

Chair Martin Bernal
Vice Chair Jenny Haruyama
Board Member Carlos Palacios
Board Member Jamie Goldstein



**SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY
(LFFA)**

REGULAR BOARD MEETING

THURSDAY, NOVEMBER 2, 2017

8:30 A.M.

**DOWNTOWN BRANCH LIBRARY
224 CHURCH STREET, SANTA CRUZ, CA 95060**

1. CALL TO ORDER / ROLL CALL

Board Members Jamie Goldstein, Jenny Haruyama, Carlos Palacios, and Chair Martin Bernal

2. ADDITIONAL MATERIALS

Additional information submitted after distribution of the agenda packet.

3. ADDITIONS AND DELETIONS TO AGENDA

4. ORAL COMMUNICATION

Any member of the audience may address the Board on any matter either on or off the agenda that is within the Board's jurisdiction. Note, however, that the Board is not able to undertake extended discussion or act on non-agendized items. Such items can be referred to staff for appropriate action which may include placement on a future agenda. If you intend to address a subject that is on the Agenda, please hold your comments regarding that item until it is before the Board, so that we may properly respond to all comments on that subject at the same time. In general 3 minutes will be permitted per speaker during Oral Communication; A MAXIMUM of 30 MINUTES is set aside for Oral Communications at this time.

5. EXECUTIVE DIRECTOR REPORT

A. See JPA Director Report

6. PROJECT UPDATES AND COMMENTS BY BOARD MEMBERS

7. CONSENT CALENDAR

A. Approve Minutes of the October 5, 2017 Board Meeting
RECOMMENDED ACTION: Approve Minutes (PG.3-4)

All items listed in the "Consent Calendar" will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time the Board votes on the action unless members of the public or the Board request specific items to be discussed for separate review. Items pulled for separate discussion will be considered following General Business.

8. GENERAL BUSINESS

A. LFFA Financial Update – Edith Driscoll – presentation and discussion (PG.5-23)

Other Business items are intended to provide an opportunity for public discussion of each item listed. The following procedure is followed for each Business item: 1) Staff explanation; 2) Board questions; 3) Public comment; 4) Board deliberation; 5) Decision.

9. SCHEDULED UPCOMING MEETINGS

December 7, 2017	Downtown Branch Library	Agenda Items:
	224 Church Street	
	Santa Cruz, CA 95060	

10. ADJOURNMENT

Adjourned to a Regular Meeting of the Libraries Facilities Financing Authority (LFFA) to be held on Thursday December 7, 2017 at 9:00 a.m. at the Downtown Branch Library, Upstairs Meeting Room, located at 224 Church Street, Santa Cruz, CA 95060.

The Santa Cruz City-County Library System does not discriminate against persons with disabilities. Out of consideration for people with chemical sensitivities, we ask that you attend fragrance free. Upon request, the agenda can be provided in a format to accommodate special needs. Additionally, if you wish to attend this public meeting and will require assistance such as an interpreter for American Sign Language, Spanish, or other special equipment please call the Library Administration Office at (831)427-7706 at least five days in advance so that we can arrange for such special assistance, or email library_admin@santacruzpl.org.

**SANTA CRUZ PUBLIC LIBRARIES
A CITY-COUNTY SYSTEM**

**SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY
(LFFA)**

**REGULAR MEETING MINUTES
THURSDAY, OCTOBER 5, 2017
9:00 A.M.**

1. ROLL CALL

PRESENT: Martin Bernal (Chair), Jenny Haruyama (Vice Chair), Jamie Goldstein (Board Member), Carlos Palacios (Board Member)

STAFF: Library Director Susan Nemitz

2. ADDITIONAL MATERIALS

None

3. ADDITIONS AND DELETIONS TO AGENDA

The Agenda of October 5, 2017 was approved by consensus.

4. ORAL COMMUNICATIONS

None

5. EXECUTIVE DIRECTOR REPORT

None

6. PROJECT UPDATES AND COMMENTS BY BOARD MEMBERS

None

7. CONSENT CALENDAR

A. Approve Minutes of the August 3, 2017 Board Meeting

ACTION: Approved Minutes of August 3, 2017

B. Receive Upcoming Audit Notice

ACTION: Received Letter from Brown Armstrong CPA

RESULT:	APPROVED CONSENT ITEMS 7.A and 7.B. A. Approved Minutes of August 3, 2017. B. Received Letter from Brown Armstrong CPA [UNANIMOUS]
MOVER:	Jenny Haruyama (Vice Chair)
SECONDER:	Jamie Goldstein (Board Member)
AYES:	Bernal, Haruyama, Goldstein, Palacios

8. GENERAL BUSINESS

None

9. ADJOURNMENT

Due to a scheduling conflict the Board members decided to start the November 2, 2017 meeting at 8:30 a.m.

