

**PUEBLO CITY-COUNTY LIBRARY DISTRICT BOARD OF TRUSTEES
WORK SESSION MINUTES**

May 16, 2017

I. CALL TO ORDER AND ROLL CALL

Mr. Quintana, Vice President, called the meeting to order at 3:00 p.m. in the Ryals Room on the 4th floor of the Rawlings Library.

Board Members Present: Donna Pickman, President; Fredrick Quintana, Vice President; Marlene Bregar; Lyndell Gairaud; Philip Mancha; Doreen Martinez

Board Members Absent: Jim Stuart

Attorney Present: Nicholas Gradisar

Staff Present: Jon Walker, Executive Director; Sherri Baca, Chief Financial Officer; Sara Rose, Chief Operating Officer; Jill Deulen, Technical Services & Collection Development Manager; Rachel Salazar, Pueblo West Library Specialist; Alan Rocco, Facilities Superintendent; others not recorded

II. CORRECTIONS OR MODIFICATIONS TO THE AGENDA

Mr. Walker indicated that it was necessary to remove Item III.B. Rawlings Library HVAC Controls. It will be brought up at a later meeting because they are still doing research following the RFP process.

III. DISCUSSION ITEMS

A. ConnectED MOU (Memorandum Of Understanding)

Mr. Quintana said the ConnectED Memorandum of Understanding between Pueblo School Districts 60 and 70 and PCCLD expires and are recommended for renewal. An additional ConnectED MOU is proposed between Pueblo School for the Arts and Sciences and PCCLD.

Jill Deulen, Technical Services & Collection Development Manager, said it had been about a year since she talked to the Board about the ConnectED project with School Districts 60 and 70. ConnectED has been implemented with about 23,000 students enrolled, and things are being checked out. The MOUs entered into last year are about to expire, and Ms. Deulen said a draft renewal for School District 70 had been provided in the Board packet. She is still working with School District 60 on their renewal and hopes to bring that to the Library board for approval in June. The only change made was instead of the MOU expiring each year, it will be on an unlimited term unless either party cancels with thirty days' notice.

Dr. Mancha raised concerns about the unlimited term and suggested continued regular Board approval. Mr. Walker explained that ConnectED had been set up as a pilot program, and this change would make it a regular part of library services. The Board discussed alternatives. Mr. Quintana suggested since this constitutes a change it should be approved by the Board with the Board receiving updates. Mr. Quintana sees approval of this contract and then the Board receiving updates depending on how the program is going. This is new because it changes the term. Ms. Deulen said they are asking for Board approval, and after this she would be happy to provide regular updates so the Board does not lose track of how the program progresses. Dr. Mancha said he would agree with what the majority wants to do.

Ms. Deulen then introduced Rachel Salazar to talk about a similar MOU with the Pueblo School of Arts and Sciences (PSAS). Ms. Salazar is a Library Specialist at Pueblo West, and her project is part of the Leadership Academy and an internship for a Master's Degree in Library Science. Her project is to extend ConnectED to PSAS which is a charter school under School District 60. PSAS has been presented with the District 60 MOU updated for PSAS, and they were very happy with it. Ms. Salazar will also be presenting the MOU to the PSAS Board tonight for their Board to approve, and she hopes the Library Board will accept it on May 25 after it has been reviewed by PSAS.

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Ms. Bregar asked if the MOU will cover both PSAS sites, and Ms. Salazar responded it will cover all of the students at both sites.

Mr. Walker said when this was introduced, one question had been whether to extend the program to other schools and private schools. At that time, it was decided to start with the major school districts. The library has been able to work out the technical bugs of moving data from one system to the other. Ms. Salazar's project is the first effort to move the program beyond the two school districts. PSAS was one of the first charter schools in Colorado. PSAS is not only healthy but is also expanding with the support of the District 60 School Board.

Ms. Salazar added that she will be providing staff training, trouble shooting, and classroom training on how to access databases. Ms. Salazar will also be promoting the library's Summer Reading Program and presenting Most Improved Reader awards at PSAS to establish herself as the librarian they see there. She will be working with Daniel Gaghan, the ILS Administrator, to help with data loads.

Ms. Bregar asked how soon the library would reach out to other charter schools such as Swallows. Mr. Walker said there have been discussions with Connect which already has a close relationship with the library as part of its regular program, so ConnectED would not add anything there. Ms. Deulen said she would expect Swallows to be one of the next schools to be added, and Mr. Walker suggested Cesar Chavez might be another addition. The library has not yet reached out to private schools.

In the earlier discussion, Ms. Deulen had mentioned that the student's library card expires at age 18, and Ms. Gairaud asked about a student who might turn 18 in the fall but does not graduate until May the next year. Ms. Deulen said the issue had not come up because it is mostly elementary and middle school students who are using the resources in the classroom, but there is no reason those students could not be reinstated. Mr. Walker said the age limitation is not part of the agreement, and he will look into the procedure to make sure there are no impediments to students using library services.

B. Rawlings Library HVAC Controls

Removed from May 16 Work Session Agenda.

