



MOTIONS APPROVED

1. Motion to approve the Board agenda
2. Motion to approve the June Board meeting 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 to approve the 2009 Budget Priorities

PRESENT

KCLS BOARD

Jessica Bonebright
Richard Eadie
Lucy Krakowiak
Rob Spitzer

KCLS Staff

Julie Brand
Linda Glenicki
Kay Johnson
Carla Hopkins
Holly Koelling
Lauren Mikov
Jed Moffitt
Bill Ptacek
Charlene Richards
Denise Siers
Greg Smith
Nancy Smith
Jeanne Thorsen

GUESTS

Sue Beverly
Jim Bowen
Alan Halfill
Raúl Hirsch
Donald I. King
Greg Leslie
Gary Robinson
Lori Robinson

CALL TO ORDER

Lucy Krakowiak called the meeting to order at 5:13pm.

PUBLIC COMMENT

There was no public comment.

APPROVAL OF THE AGENDA

Rob Spitzer moved approval of the agenda with the Early Literacy presentation moved up. Richard Eadie seconded and the motion passed unanimously.

APPROVAL OF THE MINUTES

Richard Eadie moved approval of the July 29 Board meeting minutes with changes. Rob Spitzer seconded and the motion passed unanimously.

FINANCE REPORT

Linda Glenicki reported that general fund expenditures in July were \$7.1 million compared to a monthly budget average of \$7.6 million. Year-to-date expenditures are \$48.5 million, which is 52.7% of the budget at 58.3% of the way through the year.

The following general fund items were called out:

- Benefits: July benefits expenditures were \$1 million, \$100 thousand higher than June expenditures due to a change in PERS contribution rates. The increase in July will result in \$1.2 million additional expenditures annually. KCLS budgeted for this increase, and the rate is scheduled to increase again in July of 2009.
- Supplies: Expenditures of \$359 thousand in July included a large expenditure for the purchase of computers as part of KCLS' routine scheduled upgrade of computers throughout the System.
- Professional Services: Expenditures include spending related to the Summer Reading Program.

Rob Spitzer asked why the percentage of budget expended for salaries and benefits is less than the percentage of budget for the year completed. Linda replied that the budget is based on a full slate of positions and doesn't include a reduction for open positions. Bill added that one of the reasons KCLS budgets this way is that when a position is vacant, the library may use substitutes, hire someone temporarily or add additional hours. He explained that if the budget was based on what the typical vacancy credit might be, KCLS might run the risk of having the personnel budget exceed the allowed amount.

Linda noted that the revenue report still indicates a negative balance in Other Taxes, which looks like a posting error from the County. Rob asked when KCLS is supposed to receive the amount for leasehold excise taxes for the whole year. Linda replied that receipt of these taxes is unpredictable, as is timber revenue. She noted that KCLS budgets low for these revenues and stressed that they are very unpredictable.

Under contracts, KCLS has received \$247 thousand, bringing contracts to 50% of budget for the year-to-date. This reflects the semi-annual payment from the County for service to the Institutions. Linda noted the negative \$32 thousand in investment income is due to the realized loss of \$108 thousand in the general fund for the restructuring of the first of the four impaired investments in the County Pool. KCLS earned \$76 thousand in interest in July, so with the loss of \$108 thousand, the net loss is \$32 thousand. Year-to-date investment interest is 72% of budget. There are three more impaired investments yet to show a booked loss. Linda anticipates that when those are through, KCLS will end up slightly behind budget in this category for 2009.

Expenditures in the 307 fund were \$2.4 million in July, in keeping with the pattern of \$2-\$2.5 million a month. The largest expenditure was \$1.8 million for the Burien Library project. Invoices also are coming in for other large projects, including a progress payment for the Carnation Library and a payment for automated materials handling equipment at the Woodmont Library. Since the beginning of the fund, KCLS has spent \$43.7 million. KCLS borrowed \$65 million when issuing the first tranche of the bond, and spending has reached the point where KCLS will watch cash balances and plan ahead to determine when to issue the next tranche.

