>
<td>2015-16</td>
<td>25,947,476</td>
<td>9.71%</td>
<td>4,840,640</td>
<td>29.09%</td>
<td>5,236,957</td>
<td>14.96%</td>
</tr>
<tr>
<td>2016-17</td>
<td>27,697,581</td>
<td>6.74%</td>
<td>6,364,115</td>
<td>31.47%</td>
<td>5,535,253</td>
<td>5.70%</td>
</tr>
<tr>
<td>2017-18</td>
<td>30,257,567</td>
<td>9.24%</td>
<td>5,892,548</td>
<td>-7.41%</td>
<td>6,614,473</td>
<td>19.50%</td>
</tr>
<tr>
<td>2018-19 Proj</td>
<td>33,230,568</td>
<td>9.83%</td>
<td>7,396,236</td>
<td>25.52%</td>
<td>7,173,918</td>
<td>8.46%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>FACILITIES</th>
<th>% Change</th>
<th>Operating Subtotal</th>
<th>% Change</th>
<th>FIXED ASSETS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>2,655,281</td>
<td></td>
<td>$34,611,337</td>
<td></td>
<td>235,723</td>
</tr>
<tr>
<td>2015-16</td>
<td>2,998,610</td>
<td>12.93%</td>
<td>$39,023,683</td>
<td>12.75%</td>
<td>2,626,774</td>
</tr>
<tr>
<td>2016-17</td>
<td>2,943,795</td>
<td>-1.83%</td>
<td>$42,540,744</td>
<td>9.01%</td>
<td>394,306</td>
</tr>
<tr>
<td>2017-18</td>
<td>3,060,989</td>
<td>3.98%</td>
<td>$45,825,577</td>
<td>7.72%</td>
<td>995,000</td>
</tr>
<tr>
<td>2018-19 Proj</td>
<td>5,758,022</td>
<td>88.11%</td>
<td>$53,558,744</td>
<td>16.88%</td>
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</table>

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>TOTAL EXPENDITURES</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>$34,611,337</td>
<td></td>
</tr>
<tr>
<td>2015-16</td>
<td>$39,259,406</td>
<td>13.43%</td>
</tr>
<tr>
<td>2016-17</td>
<td>$45,167,518</td>
<td>15.05%</td>
</tr>
<tr>
<td>2017-18</td>
<td>$46,219,883</td>
<td>2.33%</td>
</tr>
<tr>
<td>2018-19 Proj</td>
<td>$54,553,744</td>
<td>18.03%</td>
</tr>
</tbody>
</table>

Chart 3
### Projected Revenue

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>PROPERTY TAX</th>
<th>% Change</th>
<th>SPECIAL TAX</th>
<th>STATE FUNDS</th>
<th>FINES &amp; FEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018-19</td>
<td>42,903,854</td>
<td></td>
<td>5,888,732</td>
<td>53,523</td>
<td>526,000</td>
</tr>
<tr>
<td>2019-20</td>
<td>44,190,970</td>
<td>3.00%</td>
<td>5,941,731</td>
<td>46,000</td>
<td>526,000</td>
</tr>
<tr>
<td>2020-21</td>
<td>46,444,709</td>
<td>5.10%</td>
<td>5,995,206</td>
<td>46,000</td>
<td>526,000</td>
</tr>
<tr>
<td>2021-22</td>
<td>48,302,497</td>
<td>4.00%</td>
<td>6,049,163</td>
<td>46,000</td>
<td>526,000</td>
</tr>
<tr>
<td>2022-23</td>
<td>50,234,597</td>
<td>4.00%</td>
<td>6,103,605</td>
<td>46,000</td>
<td>526,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>CITIES</th>
<th>COUNTY</th>
<th>OTHER</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018-19</td>
<td>1,701,271</td>
<td>51,000</td>
<td>777,605</td>
<td>51,901,985</td>
</tr>
<tr>
<td>2019-20</td>
<td>1,796,542</td>
<td>51,000</td>
<td>777,605</td>
<td>53,329,847</td>
</tr>
<tr>
<td>2020-21</td>
<td>1,897,149</td>
<td>51,000</td>
<td>777,605</td>
<td>55,737,669</td>
</tr>
<tr>
<td>2021-22</td>
<td>2,003,389</td>
<td>51,000</td>
<td>777,605</td>
<td>57,755,654</td>
</tr>
<tr>
<td>2022-23</td>
<td>2,115,579</td>
<td>51,000</td>
<td>777,605</td>
<td>59,854,386</td>
</tr>
</tbody>
</table>

