

MINUTES
LAS VEGAS-CLARK COUNTY LIBRARY DISTRICT
BOARD OF TRUSTEES' MEETING
LAS VEGAS, NEVADA
September 11, 2008
(approved October 13, 2008)

The Board of Trustees of the Las Vegas-Clark County Library District met in regular session in the West Las Vegas Library, Las Vegas, Nevada, at 6:00 p.m., Thursday, September 11, 2008.

Present: Board: F. Barron, Chair V. Davis-Hoggard
E. Sanchez (via phone) A. Aguirre
K. Benavidez K. Carter
J. Costello R. Kirsh
K. Crear

Counsel: G. Welt

Absent: A. Arthurholtz-E

Staff: Daniel L. Walters, Executive Director
Numerous Staff

Guests: Cameron Stuart, Clarity Advisors to Management
Domingo Cambeiro & Vincent McCafferty, DCC Architects
John Lansdell, Lucchesi Galati Architects
Sean Coulter & Michele Tayengco, Pugsley Simpson Coulter Architects
Tom Schoeman, Michael Crowe, Mario Reyes & Teresa Labus, JMA
Architecture Studios

F. Barron, Chair, called the meeting to order at 6:03 p.m.

Roll Call All members listed above represent a quorum. Chair Barron advised Trustees that Trustee Arthurholtz had called in to say she would not be present and was excused. Appendix A.

Chair Barron introduced new Trustee Keiba C. Crear and welcomed her to the Board.

Agenda Chair Barron said that the Executive Session, Item III., would not be a closed session and Counsel Welt would provide a briefing. Also, Barron would like to move Item VIII.C.1-2. to follow Item III. Trustee Carter moved to approve the Agenda as changed. There was no opposition and the motion carried.

Executive Session (Item III.) Counsel Welt updated Trustees on three legal matters facing the District.

The first matter is the litigation regarding the encroachment on District property at Mt. Charleston. Ms. Chacon has now signed the documents to resolve the litigation. The final steps to conclude the matter are items relating to the mapping and survey of the site and the placement of monuments at the site so that the boundaries are clearly marked. That should be completed shortly.

The second matter involves the early termination of a trust to which the District is a partial beneficiary. Mr. Welt was recently contacted by the trust's counsel. Welt will have more information at the October meeting

and the matter will be on the agenda for Trustee discussion. He noted the amount in question is not very large.

Mr. Welt also updated Trustees on the status of the Friends of the Southern Nevada Libraries (FOSNL) litigation. The group met the day prior to the Board meeting regarding the District's last request for disbursement. Welt had not heard the result of the meeting and will have the District's litigation counsel contact the FOSNL counsel following the meeting. If the FOSNL has agreed to the District's funding request, the litigation will end as the disbursement will cover most of the remaining funds held by the FOSNL. If not, the District will proceed with the legal measures necessary to recover the funds held by the FOSNL and the District's costs of litigation.

1. Discussion and possible Board action regarding approval of the 95% Construction Documents for the Phase II efficiency remodels which include the Sunrise, Summerlin, Spring Valley, and Clark County libraries and proceeding with 100% Construction Documents and bidding.

Chair Barron spoke briefly to thank the members of the Design Review Committee for their time and reminded Trustees of the agreement that detail work would be done at the Committee level. Design Review Committee Chair Aguirre discussed the Committee's meeting on September 9, 2008 to review the construction documents for the Phase II Efficiency Remodels and a presentation on the Design Development Phase for the Southwest Library and Service Center.

The Phase II Efficiency Remodels will involve the Sunrise, Summerlin, Spring Valley and Clark County libraries. Presentations were given for each location by DCC Architects (Sunrise), Lucchesi Galati Architects (Summerlin) and Pugsley Simpson Coulter Architects (Spring Valley and Clark County). JMA Architecture Studios presented the changes to the Southwest project plans since the Trustees approved the schematic design in April 2008. Trustee Aguirre said that Committee members are recommending approval of both the efficiency remodel Construction Documents for the Sunrise, Summerlin, Spring Valley and Clark County libraries and the Design Development Phase for the Southwest Library and Service Center.

2. Discussion and possible Board action regarding approval of the Design Development Phase documents for the Southwest Library and Service Center and proceeding with the Construction Documents phase. (Item VIII.C.1-2.)

