



MOTIONS APPROVED

1. Motion to approve the Board agenda
2. Motion to approve the August 28, 2007 minutes
3. Motion to approve Payroll expenditures
4. Motion to approve General Fund #0010 expenditures
5. Motion to approve Construction Bond Fund '88 #3020 expenditures
6. Motion to approve Capital Project Fund 2005 #3070 expenditures
7. Motion to approve Gift Fund #6010 expenditures
8. Motion that KCLS staff continue the exploration of the co-development option for the Newcastle Library and particularly address and offer further information to the Board of Trustees on the topics of expansion, parking, traffic circulation, dedicated disability units in the apartment complex, a market comparison with other developers and a guarantee of review of any legally binding document before finalization of that document

PRESENT

KCLS BOARD

Jessica Bonebright
Judge Richard Eadie
Lucy Krakowiak
Judge LeRoy McCullough

KCLS Staff

Angelina Benedetti
Julie Brand Wallace
Linda Glenicki
Kay Johnson
Lauren Mikov
Jed Moffitt
Bill Ptacek
Chartene Richards
Bruce Schauer
Greg Smith
Nancy Smith
Jennifer Wiseman

GUESTS

Marty Akerman
Barbara Baxter
Susan Beverly
Diane Bisset
Gordon Bisset
Steve Burie
Betty Egan
Chuck Fredenberg
Timmie Fredenberg
Linda Hudgin
Lisa Jensen
Gary Kampen
Jane Kato
Lee Kranz
Pam Lee
Margaret Nelson
Connie Reed
Bruno Reinys
Lillian Reinys
Lori Robinson
Pat Tosch
Jim Tosch
Yoshiko Saheki
Beatrice Seels
Nick Sooy
Barbara Spindel
John Starbard
Susan Veltfort
Will Winslow
Jeanette Winslow

CALL TO ORDER

LeRoy McCullough called the meeting to order at 5:11pm.

APPROVAL OF THE AGENDA

Lucy Krakowiak moved approval of the agenda. Jessica Bonebright seconded and the motion passed unanimously.

APPROVAL OF THE MINUTES

There having been no changes to the draft August 28, 2007 minutes, they were deemed approved.

FINANCE REPORT

Linda Glenicki reviewed current finances noting August expenditures were \$6.4 million, versus a monthly budget average of \$7.2 million. She said that year-to-date expenditures are \$51.4 million (59.5% of the budget versus 66.7% of the year completed). This compares to August year-to-date expenditures in 2006 of \$49.4 million, which represented 60.3% of the budget. Year-to-date growth in expenditures is at 4.0%. The following General Fund items were called out:

- **Supplies:** Expenditures for August were \$454,000, half of which relates to the purchase of new computers to replace thin client stations with desktops.
- **Repair & Maintenance:** Expenditures were lower than average, with half of the expenditures related to ongoing expenses for contracted services in addition to bills related to work on HVAC systems and the Federal Way re-carpeting project.
- **Reserves:** Expenditures of \$13,864 in August included \$13,000 for the purchase of additional Summer Reading Program prizes in excess of the original budgeted amount, and \$800 for the Spanish Early Literacy program.
- **Miscellaneous:** Expenditures of \$57,000 in August were larger than usual, with \$50,000 relating to ad valorem tax refunds. The year-to-date total ad valorem refunds are 41% behind last year's figure.

Richard Eadie asked if timing was an issue on the year-over-year change in overall insurance costs, and Linda Glenicki replied that it was related to a change KCLS made in the accounting procedure. KCLS is now breaking out insurance bills to allocate the charges to the fiscal year to which they apply. Since the change was made last year it creates a one-time overlap that results in the large percentage growth figure seen this year.

August revenues were under \$800,000, making it a low month for revenue. KCLS received \$60,901 in leasehold excise taxes, which are payments in lieu of property taxes for people leasing public property. KCLS is now over budget in both leasehold excise taxes and timber revenue. A payment from the KCLS Foundation was also received to reimburse costs for the Summer Reading Program prizes.