C. Rawlings and Pueblo West Repair

Mr. Quintana said both the Rawlings Library and the Pueblo West Library sustained significant roof and related damage during a severe storm on March 23-24. A bidding process for repair work has been completed, and Alan Rocco will present recommendations.

Mr. Rocco said five different roofers were asked to submit bids, and three proposals were received. For Pueblo West, Roofmasters had the best price and provided numerous references. Mr. Rocco contacted Big R, Fort Carson, Buckley Air Force Base, and a place in Wichita, Kansas, who all provided great references.

Ms. Gairaud asked if they are a Pueblo company, and Mr. Rocco said they are out of Pueblo and Kansas.

Mr. Walker said the library has been in touch with its insurer, and the replacement cost of the roof was valued at about \$69,000. That bid falls under that, and the insurer has provided the library a check. Mr. Walker said the recommendation is for the Board to support this as the lowest, best bid. If the Board approves the repair cost, there is money in the bank to pay for the work, and any additional amount paid by the insurer will be returned by reconciliation.

Mr. Quintana asked what the bid was for Rawlings. Mr. Rocco responded that there were some pricing issues on the copper panels and the roof of the elevator, so there is a separate recommendation for Rawlings. Roofmasters was a little bit higher and did not want to address the issue with the elevator. Colorado Front Range Roofing had the best price, and they roofed the three new libraries and have done patchwork for the library. Mr. Rocco referred to them as the library's emergency "go-to guys." Three proposals were received.

Mr. Walker said the replacement cost for Rawlings was estimated just under \$68,000. Special Districts have provided \$54,763 cash which would require reconciliation for the lowest best bid of \$51,127. Mr. Walker said the library is hopeful the Board will approve this. Rawlings is still experiencing some minor

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leaks which were discovered during recent rains, and they would like to move forward with this. These will be presented to the Board for approval as two recommendations.

Ms. Baca said it is her responsibility to work with the claims adjuster, and the library has received approximately \$110,000 which includes about \$8,000 for emergency repairs required immediately following the event. As a housekeeping item, because these costs were not budgeted, the only way the library can spend this is for the Board to pass a budget amendment before the end of the year in order to take care of this in the capital fund budget.

At the meeting next week, the Board will be asked to approve the selection of Roofmasters for the roof repairs to the Pueblo West Library at a cost not to exceed \$46,800 and the selection of Colorado Front Range Roofing for the roof repairs to the Rawlings Library at a cost not to exceed \$51,127.

D. Insurance Brokers

Mr. Quintana said Sherri Baca, Chief Financial Officer, provided an executive summary of efforts to obtain proposals for insurance brokerage services for both employee benefits and business insurance and would present recommendations.

Ms. Baca said this was discussed last month, and the library is now ready to provide recommendations. One broker is for business insurance and one is for employee benefits. There are currently two three-year contracts which will expire at the end of this month. Currently both broker contracts are with HUB International, but at the end of May the library will not have a broker, and she hopes the Board will approve the recommendations.

Ms. Baca said the library is on a June 1 renewal but will be switching to the calendar year. Ms. Baca reviewed the current details with broker fees of \$7,000 annually for business insurance and \$14,000 annually for employee benefits.

Ms. Bregar asked if the library pays the broker fees for employee benefits or if it is paid by the employee. Ms. Baca explained the library pays HUB, but the employee benefits cost is shared between the employee and the library with the same 80/20 split as premiums.

For business insurance, seven brokers were invited and three proposals were received. Three declined to submit a proposal because they did not want to bid broker fees separately from premiums. Ms. Baca distributed Colorado Special Districts Broker Best Practices, and said these are really good guidelines so brokers were asked to include this in their scope of work.

HUB International came out as the front runner. They were willing to continue the current rate of \$7,000 through the end of 2017 and renew the three-year contract at \$7,700 annually from January 2018 through December 31, 2020. Moving to the calendar year will cover business insurance for 43 months at a total cost of \$27,184. Ms. Baca said the library is hoping the Board will approve HUB International for the business insurance broker.

Mr. Gradisar asked if the commission will be discounted to the library. Ms. Baca said the library pays broker fees instead of a commission and discussed the different practices. Mr. Walker said in this case, there would be no commission included. Ms. Baca made sure the library would not be double paying, and HUB is doing a great job.

On the employee benefits side, Ms. Baca said they invited seven brokers and received seven cost proposals. The recommendation for the lowest, best bid came from Benefits Broker, Inc. which would give the library the chance to join the Public Sector HealthCare Group, a pool of public and nonprofit employers insured by United Healthcare. It will be interesting to see if they will be better. They are willing to offer a 43-month contract at \$1,250 per month from June 1, 2017 to December 31, 2020 at a total contract cost of \$53,750 or \$15,000 annually. Benefits Broker also insures the Colorado City Metro District, and Donna Pickman could speak on their behalf regarding the Public Sector HealthCare Group.