July expenditures in the 302 fund of \$154 thousand were related to the Redmond Library remodeling project and a small payment for the Black Diamond Library project.

Linda mentioned that the finance report includes an inter-fund transfer, but the transfer does not require Board approval since it was budgeted.

PAYMENT OF BILLS

Richard Eadie moved approval of Payroll Expenditures for July 2008 in the amount of \$2,281,153.80; Checks July 1-15 Chk#140988-141169; 177876-178962 and July 16-31 Chk#141170-141346; 178963-180056. Rob Spitzer seconded and the motion passed unanimously.

Rob Spitzer moved approval of General Fund #0010 Expenditures for July 2008 in the amount of \$5,071,110.47; (Travel Advances) Chk #891, (7/7) Chk #118500-118557, (7/9) Chk #118564-118641, (7/10) Chk #118643-118656; 118657-118729, (7/11) Chk #118742-118854, (7/15) Chk #118857-118927, (7/16) Chk #118928, (7/17) Chk #118929-118936; 118937-118990, (7/18) Chk #118996-118999; 119000-119008; 119009-119127, (7/23) Chk #119140-119213, (7/24) Chk #119214-119261, (7/25) Chk #119269-119346, (7/30) Chk #119348-119427, (7/31) Chk #119428-119447; 119448-119538, (8/1) Chk #119543-119596, (8/4) Chk #119602-119605; 119606-119616; 119617, (Voids) Chk #118764; 118783; 118672; 118918. Richard Eadie seconded and the motion passed unanimously.

Richard Eadie moved approval of Construction Bond Fund '88 #3020 Expenditures for July 2008 in the amount of \$155,592.83; (7/8) Chk #118558, (7/10) Chk #118730-118732, (7/11) Chk #118855, (7/18) Chk #119128-119129, (7/31) Chk #119539, (8/1) Chk #119597, (8/4) Chk #119618. Rob Spitzer seconded and the motion passed unanimously.

Rob Spitzer moved approval of Capital Project Fund 2005 #3070 Expenditures for July 2008 in the amount of \$2,460,585.13; (7/8) Chk #118559-118561, (7/9) Chk #118642, (7/10) Chk #118733-118734, (7/11) Chk #118735-118741; 118856, (7/17) Chk #118991, (7/18) Chk #119130-119132, (7/21) Chk #119133-119139, (7/24) Chk #119262-119263; 119267-119268, (7/30) Chk #119347, (7/31) Chk #119540, (8/1) Chk #119598-119601. Richard Eadie seconded and the motion passed unanimously.

Richard Eadie moved approval of Gift Fund #6010 Expenditures for July 2008 in the amount of \$4,759.05; (7/8) Chk #118562-118563, (7/17) Chk #118992-118995, (7/24) Chk #119264-119266, (7/31) Chk #119541-119542. Rob Spitzer seconded and the motion passed unanimously.

2009 BUDGET PRIORITIES

Lucy Krakowiak stated that the Board discussed the 2009 Budget Priorities at the July Board meeting and provided feedback to staff. Linda Glenicki said the first recommendation was to strengthen the language regarding safe libraries in the fourth bullet in the "Service" category. The wording was consequently changed to

"Ensure safe and welcoming libraries." Linda said the Board also requested the addition of stronger language regarding the involvement and engagement of staff. As a result, a separate bullet was created under the "Involvement" heading, which reads, "Engage the staff through effective communication, organizational involvement, and development opportunities." Rob Spitzer mentioned that these changes addressed his concerns, and Lucy added that she liked the changes. *Rob Spitzer moved approval of the 2009 Budget Priorities. Jessica Bonebright seconded and the motion passed unanimously.*