General Services Director Steve Rice added that representatives of each firm are present to answer questions from Trustees.

Trustee Davis-Hoggard moved to approve the 95% Construction Documents for the Sunrise, Summerlin, Spring Valley, and Clark County libraries efficiency remodels and to authorize the Executive Director to approve the 100% Construction Documents upon completion of the City of Las Vegas and Clark County building department reviews and to proceed with the bidding phase. There was no opposition and the motion carried.

Trustee Aguirre moved to approve the Design Development Phase for the Southwest Library and Service Center and to authorize the Executive Director to have JMA Architecture Studios proceed with the Construction Documents Phase. Chair Barron and Trustees Aguirre, Benavidez, Carter, Crear, Kirsh and Sanchez voted to approve. Trustees Costello and Davis-Hoggard voted to oppose. The motion carried (7 votes to 2 votes).

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Approval of Proposed Minutes -

Trustee Davis-Hoggard moved to approve the Minutes of the Board of Trustees Meeting held June 12, 2008. There was no opposition and the motion carried.

Regular Session, June 12, 2008;

Trustee Carter moved to approve the Minutes of the Nominating Committee Meeting held June 12, 2008. There was no opposition and the motion carried.

Nominating Committee Meeting, June 12, 2008;

Trustee Davis-Hoggard moved to approve the Minutes of the Ad-Hoc Board Committee Regarding Retreat Planning Committee Meeting held July 3, 2008. There was no opposition and the motion carried.

Ad-Hoc Board Committee Regarding Retreat Planning Meeting, July 3, 2008;

Trustee Carter moved to approve the Minutes of the Risk Management Committee Meeting held on July 3, 2008. There was no opposition and the motion carried.

Risk Management Committee Meeting, July 10, 2008;

Trustee Aguirre moved to approve the Minutes of the Board Retreat held July 10-11, 2008. There was no opposition and the motion carried.

Board Retreat, July 10-11, 2008;

Trustee Aguirre moved to approve the Minutes of the Finance and Audit Committee Meeting held August 8, 2008. There was no opposition and the motion carried.

Finance and Audit Committee, August 8, 2008;

Trustee Kirsh moved to approve the Minutes of the Board of Trustees' Meeting held August 12, 2008. There was no opposition and the motion carried.

Regular Session, August 12, 2008

(Item IV.A-G.)

Chair's Report (Item V.)

Chair Barron announced that the nomination and election of a Vice Chair to replace Dr. Overstreet will be on the agenda at the October Board meeting.

Chair Barron told Trustee Costello that his request to review the District's Collection Policy regarding newspaper articles on Internet access in District branches would be on the agenda at the November Board meeting, which he said was fine.

Chair Barron introduced Cameron Stuart from Clarity Advisors to Management to provide a brief report on preliminary executive search activities. Barron noted that Mr. Stuart had met with every Trustee except Trustees Costello and Crear. She also asked that Stuart had requested that Trustees try to attend the ALA Midwinter meeting scheduled for January 23-28, 2009 in Denver, Colorado for interviewing of possible Executive Director candidates.

Mr. Stuart reported he had discussed the job description of the Executive Director's position with all the Trustees he had met with so far. The job description is the same one used when hiring the current incumbent, Mr. Walters. At this time, Stuart said the current job description is the one that will be used when candidates request information about the position responsibilities. He encouraged attendance at the ALA Midwinter Conference as that will be an opportunity to speak to interested candidates. Stuart said he planned to place ads in professional journals as well as contact leaders in the library industry who will be aware of individuals Stuart should approach and recruit.

Trustee Costello said that he had scheduled his meeting with Mr. Stuart for the following day and that it seemed unusual that all Trustees did not have a chance for input before a determination was made about the job requirements for the position. He also asked about the current position requirement that the incumbent possess a master's degree in Library Science (MLS), which Costello believes is different than what is required by Nevada law.

Chair Barron thanked Trustee Costello for his comments and emphasized that no final determination had been made on the final position description. She said no final decision will be made until all Trustees had an opportunity to discuss the job requirements and provide feedback. Barron said that Stuart had reported to her that several Trustees had concerns about the MLS requirement in the current job description. She reminded Trustees that they will be acting as a Committee of the Whole in this matter and the final job description will be an amalgam of what the Trustees want.

