



LIBRARY JOINT POWERS AUTHORITY BOARD

Monday October 27, 2014
Downtown Branch Meeting Room
224 Church Street, Santa Cruz, CA 95060

6:30 PM PUBLIC MEETING

The Board reserves the right to take action on any item included on this agenda.

1. ROLL CALL
2. APPROVE AGENDA OF OCTOBER 27, 2014
3. ORAL COMMUNICATIONS
4. CONSENT AGENDA
 - A. Approve contract with Pamela Anderson Brule Architects, Inc. in the amount of \$30,830 to develop furniture, signage and shelving standards. (Resolution # 2014-014) (PG.3-18)
5. OTHER BUSINESS
 - A. Approve Santa Cruz Library Facilities Joint Powers Authority agreement and refer it to each jurisdiction for adoption. (PG.19-31)
6. BOARD MEETING CALENDAR

The Board will consider its current meeting schedule and may revise it as necessary.

7. NEXT MEETING

The next regularly scheduled meeting is Monday, November 10, 2014 at 6:30 pm at the Downtown Branch Library.

8. ADJOURN

The Library Joint Powers Authority Board will adjourn from the Special Meeting of October 27, 2014 to its next regular meeting of November 10, 2014 at 6:30 pm at the Downtown Branch Library Meeting Room.

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 427-7706 at least five days in advance so that we can arrange for such special assistance, or email library_admin@santacruzpl.org.

STAFF REPORT

DATE: October 23, 2014
TO: Library Joint Powers Board
FROM: Teresa Landers, Library Director
RE: Furniture, signage and shelving standards contract

RECOMMENDATION: Authorize Library Director to enter into a contract with Anderson Brule Architects, Inc., in a form approved by the City Attorney, for the development of furniture, shelving and signage standards for an amount not to exceed \$30, 830.

SUMMARY

The Joint Powers Authority (JPA) Agreement that established the Community Facilities District, will refer to a supplemental agreement that includes several details that are not ready to be incorporated into the first iteration of that agreement. One of these is clearly defined standards for shelving, signage and furniture.

BACKGROUND

The Library Joint Powers Board (LJPB) passed a motion that gives each jurisdiction the responsibility to make facilities improvements to each of its own facilities. It was also recommended that the Library be involved in the process in order to ensure operational needs are met and economies of scale and efficiencies and cost savings in purchasing are accomplished.

Standards should include:

- Furniture, signage and shelving
- Operational/programmatic
- Technology
- Building Security

Standards should take into consideration sustainability, both in terms of a commitment to being “green” and in terms of ongoing maintenance, which will be the responsibility of the Library and not of each jurisdiction.

DISCUSSION

The Library Joint Powers Board previously agreed that the Library will be responsible for operational/programmatic and technology standards. Building security will need to be jointly agreed on by the four jurisdictions in order for the Library to maintain the security system most efficiently, by having consistency between the branches. Language reflecting these roles and responsibilities will be included in the supplemental agreement to the JPA Agreement.

For furniture, shelving and signage standards, Library Director Landers was directed to obtain three quotes for the development of such standards from vendors capable of performing such work. Three Bay area library architects were contacted and two responded. One declined to submit.

Both vendors are capable of delivering the desired outcomes. The budgeted amount was a range of \$30-50,000 and the successful vendor, Anderson Brule Architects Inc.'s proposal is at the lower end of this range. Anderson Brule Architects Inc., is, therefore, recommended for this project. They have a great deal of experience in this area and were responsible for developing uniform design standards for the San Jose Public Library System which used different architects for its multi branch building project.

The timeline for completion is approximately three months. In order to get this completed before the supplemental agreement to the JPA Agreement is finalized, time is of the essence to approve this contract and get started.

A draft of the contract is attached. It follows standard city contract guidelines and is currently under review by the City Attorney and Anderson Brule Architects, Inc. Only minor legal type changes are anticipated based on initial review and comments from both parties.

FISCAL IMPACT

The operational budget for FY14/15 includes a line for Professional and Technical Services related to the election. The amount of \$30,830 is well within the available balance in this budget line.