Expenditures in the 307 fund were \$1.1 million, which brings the total to \$9.2 million year-to-date. Significant payments included a construction progress payment at Covington, a progress payment at Fall City and \$109,000 at Shoreline for work on the parking lot expansion. The \$77,931 in other construction projects is for work at the Des Moines library remodel. This payment is listed under other construction projects because KCLS did not budget to do that work in 2007, since it was budgeted much later in the Capital Plan. A dry rot issue was also discovered and it was realized that the work needed to be done sooner rather than later, so this project was accelerated in the Capital Plan.

The major item in the 302 fund was \$75,000 for the Black Diamond project.

PAYMENT OF BILLS

Jessica Bonebright moved approval of Payroll Expenditures in the amount of \$2,194,703.80; Checks August 1-15th Chk#154430-155476; 137256-137442 and August 16-31st Chk#155477-156533; 137443-137620. Lucy Krakowiak seconded and the motion passed unanimously.

Lucy Krakowiak moved approval of General Fund #0010 Expenditures August 2007 in the amount of \$4,230,070.19; (Travel Advances) Chk #839, (8/15) Chk #106630-106636; 106637-106709; 106715-106737; 106738-106745, (8/16) Chk #106746; 106751-106778; 106779-106803, (8/17) Chk #106814-106817; 106818-106828; 106829-106833; 106834-106886, (8/27) Chk #106889-106927; 106928-106937; 106938-107022, (8/28) Chk #107029-107054; 107055-107088, (8/29) Chk #107089-107109; 107116-107145, (8/30) Chk #107146-107208; 107211-107243, (8/31) Chk #107247-107274, (9/4) Chk #107275-107333; 107339-107347; 107348-107351, (9/5) Chk #107352-107369; 107370-107424; 107425-107431; 107432-107436, (9/6) Chk #107437-107458; 107459-107479; 107480-107491; 107503-107525, (9/10) Chk #107526-107557; 107558, (Voids) Chk #106788. Richard Eadie seconded and the motion passed unanimously.

Richard Eadie moved approval of Construction Bond Fund '88 #3020 Expenditures August 2007 in the amount of \$77,730.63; (8/17) Chk #106804-106805, (8/27) Chk #106888, (8/31) Chk #107244; 107245, (9/6) Chk #107492-107493, (Voids) Chk #106888; 107244. Jessica Bonebright seconded and the motion passed unanimously.

Jessica Bonebright moved approval of Capital Project Fund 2005 #3070 Expenditures for August 2007 in the amount of \$1,156,039.97; (8/15) Chk #106710-106711, (8/16) Chk #106747-106750, (8/17) Chk #106806-106813, (8/22) Chk #106887, (8/27) Chk #107023, (8/29) Chk #107110-107115, (8/30) Chk #107209-107210, (8/31) Chk #107246, (9/4) Chk #107334-107337; 107338, (9/6) Chk #107494-107502. Lucy Krakowiak seconded and the motion passed unanimously.

Lucy Krakowiak moved approval of Gift Fund #6010 Expenditures for August 2007 in the amount of \$3,657.64; (8/15) Chk #106712-106714, (8/27) Chk #107024-107028. Richard Eadie seconded and the motion passed unanimously.

NEWCASTLE LIBRARY CO-DEVELOPMENT PROPOSAL

Kay Johnson explained that KCLS has been working over the past year to develop two options for the Newcastle Library. She said the first option was a standalone structure with just the library on the one-acre parcel of property. After the Request for Qualifications (RFQ) on the project, she said, several developers came forward indicating that they were interested in mixed-use development. She said that KCLS determined Lorig Associates was qualified to do the work as they had done similar work with the University of Washington, and were already working with the architect, Mithun. KCLS' main objectives, she said, were to consider what the RFQ asked for on the project. These specifications included providing a financial advantage to KCLS, a distinctive project with high quality and sustainable low maintenance materials. She said the Capital Plan also required a 10,000 square foot library and parking facilities. She stated that KCLS felt that the mixed-use project with Lorig reflected these goals. She said KCLS also wanted to ensure that the library had a visible and prominent location along the main street in town, which was one of the main reasons KCLS acquired the new property. She said finally that KCLS