Trustee Davis-Hoggard agreed that she had also expressed concern about that particular requirement in her meeting with Mr. Stuart and looked forward to discussing the final job description. Chair Barron said that Stuart was very cognizant of the issues brought up by each Trustee. He is simply reporting on the process and would be providing reports at each Trustee meeting until the search was completed.

In response to a question from Trustee Carter, Chair Barron confirmed that all Trustees would see the final job description before it was released.

**Executive Director's
Report
(Item VI.A.)**

Executive Director Walters addressed several items in his written report. He first discussed the positive reception at the Clark County Board of Commissioners meeting and the City Council meeting, both for the technical review of the financial proposal by the County Comptroller and the City Finance Director as well as the positive feedback from Commissioners and Council members. Even those elected officials whose districts or wards do not directly benefit by the new library location commented favorably and certainly recognized the importance of the facility to the whole county.

Mr. Walters particularly commended CFO Fred James, who assisted

Walters in all his presentations to the County Commission and City Council elected officials and staff. Mr. James also met with Commissioners Weekly and Collins while Walters was on vacation. Walters said Mr. James did an excellent job representing the District and outlining the financial data which Trustees have continually questioned and reviewed over the last year.

The next item Mr. Walters wanted to discuss was the RFID and sorting project. He commended Al Prendergast, the District's IT Director, who has been as busy with this project as has Mr. Rice with the construction projects. Walters drew Trustees attention to the first sorting equipment prototype being tested in the remodeled area of the West Las Vegas Library. Walters reported that staff from EnvisionWare are fine-tuning the security gates as the RFID technology on the checkout side is not yet communicating with the Innovative system. Walters said staff would be available after the meeting to demonstrate the sorting equipment to Trustees.

Mr. Walters then commended General Services Director Steve Rice for his tremendous work on multiple District construction projects. Walters is also grateful to the superb design team and the representatives from URS for their hard work. He noted that URS has not been on board for very long but have provided strong support to Mr. Rice in everything they have been involved in.

Regarding Mr. Walters' report, Trustee Aguirre asked Mr. Walters to address the issue on the newly discovered power meter that serves the Human Resources and Support Services building at the Las Vegas Library with past billings from 18 years and potential obligations to fund exterior lighting on four city ball fields. Walters noted that it was quite a surprise to receive a letter from the City requesting \$176,798.47 for past electrical billings. He is advising Trustees of the existence of the issue as the resolution will probably require Board action.

Mr. Walters has asked Counsel Welt to review the issues and has learned from Mr. Rice, who spoke to Mr. Stan Colton, that the lighting for the ball fields in question was completed years ago. District staff is in no way convinced that there is an obligation and will be doing research to see if there may be some obligation on the part of Nevada Power. Walters also believes there is a limitation on how far back the City can go in collecting the past billings.

At the same time, Mr. Walters said that the District needs to have a very positive relationship with the City of Las Vegas. The Las Vegas Library site is leased from the City. He noted that the District must have positive relationships with City staff given the many issues at other locations including Rainbow and Centennial Hills. Walters said he could not be happier with the current leadership of the City Manager in terms of his understanding how valuable library services are to city residents. Walters is sure that, whatever happens, there will be discussion with the City to reach a resolution. He noted that Counsel has advised staff of District obligations, if any, on the utilities and

believes that the ball fields will not be an issue.

Counsel Welt reported that the District's Human Resources and Support Services departments occupy a building that was originally designed as a monorail station. Several years after the building was completed, the City quit-claimed the building to the District once it was determined that the monorail would not extend to the site. The entire Las Vegas Library site, including the Lied Children's Museum and the building containing Human Resources and Support Services is on a fifty year land lease. The original agreement between the City and the District obligates the District to only pay for the power in the main building and the addendum executed when the City quit-claimed the Human Resources and Support Services building does not cover utilities.

Mr. Welt said there is a statute of limitations on written contracts that typically runs six years. He said that common sense and being a good neighbor is a discussion to have, but he is providing the District with his legal opinion. He indicated this is an item that will be negotiated between City and District staff with Trustees voting on a proposed resolution if the settlement exceeds staff limits. He cannot really provide further information as this particular item is not on the agenda for this meeting but he encouraged Trustees to phone him and he will provide an update at a later meeting.