EARLY LITERACY DVD

Julie Brand said KCLS planned for direct outreach with Early Literacy in 2008 and produced an Early Literacy DVD to inform parents. The DVD will be distributed through local pediatricians' offices, thanks to the support of the KCLS Foundation. KCLS will also make the DVD available in the collection and on YouTube. The DVD focuses on three areas: KCLS' offerings for patrons with young children, the stages of getting children ready to read as they approach age five and KCLS' Story Times. Julie noted that the footage taken was so successful that KCLS didn't have to do any voice over throughout the entire DVD. She thanked Greg Leslie and Alan Halfill with Cardinal Media for their work on the project and for setting up the DVD presentation for the meeting. *Footage from the Early Literacy DVD was shown.*

SURPLUS RESOLUTION

A formal resolution for this topic, which is related to an easement for the Federal Way Regional Library, will be presented to the Board at the September meeting.

REDMOND LIBRARY RENOVATION

Greg Smith introduced Raúl Hirsch and Donald I. King of DKA, the architecture and planning firm that KCLS hired for the renovation project at the Redmond Library.

Donald King said that several months ago, KCLS hired DKA to look at improvements to the Redmond Library, which began with its wayfinding challenges. The firm realized the number of challenges at the Library included the amount and congestion of collections, and the difficulty of use they caused, as well as some limited visibility for staff members. DKA analyzed some of the wayfinding challenges, organization, visibility and access for staff, and ease of use for patrons. As a result of that analysis, DKS developed numerous scenarios and ideas to address those issues. Donald presented floor plans of the firm's solutions. The firm considered what elements were positive, and should be enhanced and emphasized. He said wayfinding is more than just having signage; it also is adding and enhancing interior landmarks. DKA also considered how to enhance exterior architectural elements and make the best of what the Library had working for it. The firm also worked to incorporate the universal set of fixtures designed to help not only with wayfinding, but also with enhancing the service of multiple libraries so that KCLS' service is consistent across the System.

Raúl Hirsch said DKA had to select from the available wayfinding fixtures to determine what works and doesn't work in the space, what could be changed and how to minimize the impact on the work of the Library. DKA also identified carpets, lighting and paint, as well as how to emphasize the areas patrons naturally congregate in due to natural light. The firm worked to use all of these elements to provide a means for patrons to intuitively use the Library without asking for help.

Raúl said that one of the major design elements at the Redmond Library is the lighting fixtures in the stacks that currently add an additional perceived height to the stacks. One of the elements of DKA's design work was to ensure that whatever was installed in lieu of the existing lighting system not only lowered the scale of the stacks but enhanced patron use. He said one area in which the design reduced the height of the stacks in other areas of the library was the increase in the height of the stacks in the reference area in the center of the Library, which also opened up new visual sightlines from the Reference Desk. Raúl noted that there are some spaces the staff can't see, but that is a small sacrifice for major changes in other areas.

Donald mentioned that as well as the practical aspects of wayfinding, organization and ease of using the Library, DKA discussed ways to enhance the Library experience. The firm worked with staff and discussed how patrons could discover the library in an easy and fun way to make visiting the Library rewarding.

Raúl noted that DKA was working in a predefined space with pre-existing architectural features. Since the Library itself was well laid out, DKA decided that using the carpet as a medium could be a more playful way of identifying movement around the Library. He presented the basic color of the walls, carpet and accent elements

in different sections of the Library. Raúl said DKA will change some of the furniture and upholstery to reflect the newness of the space.

Donald stated that starting by looking at the practical challenge of reorganizing the Library, DKA was able to come up with a solution and, in doing so, provide a more beautiful, functional Library that possibly can serve as a roadmap to improvement of some other libraries.

Rob Spitzer mentioned that he recently noticed the beautiful outdoor sculpture and seating area and path. He asked what DKA was considering to bring that into the Library experience. Donald replied that the renovations were limited to the contiguous space of the Library, and the outdoor space is not something DKA was charged to consider. Greg Smith added that the budget was limited to the interior, which gives KCLS the opportunity to revisit other spaces in the future. Raúl also noted that the design has emphasized the circulation path to the sculpture garden.