Chart 4
Santa Clara County Library
Projected Operating Expenditure

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>SALARIES &amp; Benefits</th>
<th>% Change</th>
<th>SERVICES &amp; SUPPLIES</th>
<th>Books &amp; Materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018-19</td>
<td>33,230,568</td>
<td></td>
<td>7,396,236</td>
<td>7,173,918</td>
</tr>
<tr>
<td>2019-20</td>
<td>35,144,680</td>
<td>5.60%</td>
<td>6,882,895</td>
<td>7,199,529</td>
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<tr>
<td>2020-21</td>
<td>37,112,782</td>
<td>5.60%</td>
<td>7,020,553</td>
<td>7,245,897</td>
</tr>
<tr>
<td>2021-22</td>
<td>39,191,098</td>
<td>5.60%</td>
<td>7,160,964</td>
<td>7,508,235</td>
</tr>
<tr>
<td>2022-23</td>
<td>41,385,799</td>
<td>5.60%</td>
<td>7,304,183</td>
<td>7,781,070</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>FACILITIES</th>
<th>Operating Total</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018-19</td>
<td>5,758,022</td>
<td>$ 53,558,744</td>
<td></td>
</tr>
<tr>
<td>2019-20</td>
<td>2,835,092</td>
<td>$ 52,062,196</td>
<td>-2.79%</td>
</tr>
<tr>
<td>2020-21</td>
<td>2,863,443</td>
<td>$ 54,242,675</td>
<td>4.19%</td>
</tr>
<tr>
<td>2021-22</td>
<td>2,892,078</td>
<td>$ 56,752,374</td>
<td>4.63%</td>
</tr>
<tr>
<td>2022-23</td>
<td>2,920,998</td>
<td>$ 59,392,051</td>
<td>4.65%</td>
</tr>
</tbody>
</table>

Chart 5
Summary of Five-Year Forecast

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>Projected Revenue</th>
<th>Projected Operating Cost</th>
<th>Net Surplus/(Use of Prior Year Funds)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018-19</td>
<td>51,901,985</td>
<td>$ 53,558,744</td>
<td>(1,656,759)</td>
</tr>
<tr>
<td>2019-20</td>
<td>53,329,847</td>
<td>$ 52,062,196</td>
<td>1,267,651</td>
</tr>
<tr>
<td>2020-21</td>
<td>55,737,669</td>
<td>$ 54,242,675</td>
<td>1,494,994</td>
</tr>
<tr>
<td>2021-22</td>
<td>57,755,654</td>
<td>$ 56,752,374</td>
<td>1,003,280</td>
</tr>
<tr>
<td>2022-23</td>
<td>59,854,386</td>
<td>$ 59,392,051</td>
<td>462,335</td>
</tr>
</tbody>
</table>

Projected Library Fund (0025) Cash and Reserves as of 06/30/2019

- Capital Maintenance Reserve: 5,414,000
- Technology Reserve: 2,000,000
- Economic Uncertainty Reserve: 13,000,000
- Other Reserves: 1,448,933
- Cash: 10,482,017

Total Cash: 32,344,950

Chart 6
JOINT POWERS AUTHORITY
BOARD TRANSMITTAL

DATE: January 24, 2019

TO: Joint Powers Authority Board

FROM: Nancy Howe, County Librarian

SUBJECT: THREE-YEAR TECHNOLOGY REPLACEMENT AND IMPROVEMENT PLAN
FISCAL YEARS 2019/2020 – 2021/2022

RECOMMENDED ACTION

It is recommended the JPA Board adopt the Three-Year Technology Replacement and Improvement Plan and direct that $8,720,000 be transferred from fund balance to the designated Technology Reserve to finance the plan for Fiscal Years 2019/20 – 2021/22.

BACKGROUND

The JPA adopts a Technology Plan every three years, which provides a budgetary framework for the Library’s acquisition of hardware and software, implementation of new technology, as well as wireless and network support. The last plan covered Fiscal Years 2016/17 - 2018/19. The purpose of this report is to provide a final synopsis of work completed in the 2016-2019, plan and present the proposed Fiscal Year 2019/20 - 2021/22 Plan.

2016-2019 Technology Plan Review

Of the $7,316,695 allocated for the 2016-19 Technology Plan, nearly all projects were or will be completed. Any remaining unspent balances will be returned to the library fund balance at the end of this fiscal year.

Updated technology includes the replacement of staff and public PCs, self-check machines, security gates, and VoIP phones. Implemented 24-hour library book lending machines, and laptop dispensing kiosks.

Library’s local network has been upgraded from 100 Mbps to 1 GB speed. This will result in better computer and WiFi experiences for patrons and staff, as well as the ability to offer more streaming programs in future years.
Innovative tools include Adobe, Tech Kits for library programming use which support STEAM (Science, Technology, Engineering, Arts and Math). Tech Kits currently include: 3D printers, 3Doodler 3D pens, Arduino circuitry kits, Cubelets for robotics, Dash & Dot for robotics, Keva Planks for building, LittleBits for electronics and invention, Oculus Go VR headsets, Ozobots for robotics, and stop motion kits. Each library received a Tech ToolBar with eDevices (iPads, Kindles, Galaxy Nexus Readers) to promote eResources and educate patrons on using our eResources on popular electronic devices.

Website enhancement includes online passport appointment booking, new fines payment options within account area, and translation of online catalog allowing patrons to select from English, Spanish, Chinese, Vietnamese, and Filipino options.

Introduced eCard online registration and the student portal, issuing 80,000 student cards.

As the 2018/19 Fiscal Year concludes, the library will continue the work of the existing plan, including replacing Self-Check machines, Security Gates and AV system upgrade (MI and SA).