Trustee Costello asked where the second meter was located. Mr. Welt and Mr. Rice said that it was behind the garbage enclosure at the Human Resources and Support Services building. There actually is a different address on the second meter that is different than the main building. Costello wondered why no one noticed the separate meter. Mr. Rice said that normally there is one meter for one building and the second meter is enclosed in the cabinet that houses the transformer.

Trustee Aguirre asked about the item in Mr. Walters' report about the Green Valley Library appraisal and inquired whether there are plans for the money realized if the Green Valley Library were ever sold by the Henderson District Public Library. Mr. Walters noted that in the agreement between the Las Vegas-Clark County Library District (District) and the Henderson Library District (Henderson) to adjust the boundaries, the District agreed to turn over the title to the Green Valley Library building with a condition that if Henderson ever ceased to use the building as a Library and sell it, the District would be reimbursed the value of the building at the time of the transfer. Accordingly, Walters said that the appraisal was just completed, prior to the transfer of the building. The appraisal establishes a base value for the Green Valley Library building of \$7.9 million. Therefore, according to the agreement, if Henderson ever sells the building for a non-library use, the District would be entitled to the first \$7.9 million of the sale and Henderson would realize any gain over the base value.

Mr. Walters also indicated that the Green Valley site is leased from American Nevada Corporation and that the lease limits the facility to public library use only. Therefore, before any sale, American Nevada

would have to agree to any change to the lease.

**Business Office
Report
(Item VI.A.2.)**

CFO Fred James discussed his meetings with County and City finance staff, including City Finance Director Mark Vincent and Clark County Comptroller Ed Finger. James said that in the meetings with the elected officials, finance staff presented the proposals along with District staff and endorsed them. He noted that elected officials and staff praised the amount of work that District staff and consultants had put into the projections. They appreciated that the projections extended out for 15 years, the extent to which the District had projected its operating expenses, and they greatly appreciated the plan would not require any funding from either the City or the County, as opposed to the Metro police headquarters proposal also included on the agenda at both the City and County meetings.

Trustee Costello noted that the check issued for the liability insurance payment in the check register and asked why the payment was made at one time, instead of quarterly payments which would maximize income for the District. Mr. Rice said that the District had previously paid on a quarterly basis but this year, the full payment was remitted as invoiced.

Rice said that, in future, staff would investigate whether periodic payments could be made and whether the cost to do so would be outweighed by potential interest income. Chair Barron said that she believed the District would be receiving a discount by paying early which Trustee Costello disputed.

Trustee Davis-Hoggard questioned why the District would not pay the entire premium at the same time. Trustee Costello replied that he believed that the District had a responsibility to maximize assets.

Trustee Costello said he noticed in August's IT report that the District purchased new routing equipment and switches and in the check register for the September report, he noticed that payment was made. Costello's question was whether the payment was approved for the Capital Projects Fund or not, as it looks as though the amount was significant enough to require Trustee approval. James replied that there is an IT replacement fund for new equipment in the Capital Projects Fund as well as money budgeted in the General Fund for IT purchases and that the payment Trustee Costello is referring to is covered under the Capital Projects Fund.

Trustee Costello inquired about the two different check sequences in the check register report. Costello first thought the two different check sequences referred to the General Fund and the Capital Projects Fund, but looking at the register, all the money seems to be coming out of the General Fund. Costello questioned how the District maintains accountability for the assets transferred into the Capital Projects Fund if the District only has one checking account.

Mr. James answered, first, that the check register's check numbers were truncated and there is only one check sequence. James confirmed there is only one checking account and noted that in government, there is a chart of accounts for the funds. In each fund's statement, there

may be both cash and investments. The cash for that particular fund is kept in one account and the investments for that particular fund are also pooled. Trustee Costello asked then if there is a loan between the General Fund and the Capital Projects Fund. Mr. James said no, that there is one checking account and one investment fund and looking at the District's financial statements, viewers can see the balances of the different funds. Costello then asked how the entry in the checking account is made to record a payment from the Capital Projects Fund. James said when a payment is requested, the appropriate fund is credited. Each month, the Business Office staff ensures that there is sufficient cash in each fund to meet its payment requirements.