Greg said the design process took longer than originally planned and had a lot of staff input. KCLS now must procure the materials for the project. The renovation closure is now anticipated between mid-October and early November with the Library opening again in December. During the closure, which is anticipated to last six weeks, holds pick-up and some computer access will be available in the meeting room across the hall since only the main portion of the Library will be closed. Bill added that KCLS will ensure that the Kirkland Library will not be closed at the same time as the Redmond Library. Greg said the Kirkland project goes out for bid in September so that by the time the Redmond Library is open, KCLS will be ready to close Kirkland to begin its renovation expansion.

Rob Spitzer asked how much cross use there is between KCLS' libraries. Denise Siers replied that the Patron Experience Project focus groups found that patrons used an average of five KCLS libraries. Staff also provides a lot of anecdotal evidence of cross use, reporting that they see the same patrons when they work at various libraries in their cluster. She noted that in the past, patrons were tied to their community library, but now as people try to do more than one errand at a time and reduce the number of trips they take, they use the library closest to wherever they are at the time.

Bill noted that he was recently at the Black Diamond Library and appreciated the wayfinding signage that was just installed. He said the "blade signage" that helps navigate through the stacks was very pleasant and easy to use, and worked well from the perspective of a patron and a staff member shelving books.

Denise Siers noted that Bill was referring to one of the elements that staff identified as a wayfinding piece that would work at all of the Libraries. She said one of the challenges of wayfinding is the varying size of the Libraries, so KCLS worked to identify these System-wide elements. Some of the Way-finding fixtures that will be installed at the Redmond Library will only work in Libraries of a similar size. KCLS has a few wayfinding elements that can be scaled down for smaller Libraries.

CAPITAL BUDGET REVIEW

Linda Glenicki presented the capital plan program review sheet, which the Board will continue to review quarterly. She said the sheet gives a high level view of the capital plan. The voters of King County approved \$172 million in funding, and KCLS adds additional funding sources, including investment interest and property sales. The sheet shows how KCLS is tracking on the project totals considering all of those areas of funding. Linda noted that the current Board-approved capital budget is \$178 million, and the current forecast for the total program cost for all projects is \$271 million. With \$15 million from the general fund, \$12 million from property sales, \$12 million from interest and bond premiums the net amount is \$178 million. She explained that the goal of the review sheet is to have the total reach the voter-approved \$172 million. Linda reported that KCLS believes one of the most likely ways to make up the \$6 million difference is through one of the areas noted as potential annexations. White Center is one of the most likely annexations, and with a project cost of \$8 million, it would bring the total to under \$172 million. Linda also noted that the forecasted interest is conservative and KCLS may do better with property sales than currently listed on the sheet.

Linda highlighted key differences in the sheet from when it was last presented at the May Board meeting. She updated the forecasted costs for active projects and updated the interest forecast to reflect the latest figures regarding losses on the impaired investments in the King County Investment Pool. Linda said that the changes net to almost zero, and the capital budget is holding steady. The Board will revisit the review sheet in three months.

Richard Eadie asked about the status of the Vashon Library project. Kay Johnson replied that KCLS has signed a Letter of Intent with the K2 developers. KCLS is poised to move forward with the project once the developer gets a rezone through the County Council. Bill Ptacek added that the lease on the current property ends in 2017. Richard Eadie asked if the community is aware of the project status. Kay responded that KCLS will hold community meetings to discuss the design after the developer has obtained the necessary permits. Bill mentioned that the K2 property will be an amalgam of various community pieces.

