

Chair Carlos Palacios
Vice Chair Jamie Goldstein
Board Member Martin Bernal
Board Member Tina Friend



**SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY
(LFFA)
REGULAR BOARD MEETING
THURSDAY AUGUST 1, 2019**

9:00 A.M.

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

1. CALL TO ORDER / ROLL CALL

Board Members Jamie Goldstein, Carlos Palacios, Martin Bernal and Tina Friend

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. Director's Report for August (PG.3-6)

6. PROJECT UPDATES AND COMMENTS BY BOARD MEMBERS

7. CONSENT CALENDAR

- A. Approve Minutes of the June 6, 2019 Board Meeting
RECOMMENDED ACTION: Approve Minutes (PG.7-8)

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. Engagement Letter for Audit Services
RECOMMENDED ACTION: Accept Engagement Letter for Audit Services (PG.9-11)

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

October 3, 2019	Scotts Valley Branch Library	Upcoming Agenda Items
	251 Kings Village Road, Scotts Valley, CA 95066	

10. ADJOURNMENT

Adjourned to a Regular Meeting of the Libraries Facilities Financing Authority (LFFA) to be held on Thursday October 3, 2019 at 6:00 p.m. at the Scotts Valley Branch Library, located at 251 Kings Village Road, Scotts Valley, CA 95066.

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.

August 2019

Library Director's Report to the LFFA

Aptos

Criteria documents and cost estimates are being completed. Costs appear to be high. A design/build firm will be selected in the fall of 2019. Construction will begin in the summer of 2020. This branch will be closed during construction.

Boulder Creek

Design development is complete. Construction is expected to begin in February 2020 with a grand opening in October 2020. The Friends of the Library have received a \$100,000 matching grant from the Monterey Bay Peninsula Foundation for added amenities. They have a \$30,000 additional pledge.

Branciforte

Design development is being completed. Costs are coming in high. The grand opening is expected in 2021.

Capitola

Construction of the new Capitola Branch Library progresses. The project team has decided to fast track burying the electrical lines. The concrete floor slab is being poured this week. Grand opening is expected in summer of 2020.



Downtown

The City Council of the City of Santa Cruz has established a Subcommittee to review the proposal for a mixed-use building that would include a library, housing, retail, and parking on Cedar Street. The Committee will review the work of the citizen Downtown Library Advisory Committee, the actions and deliberations of the previous City Council, and testimony from members of the community. They hope to complete their work and come back to the full Council with recommendations by October 2019. Members of the Subcommittee include Vice Mayor Justin Cummings, Council member Sandy Brown and Council member Donna Meyers.

Felton

The roof has been completely installed as well as the exterior siding. The building's windows are currently being installed. Interior piping for utilities is now in place and has been approved by the building inspector. The parking lot curbs have been poured and other site work, including the parking lot and bridge abutments, will continue over the next month. The project remains on schedule. Work along the street at the property edge will begin soon including utility work and sidewalk improvements.

**Garfield**

Design development and costing are being completed. Costs are higher than expected. The grand opening is expected in the spring 2021. The Friends of the Library have received a \$100,000 matching grant from the Monterey Bay Peninsula Foundation for added amenities.

La Selva Beach

The schematic design has been finalized. Furniture has been selected. The County hopes to award a contract in the summer of 2019 with a six month construction process beginning September 2019 with opening expected in June of 2020. This branch will be closed during construction. The Friends of the Library have received a \$100,000 matching grant from the Monterey Bay Peninsula Foundation for added amenities.

Live Oak

Design development is complete. Furniture has been selected for the planned changes in the children's area.

Live Oak Annex

Schematic Design is complete. SCPL and Parks and Recreation staff are working on an MOU.

Scotts Valley

Library staff met with David Tanza and City staff to begin planning for roof and building envelope improvements as well as HVAC upgrades.