The Libraries Facilities Financing Authority (LFFA) adjourned at 9:09 a.m. to the Regular Meeting on Thursday, November 2, 2017 at 8:30 a.m. at the Downtown Library, Upstairs Meeting Room, located at 224 Church Street, Santa Cruz, CA 95060.

ATTEST: _____
Helga Smith, Clerk of the Board

All documents referred to in these minutes are available in the Santa Cruz Public Libraries – Library Headquarters Office, 117 Union Street, Santa Cruz.

STAFF REPORT

AGENDA: November 2, 2017
DATE: October 26, 2017
TO: Board of Directors
FROM: LFFA Treasurer-Controller
SUBJECT: Update on bond proceeds and expenditures

RECOMMENDATION

Accept and file financial report on use of bond proceeds and pending expenditures.

DISCUSSION

The attached schedule reflects the balance of bond funds held as a result of the Santa Cruz Libraries Facilities Financing Authority Community Facilities District No.2016-12017 Special Tax Bond issuance. These funds are held with Bank of New York as trustee. The table below reflects principle and interest earned since the bonds were issued in June 2017 through September 31, 2017.

To date no requests to draw down any of the bond funds have been received. At time of bond issuance, each member certified their schedule for use of bond proceeds and estimated quarterly draw schedules. Based upon those schedules, draw down requests are expected to begin in December 2017. The individual project schedules are attached for your reference.

Santa Cruz Libraries Facilities Financing Authority
Community Facilities District No. 2016-1
2017 Special Tax Bonds

Trustee: Bank of New York

	Upon Issuance	September 31, 2017 Balance
Cost of Issuance	\$ 377,311	\$ 19,370
County of Santa Cruz	13,100,000	13,122,739
City of Scotts Valley	500,000	500,868
City of Capitola	7,526,447	7,539,511
City of Santa Cruz	\$ <u>500,000</u>	\$ <u>500,868</u>
	\$ 22,003,758	\$ 21,683,356

\$21,170,000
Santa Cruz Libraries Facilities Financing Authority
Community Facilities District No. 2016-1
2017 Special Tax Bonds

MEMBER CERTIFICATE REGARDING USE OF BOND PROCEEDS

CITY OF CAPITOLA

In connection with the issuance of the special tax bonds captioned above (the "Bonds") by the Santa Cruz Libraries Facilities Financing Authority (the "Authority"), the City of Capitola (the "City") hereby certifies that, based on reasonable expectations as of the date of this Certificate, the proceeds of the Bonds expected to be received by the City are projected to be spent as set forth on Exhibit A hereto.

This Certificate is executed pursuant to Section 3(b)(ii) of the Joint Community Facilities Agreement dated as of February 28, 2017, by and among the Authority, the County of Santa Cruz, the City of Santa Cruz, the City of Scotts Valley and the City of Capitola.

DATED: June 15, 2017

City of Capitola


By 
Authorized Officer

EXHIBIT A

(please complete for each project)

Project Name: Capitola Branch Library

project description	Construct a new 11,700 sf library at the location of the present library. Project will include new building, site improvements, storm water management facilities, parking lot, pathways, and related amenities.
Estimated total cost	\$ 13.1 million
Amount to be reimbursed for hard construction costs	\$7 million
estimated start date	April 2018
estimated completion date	July 2109
estimated quarterly draw schedule	4 th of 2017 - \$ 500,000 1 st of 2018 - \$ 500,000 2 nd of 2018 - \$2,000,000 3 rd of 2018 - \$2,000,000 4 th of 2018 - \$2,000,000 <u>1st of 2019 - \$1,000,000</u> Total - \$8,000,000

\$21,170,000
Santa Cruz Libraries Facilities Financing Authority
Community Facilities District No. 2016-1
2017 Special Tax Bonds

MEMBER CERTIFICATE REGARDING USE OF BOND PROCEEDS

COUNTY OF SANTA CRUZ

In connection with the issuance of the special tax bonds captioned above (the "Bonds") by the Santa Cruz Libraries Facilities Financing Authority (the "Authority"), the County of Santa Cruz (the "County") hereby certifies that, based on reasonable expectations as of the date of this Certificate, the proceeds of the Bonds expected to be received by the County are projected to be spent as set forth on Exhibit A hereto.

This Certificate is executed pursuant to Section 3(b)(ii) of the Joint Community Facilities Agreement dated as of February 28, 2017, by and among the Authority, the County of Santa Cruz, the City of Santa Cruz, the City of Scotts Valley and the City of Capitola.