Rob Spitzer asked about the period of time over which the \$15 million noted as "General Fund Coverage" reflects funds coming out of the general fund. Linda replied that some of the funds, under closed or active projects, have already come out of the general fund, and the remaining \$11 million under remodels will be spaced out over time. Bill added that this will occur over 8-10 years. KCLS will be consistent with the amount taken from the general fund, which is roughly the amount that was taken out of the operating fund to cover renovations before the bond passed. Rob asked for information on the decision-making process for choosing to fund projects through the bond versus the general fund. Linda said as part of the Strategic Planning Guidelines process, KCLS staff considered the fact that renovation and remodel projects had historically been funded through the general fund. The projects are similar in size, character and nature. In terms of active projects, Linda noted that some of the general fund coverage is essentially for unanticipated costs above the original capital budget. At the Des Moines Library, for example, the capital plan was for a \$500 thousand remodel. During routine repairs, staff discovered dry rot and used the general fund to pay for the additional \$1 million needed to fund the entire project. Bill added that in the 2009 budget process, KCLS will maintain the discipline of taking funding for renovations and remodels from the operating fund.

COMMUNITY LIBRARY ANNUAL SERVICE PRIORITIES

Holly Koelling reported that in early 2008, the Annual Service Priorities Task Force was formed, consisting of 15 members across varying classifications. With the facilitation of Ann McCreery from Waldron & Company, the Task Force worked to develop the Annual Service Priorities. The Priorities are annual goals defined at the local level and based on the goals of the Future Services Strategy. Holly noted that one of the primary reasons for developing this local level planning is to give staff working in local communities the opportunity to bring their ideas and expertise to bear and develop plans responsive to their communities. The Task Force designed a template to create a way for the libraries to work consistently, to turn the Future Services Strategies into local goals and to tie the local service priorities into the budget process. The Annual Service Priorities process provides a systematic way for the libraries to measure how successful they have been at reaching their service goals throughout the year. Holly noted that similar measurement processes have been used at a higher level, but haven't been used at a local level.

Holly then introduced Carla Hopkins, Cluster Manager of the Covington, Maple Valley and Black Diamond Libraries.

Carla mentioned that the Cluster Managers had the opportunity to introduce the library staff to the Budget and provide feedback on the 2009 Budget Priorities. The Priorities were tied in with the Future Services Strategy as staff trained to develop their Annual Services Priorities.

Carla said that the management team introduced the process to staff at cluster staff meetings, asked them to vote on what services should be provided for 2009 and followed up with staff that were unable to attend the meetings. She noted that results varied across classifications, and the management team then shared the votes with staff. The process forced staff to look at the critical resources necessary for activities, and to ensure that the activities actually lead to the desired outcomes. Carla mentioned that the template changed the dynamics of how the management team worked and enabled staff to see the impact of the programming they would like to do in other areas. She said the management team will now reintroduce the results of the process to the staff. Carla noted that staff understood that the template is a living document, and that they have local control over the template. She said communication resulting from this process is excellent, and clusters are sharing their Priorities across branches and System-wide, seeing what clusters and libraries picked similar strategies and determining what resources can be shared.

Holly explained that each of the Priorities starts with one of the five service delivery strategies. A list of individual goals is included under each strategy, and each cluster is asked to pick one goal to create five total goals for the year. The process also includes performance measures. Holly said the process is designed so that the performance measures report whether the activities met the predetermined goals.

Rob Spitzer said the process looks like a great tool and that he is impressed with the thought that has gone into the process. He asked how the process will change the setting of overall System-wide goals in the future. Holly replied that this process is perceived as a bottom-up approach for the Libraries to meet the System in creating shared goals. She said that as a pattern of success and failure is created, staff feedback will be useful in setting future Annual Service Priorities. Rob mentioned that he wants to ensure that communication and information exchange is strong both ways, from the top down and from the bottom up. Holly said the process is creating a means for dialogue, with all decisions being made at the local level and then coming up to the management team. She added that the process sets the stage and creates a positive upward process that all staff can adjust to and from which they can benefit. Bill Ptacek noted that one example of this was when library staff were asked to give feedback on the 2009 Budget Priorities. He said the Annual Service Priorities is an opportunity to take advantage of staff talent System-wide, and if it works as anticipated, will influence both the budget process and System-wide activities for 2009. Bill added that in their research, Waldron couldn't find another library system that had done any significant work in performance measures, so KCLS is breaking new ground with this process. Rob emphasized that he wants to ensure that goal-setting includes feedback from local levels so that if a goal is missing and goals should be adjusted, there is a way to do so.