Trustee Aguirre asked about Mr. James' meeting with Wells Fargo regarding pay cards that he noted in the Business Office monthly report. Aguirre asked if the District wanted to go to that service for payroll. James said the meeting was to obtain background information for efficiency purposes. He was looking at the logistics to convert all staff to direct deposit. Using pay cards would mean that regardless of the growth in staff of the District, support staff would not need to be added to deal with an expanded payroll. James said that the fees Wells Fargo proposed to charge were unacceptable as they would be paid by the employee and he was unwilling to agree to that. He is continuing to search for other companies who can provide that type service at a more reasonable fee that the District would cover.

Chair Barron encouraged Trustees to consider meeting with staff if they are interested in learning about back office operations, for example finding out in detail how the District's finances are handled or how particular District operations are run.

Trustee Costello asked to discuss the Public Services report.

Trustee Davis-Hoggard moved to accept Reports V.A.2-6. There was no opposition and the reports were accepted.

**Human Resources
Report
(Item VI.A.3.)**

Accepted.

**Technology Report
(Item VI.A.4.)**

Accepted.

**General Services
Report
(Item VI.A.5.)**

Accepted.

**Marketing Report
(Item VI.A.6.)**

Accepted.

**Public Services and
Security Report
(Item VI.A.1.)**

Trustee Costello noted that, at the August meeting, the issue of the discarded books was on the agenda and he believed that it had been postponed to the September meeting due to lack of time. Based on Mr. Morss' report, it appears as if staff had moved ahead with the proposed

action outlined in his August report regarding the disposal of discarded books. While he believes there is some question about the value of the books that have been discarded. Costello noted that while the "book value" takes into account the District's depreciation and is relatively low, the "face value" of approximately \$6 million of materials that the District is discarding perhaps should be an item for discussion by Trustees and asked Chair Barron if the item should be brought back to the Board for review.

Trustee Costello also said he noticed that the District's Privacy Policy does not discuss self-service holds. He saw that the current ALA magazine had an article on self-service holds which seemed to indicate that self-service holds may threaten patron privacy. Costello wondered if the District should not revisit its Policy to take into account self-service holds and warn patrons that their holds will be located in a public area prior to pickup.

Mr. Morss said he could address some of the issues brought up by Trustee Costello as staff investigated the issue at length prior to instituting the self-service holds. High-theft items such as DVDs and CDs are kept in a sealed, contained envelope. Books are labeled with only the last four letters of the patron's last name and the first three letters of their first name. Many branches place the spine of the book down on the shelf to further keep the patron's privacy. No library card information is put on the label.

Mr. Walters responded to Trustee Costello's concerns about the discarded materials. Walters noted that statute indicates that the District can dispose of property in the manner in which it acquires it. The statute expressly exempts library materials from any formal bidding so the matter had been handled administratively. He went on to say that if it is the will of the Board, all of these matters could be removed from staff oversight and become a matter of Board oversight requiring a vote of the Trustees. Walters wanted to clarify that it had been the intent of staff to advise Trustees of the proposed action with regards to the discarded materials at last month's meeting and to answer any questions Trustees may have had. There was a misunderstanding as it was not staff's intent to bring the matter to the Board for debate and approval. Again, the statute delegates the action to the staff and the Board has not intervened in the past.

Trustee Aguirre asked Mr. Walters and Mr. Morss to express appreciation to the staff that organized and ran the Summer Reading Program. Aguirre noted the staff's hard work that led to increased participation, as well as the partnership with the Clark County School District, as great examples of all the things that staff is doing to help children return to school ready to learn.

Trustee Carter moved to accept the Public Services and Security Report. There was no opposition and the motion carried.

In relation to the Business Office report, Chair Barron thanked Mr. Walters, Mr. James and staff for their work briefing City and County

elected officials and staff on the financial aspects of the District's plan to build the Southwest Library and Service Center. Chair Barron reminded Trustees that October is a critical meeting and it is vital that each member attend in person or by phone. Chair Barron indicated it would be embarrassing if Trustees were not unanimous in the vote and also did not attend the meeting either in person or on the telephone. She urged all Trustees to reread the *Strategic Plan* and ask any questions of staff in order to reach a final decision.