Ms. Bregar asked how that will work if Kaiser-Permanente has a better plan. Ms. Baca said if Kaiser has the better offer, Benefits Broker would broker the Kaiser plan. Ms. Baca explained the potential benefits of the Public Sector HealthCare Pool and discussed how broker fees imbedded in health care

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premiums must be disclosed. Kaiser is not paying commission because the library is paying broker fees to HUB.

Mr. Gradisar asked if employee benefits include Workers Compensation, and Ms. Baca said Workers Compensation is included with business insurance.

Mr. Walker said Benefits Broker can broker any insurer on behalf of the library. The question will be whether it will be better to participate in the pool that only Benefits Broker can offer. Mr. Walker had compared costs and determined that Kaiser-Permanente's current plan is a little better on out-of-pocket maximums, but the Public Sector HealthCare has more doctors participating. Ms. Baca said it includes at no cost a plan similar to one library employees now may opt to take at additional cost. Ms. Pickman provided an example where one of their employees needed a prescription in California and was able to get it with a phone call.

At the meeting next week, the Board will be asked to approve the selection of HUB International for insurance brokerage services for business insurance at a cost not to exceed \$27,184 over the 43-month contract and the selection of Benefits Broker for insurance brokerage services for employee benefit insurance at a cost not to exceed \$53,750 over the 43-month contract.

E. Colorado Statewide Investment Pool

Mr. Quintana said Sherri Baca, Chief Financial Officer, would provide background information on a recommended Resolution for Trustee approval in order to allow for PCCLD's continuing to invest fund balance resources with the Colorado Statewide Investment Pool.

Ms. Baca said currently the library has about \$458,000 in cash holdings held in the district's reserves in the Colorado Statewide Investment Pool (CSIP). Current interest on that money is .62%. CSIP had been a money market with low yield but stable. Ms. Baca provided background on how money markets were hit in 2008, and in 2014 the FCC announced rules that took effect in October 2016. The library's money has been in a normal money market, and those were turned into governmental investment pools. Money markets have fewer options and are more restrictive. The good news is that CSIP wants to create a governmental investment pool. In order for the library to participate in CSIP's new governmental investment pool, the Board will need to approve the Resolution provided in the Board packet. The new governmental investment pool will have more flexibility and is expected to increase yields. CSIP is giving the library an option called a Term Program with a certain amount of specific holdings which could earn up to 1.4% or more at this time.

Ms. Baca would like to move the CSIP funds from the money market and move it into the Term product. CSIP is giving the library an opportunity to participate and increase its yields. CSIP will not start taking deposits until the end of May. It is a common investment for local governments in this area, and Ms. Baca said she would not be surprised if CSAFE also offers something better.

Mr. Quintana asked if that will be taking from all the accounts. Ms. Baca said it just allows the library to enter the pool and move money into the pool or add to it in the future. Mr. Walker added that these pools are highly regulated and are not too risky.

Ms. Baca discussed similar funds shown on the balance sheet such as Colo Trust, CSAFE, and CSIP. She would like to move more into this pool, but all of the funds are very safe and liquid.

The Board will be asked approve the Resolution allowing PCCLD to continue to invest fund balance resources with the Colorado Statewide Investment Pool at the May Board meeting.

F. Library Cornerstone Ceremonies

Mr. Quintana said Cornerstone ceremonies will take place on May 19, respectively at 9:30 a.m. at the Greenhorn Valley Library, 12:00 noon at the Lucero Library, and 2:30 p.m. at the Giodone Library. It is recommended that one Trustee attend each ceremony.

Mr. Walker would like to have at least one Board member at each ceremony. The Masons will be conducting each of these ceremonies, and it is the first time they will be doing three in one day.

Ms. Gairaud indicated she would not be available to attend, but she attended one at Pueblo West which had been wonderful to watch.

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The following Board members indicated plans to attend: Ms. Pickman will attend Greenhorn Valley; Dr. Mancha will attend Lucero; Ms. Gairaud might try to get off to see part of Lucero; Ms. Bregar will try to attend all three; and Mr. Quintana will try to attend all three.

Mr. Walker added that the Masons have invited Board members to attend lunch at Park Hill Christian Church across the street from the Lucero Library at 11:30 a.m.

G. Executive Session

Mr. Quintana said the Trustees would enter into Executive Session for the purpose of receiving legal advice pursuant to C.R.S. 24-6-402(4)(b).

The audience was excused at approximately 3:58 p.m. upon Motion made by Dr. Mancha, seconded by Ms. Gairaud.

The Board reconvened in public at 4:19 p.m. upon Motion made by Ms. Pickman, seconded by Dr. Mancha.

Mr. Gradisar said the Executive Session was not recorded, and he certified the discussion was protected by attorney-client privilege.

IV. ADJOURNMENT

Prior to adjourning, Mr. Quintana reminded Trustees that the Regular Board meeting would be held Thursday, May 25 at 5:30 p.m. at the Barkman Library.

There being no further discussion, the Work Session adjourned at 4:20 p.m.

Respectfully submitted,

Jane Carlsen
Secretary