DATED: June 15, 2017

County of Santa Cruz


By 
Authorized Officer

EXHIBIT A

(please complete for each project)

Project Name: Felton Branch Library

Project Description	Design, permitting, and construction of a new branch library of approximately 9,600 square feet, single story building, associated on and off-site improvements, utilities, and furniture, fixtures and equipment. Project located on Gushee Street in Felton, California.
Estimated total cost	\$10,000,000
Amount to be funded with bond proceeds	\$8,780,402
Estimated start date	Design and permitting underway with other funds Construction Start Date – May 2018
Estimated completion date	Construction End Date – June 2019
Estimated quarterly draw schedule	Quarter Ending December 2017 \$150,000 Quarter Ending March 2018 \$200,000 Quarter Ending June 2018 \$8,200,000 Quarter Ending December 2018 \$230,402

EXHIBIT A

(please complete for each project)

Project Name: La Selva Beach Branch Library

Project description	Design, permitting, and renovation of an existing branch library including accessibility, mechanical, power and data systems, circulation desk, and other interior and patio improvements, plus furniture, fixtures and equipment. Branch located at 316 Estrella Avenue, La Selva Beach.
Estimated total cost	\$500,000
Amount to be funded with bond proceeds	\$420,000
Estimated start date	Design Start Date – January 2018 Construction Start Date – June 2019
Estimated completion date	Construction Completion Date – December 2019
Estimated quarterly draw schedule	Quarter Ending June 2018 \$70,000 Quarter Ending December 2018 \$350,000

EXHIBIT A

(please complete for each project)

Project Name: Boulder Creek Branch Library

Project description	Design of accessibility, circulation design, lighting, power and data and utility upgrades, and other interior and site improvements at an existing branch library located at 13390 W. Park Avenue, Boulder Creek
Estimated total cost	\$500,000
Amount to be funded with bond proceeds	\$20,000
Estimated start date	Project design work start date – June 2018
Estimated completion date	Project design work completion date – July 2019
Estimated quarterly draw schedule	Quarter Ending June 2018 \$20,000

EXHIBIT A

(please complete for each project)

Project Name: Live Oak Branch Library

Project description	Design and permitting, as required, of upgrades to an existing mechanical system, circulation desk, reference desk and other interior upgrades at the existing Live Oak Branch Library located at 2380 Portola Drive, Santa Cruz.
Estimated total cost	\$1,234,000
Amount to be funded with bond proceeds	\$245,200
Estimated start date	Design work to begin – January 2019
Estimated completion date	Design and permitting work to be completed – January 2020
Estimated quarterly draw schedule	Quarter Ending December 2017 \$180,000 Quarter Ending December 2018 \$65,200

EXHIBIT A

(please complete for each project)

Project Name: Live Oak Library Annex

Project description	Design and permitting of a building addition and renovation of a portion of an existing community center located at 979 17 th Avenue, Live Oak including but not limited to structural, roofing, mechanical, electrical, plumbing and data systems, building interiors and finishes, and site improvements.
Estimated total cost	\$3,766,000
Amount to be funded with bond proceeds	\$714,398
Estimated start date	Project design and permitting work to begin – January 2018
Estimated completion date	Project design and permitting work to be completed – January 2020
Estimated quarterly draw schedule	Quarter Ending December 2017 \$455,000 Quarter Ending December 2018 \$259,398

EXHIBIT A

(please complete for each project)

Project Name: Aptos Branch Library

Project description	Design and permitting of a major renovation and possible addition to an existing branch library to include upgrades to the existing building including but not limited to structural, roofing, mechanical, electrical, plumbing and data systems, building interiors and finishes, and site improvements. Design-build project delivery method under consideration. Aptos Branch Library is located at 7695 Soquel Drive, Aptos
Estimated total cost	\$10,000,000
Amount to be funded with bond proceeds	\$2,920,000
Estimated start date	Project design and permitting work to begin – January 2018
Estimated completion date	Project design and permitting work to be completed – January 2020
Estimated quarterly draw schedule	Quarter Ending March 2018 \$2,000,000 Quarter Ending December 2018 \$920,000

\$21,170,000
Santa Cruz Libraries Facilities Financing Authority
Community Facilities District No. 2016-1
2017 Special Tax Bonds

MEMBER CERTIFICATE REGARDING USE OF BOND PROCEEDS

CITY OF SANTA CRUZ

In connection with the issuance of the special tax bonds captioned above (the "Bonds") by the Santa Cruz Libraries Facilities Financing Authority (the "Authority"), the City of Santa Cruz (the "City") hereby certifies that, based on reasonable expectations as of the date of this Certificate, the proceeds of the Bonds expected to be received by the City are projected to be spent as set forth on Exhibit A hereto.