7/25/2019

Draft SCPL Project Schedules

	Calendar 2019			Calendar 2020			Calendar 2021				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	
Aptos	<ul style="list-style-type: none"> Criteria Documents Design Build (DB) RFQ 	<ul style="list-style-type: none"> DB RFP 	<ul style="list-style-type: none"> Hire DB Firm Design Development Weed Collection 	<ul style="list-style-type: none"> Permitting approvals Design approval 	<ul style="list-style-type: none"> DB Construction Docs Close Moving Sale Staff to Capitola 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Phase Purchase opening day collection (ODC) 	<ul style="list-style-type: none"> Construction Close-Out Occupancy Recall staff 	<ul style="list-style-type: none"> Grand Opening 	
Builder Creek	<ul style="list-style-type: none"> Construction Documents Building Permitting 	<ul style="list-style-type: none"> Bidding and award (Oct) Weed 	<ul style="list-style-type: none"> Close branch Feb 1 Branch Sale Construction Mar. Staff to Felton Mar. 	<ul style="list-style-type: none"> Construction Phase Purchase ODC 	<ul style="list-style-type: none"> Occupancy Recall Staff 	<ul style="list-style-type: none"> Grand opening Oct. 1 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Close-Out Occupancy August 2021 Recall Staff Grand Opening late September 		
Branciforte	<ul style="list-style-type: none"> City Approvals Weed 	<ul style="list-style-type: none"> Construction Documents 	<ul style="list-style-type: none"> Bidding and Award Building Permit 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Close July 1 Site Construction Phase Aug. Staff to DT Aug. 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Close-Out Occupancy August 2021 Recall Staff Grand Opening late September 		
Capitola	<ul style="list-style-type: none"> Subcommittee exploration 	<ul style="list-style-type: none"> Subcommittee report due 			<ul style="list-style-type: none"> Grand Opening July 				<ul style="list-style-type: none"> Construction Documents 	<ul style="list-style-type: none"> Building Permit Weed 	
Downtown	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Close-Out Occupancy Moving Sale Close old building Purchase ODC 	<ul style="list-style-type: none"> Grand Opening - January 25 								
Felton	<ul style="list-style-type: none"> City Approvals Weed 	<ul style="list-style-type: none"> Construction Documents 	<ul style="list-style-type: none"> Bidding and Award Building Permit 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Close July 1 Site Construction Phase Aug. Staff to DT Aug. 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Close-Out Occupancy April 2021 Recall Staff Grand Opening May 		
Garfield Park	<ul style="list-style-type: none"> Bidding and Award Building permits Close September 1 Move out sale 	<ul style="list-style-type: none"> Staff to Aptos Construction Begins Oct. 1 Purchase ODC 	<ul style="list-style-type: none"> Construction Phase Purchase ODC 	<ul style="list-style-type: none"> Construction Close-Out Occupancy May 1 Move-In/Recall staff Grand Opening - June 1 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction Phase 					
La Selva Beach	<ul style="list-style-type: none"> City Approvals Weed 	<ul style="list-style-type: none"> Construction Documents Building Permit 	<ul style="list-style-type: none"> Bidding and award 	<ul style="list-style-type: none"> Construction while open 	<ul style="list-style-type: none"> Construction while open 	<ul style="list-style-type: none"> Move in Oct. Completion Celebration Nov. 	<ul style="list-style-type: none"> Construction Phase 	<ul style="list-style-type: none"> Construction without closure 	<ul style="list-style-type: none"> Construction without closure 	<ul style="list-style-type: none"> Construction without closure 	<ul style="list-style-type: none"> Grand Opening
Live Oak	<ul style="list-style-type: none"> Schematic Design RFP Fiber MOU 	<ul style="list-style-type: none"> Schematic Design 	<ul style="list-style-type: none"> Construction Documents Permits 	<ul style="list-style-type: none"> Construction Documents 	<ul style="list-style-type: none"> Bidding and Award 	<ul style="list-style-type: none"> Construction without closure 	<ul style="list-style-type: none"> Construction without closure 	<ul style="list-style-type: none"> Construction without closure 	<ul style="list-style-type: none"> Construction without closure 	<ul style="list-style-type: none"> Construction without closure 	<ul style="list-style-type: none"> Grand Opening
Live Oak Annex		<ul style="list-style-type: none"> Repairs without closure 	<ul style="list-style-type: none"> Repairs without closure 	<ul style="list-style-type: none"> Repairs without closure 							
Scotts Valley		<ul style="list-style-type: none"> Repairs without closure 	<ul style="list-style-type: none"> Repairs without closure 	<ul style="list-style-type: none"> Repairs without closure 							

open/closures
 Close LSB
 Close Felton
 Close BC
 Open Felton
 Close BC

Sales
 Sept. LSB
 Nov. Felton
 Feb. BC

Staff Shifts
 Oct. LSB to Apt.
 Dec. Fel. To Fel.
 Mar. BC to Fel

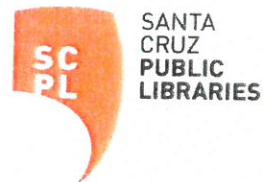
Open BC, LO
 Open BC, GP
 Open BC, GP
 July Aptos, B40, GP
 July Aptos, B40, GP