ART OVERSIGHT COMMITTEE

Lucy Krakowiak said that the Board discussed putting a Trustee on the Art Oversight Committee at the July Board meeting. Lucy announced that she would step forward to serve on the Committee.

RIDE-TO-READ PROGRESS

Julie Brand reported that she and Bill Ptacek met with a representative of King County Metro's Market Development department and received a very warm and enthusiastic reception to the idea for the Ride-to-Read program. It comes down to timing and issues Metro is currently dealing with in terms of expected budget cuts. The representative is interested in trying to figure out whether this project can work, and indicated that federal funds may be available, particularly in the marketing of the program. KCLS will continue the conversation, and continue moving forward with the project.

DIRECTOR'S REPORT

Bill Ptacek showed photos of a recent program at the Covington Library. The Library hosted author J.A. Jance in its "Great Hall" area, and 350 people attended. As more people came, the author was energized by the crowd and staff had to find additional chairs. Carla Hopkins, Cluster Manager, said that 150-175 people were expected for the event. She shared that as people kept pouring in, staff willingly gave up their seats, and patrons began bringing seating from various parts of the library and giving up their seats to each other. Carla said J.A. Jance was astonished by the size of the crowd, and their enthusiasm excited her.

Bill then mentioned that although KCLS didn't know that the City of Newcastle applied for an award for the Newcastle Library project, KCLS ended up winning the Governor's Smart Communities Award.

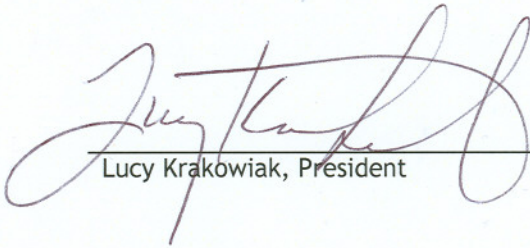
He also said business continues to be strong, with circulation up 10% over 2007, and that KCLS may break the 20 million circulation level this year. Bill noted that KCLS is also seeing an increase in people coming to the Libraries, with door count up by 22% over July 2007.

Bill reported that KCLS has been talking and exploring the level of cross-use with neighbors Sno-Isle and Pierce Counties. He noted that KCLS has cross-use agreements with Seattle, Renton and Enumclaw, but has no such agreements with Sno-Isle and Pierce Counties. Bill said the Counties were surprised that KCLS would be interested in studying the level of cross-use, but agreed to do an initial study of circulation. KCLS found its level of use with Pierce County to be about equal, so there will be no change. However, KCLS found a significant difference between Sno-Isle County residents' use of KCLS and KCLS patrons' use of Sno-Isle. Since there is no agreement in place, KCLS needs to work on a framework for how to move forward with a relationship with Sno-Isle. Bill said the first effort will be working with attorneys and other libraries to develop a standard for reciprocal borrowing agreements. The next phase would be to work on an agreement and formalize the relationship between the two parties. Bill added that Sno-Isle is aware of the results of the preliminary study, which was not as rigorous as the cross-use studies for Renton and Seattle. He noted that Sno-Isle anticipated that KCLS would launch into a final solution, but KCLS will work to determine what the agreement should be and then take measures to rectify the cross-use imbalance. Bill said Sno-Isle is not interested in making a cash payment if there is a difference, but is not opposed to changing the nature of services provided to Sno-Isle, which is similar to the solution for the Seattle Public Library.


Lucy Krakowiak announced that a mini-review for Director Bill Ptacek is coming up, and encouraged the Trustees to double-check the locations and dates of meetings.

ADJOURNMENT

Lucy Krakowiak adjourned the meeting at 6:54pm.



Lucy Krakowiak, President



Jessica Bonebright, Secretary