Counsel Welt said that typically, attending and voting at the Board meeting via telephone is not a problem. He will confirm that, in the case of this particular vote, attending and voting by phone will be acceptable. If there is a problem, he will send a memo to Trustees.

Unfinished Business (Item VII.) None.

Consent Agenda Trustee Davis-Hoggard moved to approve the Consent Agenda in its entirety which consisted of Items VIII.A.1-2.:

1. Discussion and possible Board action to approve the days of closing for calendar year 2009.

Approved the proposed days of closing for calendar year 2009.

Authorized the purchase of workers compensation insurance through the District's Broker of Record from Employers Insurance Company of Nevada (EICON) with the provision for two (2) additional renewals, subject to review by counsel.

2. Discussion and possible Board action to approve the renewal of workers compensation insurance from Employers Insurance Company of Nevada (EICON).

There was no opposition and the motion carried.

(Items VIII.A.1-2.)

Discussion and possible Board action to declare fines and fees totaling \$975,640.65 that are five years old, dating from the year 2003, as uncollectible and purge from District records. (Item VIII.B.)

Mr. Morss introduced the item to declare fines and fees totaling \$975,640.65 that are five years old, dating from the year 2003, as uncollectible and purge from District records.

Trustee Davis-Hoggard asked if the uncollectible amount includes Amnesty Week items. Mr. Morss said that the item is not a "forgiveness action," as patrons who have outstanding items and amounts could have brought the items in during Amnesty Week and removed the items from their record. Morss said that 3,894 of the 11,629 outstanding accounts owe less than \$25, which is the maximum waived during Amnesty Week. Each outstanding account has received multiple notices from the District, in addition to the Amnesty Week notices.

Trustee Davis-Hoggard asked how many of the notices sent out by the District are returned as undeliverable, due to the region's large transient population. Mr. Morss said he did not have that information with him but would provide it to Davis-Hoggard. He also noted that the

number of undeliverable letters has gone down as the District has been getting better at updating patron information on a regular basis.

Trustee Davis-Hoggard moved to declare all fines and fees accrued in 2003 totaling \$975,640.65 as uncollectible and authorize staff to purge from District records.

Trustee Kirsh asked how notices were sent to patrons. Mr. Morss said that overdue notices are sent to patron email addresses until the account goes into collection, at that time letters are sent out by the District's collection agency, Unique Management Inc. (Unique), via U.S. Mail.

Trustee Carter asked whether the amount collected in fines over the same period was significantly more or less compared to the amount to be declared as uncollectible. Mr. Morss replied that the District probably collects less per year in fines than the uncollectible amount but does not have the actual figures and would provide them in his next Board report. Mr. James added that the uncollectible figure is made up of both materials and fines, with materials making up two thirds of the total.

Mr. Walters asked Mr. James for the amount of fines budgeted by the District as revenue in the yearly budget. James replied that the District budgets approximately \$1.2 million which is a combination of patrons paying at the branches and money collected by Unique. He also said the revenue collected by Unique totals approximately \$900,000 which costs about \$200,000 to obtain.

In answer to a question from Trustee Costello, Mr. James clarified that the uncollectible amount covers only one year, 2003.

Trustee Costello then followed up by asking if the materials are written off or depreciated. Mr. James said that until the materials are declared uncollectible by the Board, the materials would show as "outstanding" in the collection records. Once the materials are declared uncollectible, the materials will be considered discarded and would be reported as such. Costello asked if there was a way to separately account for materials that were never returned to the District. James replied that, at this time, all materials that are no longer in the District's collection are shown as discarded materials.

There was no opposition and the motion carried.

Announcements
(Item IX.)

The next Board Meeting will be held Monday, October 13, 2008 in the Las Vegas Library at 6:00 p.m.

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In answer to a question from Trustee Davis-Hoggard, Mr. Walters said that the change from the regular Thursday meeting day was due to several Board members having conflicts with the original day and the desire to have a full panel for the public hearing scheduled for the October meeting.

Public Comment
(Item X.)

None.

Adjournment
(Item XI.)

Chair Barron moved to adjourn the meeting at 7:11 p.m. There was no opposition and the motion carried.

Respectfully submitted,

Andrea Arthurholtz, Secretary