This Certificate is executed pursuant to Section 3(b)(ii) of the Joint Community Facilities Agreement dated as of February 28, 2017, by and among the Authority, the County of Santa Cruz, the City of Santa Cruz, the City of Scotts Valley and the City of Capitola.

DATED: June 15, 2017

City of Santa Cruz

By 
Authorized Officer

EXHIBIT A

(please complete for each project)

Project Name: Branciforte Measure S Facility Remodel

project description	Remodel and improve Branciforte Branch. In addition to facility upgrades, project includes improvements to bathrooms, windows, lighting and termite inspection and/or treatment and repairs.
Estimated total cost	\$ 1,500,000
Amount to be funded with Bond Proceeds	\$ 500,000
estimated start date	3 rd Quarter 2017
estimated completion date	1st Quarter 2020
estimated quarterly draw schedule	Not applicable. Fully funded through Measure S initial annual distributions.

Project Name: Garfield Park Measure S Facility Remodel

project description	Improvements to Garfield Branch. Includes replacing certain windows, installation of book drop, heating and water efficiency projects.
Estimated total cost	\$ 500,000
Amount to be funded with Bond Proceeds	\$ - 0 -
estimated start date	3 rd Quarter 2017
estimated completion date	1st Quarter 2020
estimated quarterly draw schedule	Not applicable. Fully funded through Measure S initial annual distributions.

\$21,170,000
Santa Cruz Libraries Facilities Financing Authority
Community Facilities District No. 2016-1
2017 Special Tax Bonds

MEMBER CERTIFICATE REGARDING USE OF BOND PROCEEDS

CITY OF SCOTTS VALLEY

In connection with the issuance of the special tax bonds captioned above (the "Bonds") by the Santa Cruz Libraries Facilities Financing Authority (the "Authority"), the City of Scotts Valley (the "City") hereby certifies that, based on reasonable expectations as of the date of this Certificate, the proceeds of the Bonds expected to be received by the City are projected to be spent as set forth on Exhibit A hereto.

This Certificate is executed pursuant to Section 3(b)(ii) of the Joint Community Facilities Agreement dated as of February 28, 2017, by and among the Authority, the County of Santa Cruz, the City of Santa Cruz, the City of Scotts Valley and the City of Capitola.

DATED: June 15, 2017

City of Scotts Valley



By _____
Authorized Officer

EXHIBIT A

(please complete for each project)

Project Name: Library Roof Replacement

project description	The SV Library is in need of a partial roof replacement. This project will be done in coordination with the upgrade of its HVAC system which is near the end of its useful life.
Estimated total cost	\$ 170,000
Amount to be reimbursed for hard construction costs	\$ 170,000
estimated start date	Winter 2017/18
estimated completion date	Spring/Summer 2018
estimated quarterly draw schedule	Anticipate drawing down full amount as soon as first draw down is available.

EXHIBIT A

(please complete for each project)

Project Name: HVAC Replacement

Project Description	The Library HVAC system is near the end of its useful life. The full HVAC system will be replaced. The timing of this project will be coordinated with the roof replacement.
Estimated total cost	\$ 150,000
Amount to be reimbursed for hard construction costs	\$ 150,000
estimated start date	Winter 2017/18
estimated completion date	Spring/Summer 2018
estimated quarterly draw schedule	Anticipate drawing down full amount as soon as first draw down is available.

EXHIBIT A

(please complete for each project)

Project Name: Sound Attenuation Equipment

project description	Purchase of sound attenuation equipment to address noise due to building acoustics.
Estimated total cost	\$ 85,000
Amount to be reimbursed for hard construction costs	\$ 85,000
estimated start date	Summer 2019
estimated completion date	Fall 2019
estimated quarterly draw schedule	2Q 2019

Project Name: Building Improvements – Security Cameras/Keyless Entry

project description	Installation of security cameras and keyless entry system
Estimated total cost	\$ 60,000
Amount to be reimbursed for hard construction costs	\$ 60,000
estimated start date	Summer 2019
estimated completion date	Fall 2019
estimated quarterly draw schedule	2Q 2019

Project Name: Parking Lot Improvements

project description	Asphalt Repair and Striping of Parking Lot
Estimated total cost	\$ 35,000
Amount to be reimbursed for hard construction costs	\$ 35,000
estimated start date	Summer 2019
estimated completion date	Fall 2019
estimated quarterly draw schedule	2Q 2019