Open GP May
 Apr. GP to GP

Open B40 Sept.
 Aug. Apt staff to Apt
 Aug. B40 to B40

Open Aptos, Annex

Chair Carlos Palacios
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**SANTA CRUZ PUBLIC LIBRARIES
A CITY-COUNTY SYSTEM**

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

**REGULAR MEETING MINUTES
THURSDAY JUNE 6, 2019
6:00 P.M.**

1. ROLL CALL

PRESENT: Martin Bernal, Carlos Palacios, Jamie Goldstein, Tina Friend
STAFF: Library Director Susan Nemitz

2. ADDITIONAL MATERIALS

None

3. ADDITIONS AND DELETIONS TO AGENDA

The Agenda of June 6, 2019 was approved by consensus.

4. ORAL COMMUNICATIONS

None

5. EXECUTIVE DIRECTOR REPORT

A. Library Director's Report – June 2019

6. PROJECT UPDATES AND COMMENTS BY BOARD MEMBERS

Jamie Goldstein reported that the City of Capitola is working with PG&E to bury the power lines that are in conflict with the design of the new Capitola Branch library.

7. CONSENT CALENDAR

RESULT:	APPROVED CONSENT CALENDAR ITEMS 7 A and 7 C, PULL ITEM B and move to LJPA Agenda A. Approved Minutes of May 2, 2019 C. Approved LFFA Budget FY 2019-20 [UNANIMOUS]
MOVER:	Jamie Goldstein
SECONDER:	Tina Friend
AYES:	Bernal, Goldstein, Palacios, Friend

8. GENERAL BUSINESS

None

9. ADJOURNMENT

The Libraries Facilities Financing Authority (LFFA) adjourned at 6:08 p.m. to the Regular Meeting on Thursday August 1, 2019 at 9:00 a.m. at the Downtown Branch Library, 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: August 1, 2019
DATE: July 25, 2019
TO: Board of Directors
FROM: LFFA Treasurer-Controller
SUBJECT: LFFA Engagement Letter for Audit Services for 2018-2019 Basic Financial Statements and Independent Auditor's Report

RECOMMENDATION

Accept and file the Engagement letter from Brown Armstrong, CPAs for the audit of the financial statements of the governmental activities and general fund information of the Santa Cruz County Library Facilities Financing Authority for the year ended June 30, 2019.

DISCUSSION

Pursuant to Section 4(d)(i) of the Amended and Restated Joint Exercise of Powers Agreement, the LFFA Treasurer-Controller is required to "prepare or cause to be prepared an independent audit to be made by a certified public accountant, or a public accountant, as required under Sections 6505, 6505.5 and 6505.6 of the Joint Powers Act."

The Authority currently contracts with Brown Armstrong, CPAs for audit related services. The attached engagement letter has been provided by Brown Armstrong, CPAs to confirm the scope and timing of work to be carried out related to the audit of the financial statements of the LFFA.



BROWN ARMSTRONG

Certified Public Accountants

Board of Directors of
Santa Cruz Libraries Facilities Financing Authority

We are engaged to audit the financial statements of the governmental activities and the general fund information of Santa Cruz Libraries Facilities Financing Authority (the Authority) for the year ended June 30, 2019. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibilities under Auditing Standards Generally Accepted in the United States of America and Government Auditing Standards

As stated in our engagement letter dated June 5, 2019, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we will consider the internal control of the Authority. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of the Authority's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

Accounting principles generally accepted in the United States of America provide for certain required supplementary information (RSI) to supplement the basic financial statements. Our responsibility with respect to the Budgetary Comparison Schedule – General Fund, which supplements the basic financial statements, is to apply certain limited procedures in accordance with auditing standards generally accepted in the United States of America. However, the RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the Authority and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Authority or to acts by management or

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Accounting Oversight Board and
MEMBER of the American Institute of
Certified Public Accountants.

employees acting on behalf of the Authority. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit on approximately October 7, 2019, and issue our report on approximately December 31, 2019. Lindsey McGuire is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of Board of Directors and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
June 5, 2019