2019-2022 Technology Replacement and Improvement Plan

The Technology Reserve Fund was established as a designated budgeted reserve by the Joint Powers Authority Board to accrue financing for large, costly network and system upgrades, as well as equipment replacement identified in the Plan. Every three years the JPA is presented with a Technology Replacement and Improvement Plan, which outlines major initiatives during the next fiscal years.

Proposed technology is evaluated using the following criteria to ensure that the Library acts in a fiscally responsible manner:

- Public benefit
- Enable public and staff self-service
- Enhance staff interaction with the public
- Accommodate service equity
- Training impact for both staff and the public
- Implementation costs in dollars and staff time
- Cost of equipment, software and ongoing maintenance
- Security
- Support efficiency
- Standards based architecture
- Space in existing buildings
- Remodeling and expansion projects
- “Must be done” (i.e., when a critical piece of hardware fails, equipment or software no longer being maintained, or current hardware cannot handle increased workload)
- Network stability and recovery
Network and System Infrastructure

The Library requires a fast, dependable network link between each library and library administration, which houses the servers and the Internet connection. The Internet connection must be fast and reliable. Servers and the Internet connection must be available 24 hour a day, seven days a week for access to the Library’s website, catalog and subscription databases and include reasonable failover servers, appropriate security and recovery capabilities.

In the next three years, the network capacity will be evaluated, and the Plan allocates funds for network enhancements, including wireless networks and routers.

Technology Replacement and Improvement

Automatic Material Handling (AMH) machines at each location have reached their end of life, and will be replaced during the 2nd year of the new plan. In Year 2, money has been allocated for AMHS replacement.

Technology in all community rooms will be reviewed, and equipment will be updated or replaced, such as projectors, sound systems, and microphones. This will create a better user experience and utilize the increased network capacity for initiatives such as streaming programs.

Website has been continually enhanced. It is an ongoing process with money allocated throughout the plan.

The Plan also includes replacement book scanners and microfilm scanners that will allow patrons to view and print and a large-scale digitization project.

Technology to Enhance Patron Experience

Support of patron digital literacy remains a priority for the Library. Line items in the Plan include technology to support literacy, tech learning for the public, and displaying and/or loaning devices for the public. Identified initiatives include mobile devices for the Reading Program to assist adult learners and tutors; adding software to public computers, and investigation of loaning additional devices to respond to patron needs.

Staff and Public Computers

With the high quality of the existing hardware and software, we anticipate replacing staff and public computers in Year 5 which is outside of this 3 year Tech Plan.
Budget

The total three-year budget of $8,720,000 includes network improvements, hardware/software replacement and innovation. Costs are spread throughout the three years, with the bulk of expenditures in Year 2.

Summary

The Library must be prepared to take advantage of new products and technologies, which will enable the Library to better serve the information needs of our clientele, run an efficient workplace, and take advantage of self-service components for both staff and the public. The Santa Clara County Library District must continue to meet the high expectations of the residents of Silicon Valley by using the opportunities for improved service offered by new technology. The Plan will be reviewed annually by the JPA.

FISCAL IMPLICATIONS

Adoption of this plan does not commit the Board to the expenditures or timing outlined herein. Each fiscal year, the proposed technology expenditures will be presented in the Budget document for the Board’s decision to appropriate funding.
<table>
<thead>
<tr>
<th>No.</th>
<th>Item Description</th>
<th>FY 2019/20</th>
<th>FY 2020/21</th>
<th>FY 2021/22</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Updated audiovisual equipment, wireless microphones for each community room (CA, CU, MH &amp; GI)</td>
<td>$800,000</td>
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<tr>
<td>2</td>
<td>AMHS Replacement</td>
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<td>$4,000,000</td>
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<td>3</td>
<td>Book Scanners replacement</td>
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<tr>
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<td>Microfilm scanners replacement</td>
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<tr>
<td>5</td>
<td>WI-FI Access Points upgrade</td>
<td></td>
<td></td>
<td>$150,000</td>
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<tr>
<td>6</td>
<td>Network Security and Privacy Audit</td>
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<td>$100,000</td>
<td>$100,000</td>
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<tr>
<td>7</td>
<td>Network enhancement</td>
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<tr>
<td>8</td>
<td>Servers and Data Storage needs, UPS replacement - On going</td>
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<td>Fee and Fine payment kiosks</td>
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<tr>
<td>10</td>
<td>Book Lending Machines</td>
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<td>Network switch upgrade (SSC)</td>
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<td>VoIP system upgrade</td>
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<td>13</td>
<td>Digitization project</td>
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<td>14</td>
<td>Library Information and events display monitors and software</td>
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<td>Collaboration and group learning for example Mondopad (public)</td>
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<td>16</td>
<td>Technology to support literacy</td>
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<td>Displaying and/or loaning smart devices for the public</td>
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<td>Tech learning for the public including instruction, hardware, software and services</td>
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<td>19</td>
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<td><strong>Total All Priorities</strong></td>
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<td><strong>$5,325,000</strong></td>
<td><strong>$1,230,000</strong></td>
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