PROFESSIONAL SERVICES AGREEMENT FOR
FURNITURE, SHELVING, AND SIGNAGE STANDARDS

THIS PROFESSIONAL SERVICES AGREEMENT FOR the development of furniture, shelving, and signage standards ("Agreement") is entered into on OCTOBER 28, 2014 by and between the Santa Cruz Library-County Library System ("Library") and Anderson Brulé Architects, Inc. ("Consultant").

RECITALS

WHEREAS, Library desires certain services as described in Appendix One - Scope of Work; and

WHEREAS, Consultant is capable of providing these services; and

WHEREAS, Consultant desires to provide these services;

NOW, THEREFORE, the parties, incorporating the above recitals as part of their Agreement and in consideration of the mutual covenants, terms, and conditions contained herein, do hereby agree as follows:

ARTICLE 1: TERM OF AGREEMENT

This Agreement will become effective on the date stated above and will continue in effect until terminated as provided herein.

ARTICLE 2: SERVICES TO BE PERFORMED BY & RESPONSIBILITIES OF CONSULTANT

The services to be performed under this Agreement are set forth on the Scope of Work, attached hereto and incorporated herein by reference ("Scope of Work").

Consultant will provide the services described in the Scope of Work to the Standard of Care for professional design services. Consultant, in its sole discretion, will determine the method, details, and means of performing the above-described services in accordance with the terms and conditions of this Agreement. Consultant may employ such assistants and/or sub-consultants or sub-contractors as Consultant deems necessary to perform the services required of Consultant by this Agreement. Library may not control, direct, or supervise Consultant's assistants, employees, or sub-consultants or sub-contractors in the performance of those services except as set forth in the terms and conditions of this Agreement. All services performed by Consultant, or under its direction, must be rendered in accordance with the generally accepted practices, and to the standards of, Consultant's profession.

Consultant must not undertake provide any services or undertake any work beyond the Scope of Work unless such additional work is approved in advance and in writing by Library. Library will reimburse Consultant for the cost of such additional work as provided for in Article 4 of this Agreement.

The security and safety of the job site or location where services are rendered pursuant to this Agreement will be the Consultant's responsibility with the sole exception of the security and safety of any facility of Library.

Consultant will meet with Teresa Landers, Library Director, ("Director"), other Library personnel, or third parties as necessary, on all matters connected with the carrying out of the services described in the Scope of Work. Such meetings will be held at the request of either Library or Consultant. Consultant must obtain approval of

completed work on a monthly basis, or at such intervals as may be otherwise mutually agreed upon, during the course of rendering services.

ARTICLE 3: RESPONSIBILITIES OF THE LIBRARY

Library will make available to Consultant all data and information in the Library's possession which Library deems necessary to Consultant's preparation for and rendering of services, and Library will actively aid and assist Consultant in obtaining such information from other agencies and individuals as necessary.. Library may provide other services it determines are necessary for Consultant.

Director may designate an individual to serve as her representative for conferring with Consultant relative to Consultant's services. The work in progress shall be reviewed from time to time by Library at the discretion of Library or upon the request of Consultant. If Library deems the work satisfactory, Library will approve the work. If Library deems the work unsatisfactory, Library will inform Consultant of the changes or revisions necessary to secure approval.

ARTICLE 4: FEES AND PAYMENT

Consultant will receive compensation on a monthly basis for the services rendered hereunder as follows:

1. Library will pay Consultant based on a fixed fee contract price.
 - a. Invoices must further indicate the overall percentage of completion of the total required services.
 - b. Normal payroll rates are for 40 hours per week. Consultant must not charge the Library for personnel overtime salary at rates higher than those set forth in Appendix II, Fee Schedule without Library's prior written authorization.
2. Library will pay Consultant reimbursement for approved non-salary expenses incurred in Consultant's performance of its obligations hereunder, except those expenses included in Consultant's hourly rate as shown on Appendix II, Fee Schedule. Approved non-salary expenses include 1) pre-approved travel, 2) reasonable meals and lodging while on pre-approved travel, 4) materials other than normal office supplies, reproduction, and printing costs, 5) equipment rental, 6) computer services, 6) necessary services of sub-consultants or subcontractors, and 7) other expenses clearly associated with and necessary to Consultant's rendering of services hereunder, as determined by the Director.
 - a. The use of Consultant's vehicles for select travel will be paid at the maximum rate of the current standard business mileage rate as established by the U.S. Internal Revenue Service.
 - b. Library will not be obligated to pay for approved non-salary expenses unless such expenses are detailed on weekly itemized invoices which list actual costs and expenses.
 - c. Plots and reproduction will be billed as they occur and reimbursed at the rates listed in Appendix II.
3. Variations from the costs for each phase of the Scope of Work (if applicable) may be allowed after advance written Library approval is obtained. However, in no event may the total fee charged for the services rendered hereunder exceed the budget of \$30,830 without Library's prior written authorization.

ARTICLE 5: CHANGES IN SCOPE OF WORK

Library may order changes in the scope or character of the work described in the Scope of Work, either decreasing or increasing the scope of Consultant's services. Consultant will make no changes in the Scope of Work without Library's prior written approval. Any change which may require compensation in excess of the sum specified in Appendix Two must be approved by obtaining Library's prior written approval.

When ordered by Library, Consultant must perform services not specifically included the Scope of Work and Library will compensate Consultant as set forth in herein. Additional reimbursable project expenses outside of those contemplated in the Scope of Work will be billed to the Library at Consultant's cost.

ARTICLE 6: TIME OF COMMENCING SERVICES AND SCHEDULE FOR COMPLETION

Consultant will begin work upon receipt of a written Notice to Proceed from Director. The Notice to Proceed must not be issued until after this Agreement has been approved and authorized by Library.

The schedule for completion of the services will be as shown on Appendix III Timeline for Completion, attached hereto and made a part hereof by reference. In the event that Library orders changes to the Scope of Work which affect the schedule for completion, Library will adjust the schedule for completion so as to allow Consultant a reasonable period of time within which to complete any additional work which may be required as a result of the ordered changes.

In the event Consultant is delayed in performance of its services by circumstances beyond its control, such as war, emergency, accident, fire, earthquake, flood, storm, industrial strike, or other impediment which Consultant proves was beyond its control and that it could not reasonably be expected to have taken the impediment into account at the time of the conclusion of this Agreement or to have avoided or overcome it or its consequences, the Library will grant Consultant a reasonable adjustment in the schedule for completion, so long as said adjustment would not frustrate the essential purposes of this Agreement. All claims for adjustments in the schedule of completion due to such circumstances must be submitted in writing to Library by Consultant immediately after Consultant learns of the occurrence or circumstances necessitating the adjustment.

Consultant acknowledges that it must complete its work on or before the completion date set forth in Appendix III Timeline for Completion so as not to frustrate the essential purposes of this Agreement. The parties therefore agree that time is of the essence in the performance of the services described in this Agreement.

ARTICLE 7: TERMINATION

Either party may terminate this Agreement by providing written notice to the other party not less than 30 calendar days prior to the proposed termination date.

Either party may terminate this Agreement for material breach by providing written notice to the other party not less than 14 calendar days prior to the proposed termination date.

Upon receipt of a Notice of Termination, Consultant must immediately take any and all action necessary to ensure it does not incur any additional obligations, costs, or expenses, except as may be reasonably necessary to terminate its services. Library's sole obligation to the Consultant in event of termination will be payment for services authorized by, and work approved to the satisfaction of, Library, up to and including the effective date of termination. All finished or unfinished work, or documents procured or produced under this Agreement, are property of the Library. In the event that Library terminates the Agreement, Library reserves the right to obtain consultant services elsewhere.

In no event will Library be liable to Consultant for any of Consultant's claimed lost profits relating to this Agreement or any other agreements or service arrangements Consultant may have entered but for this Agreement.

After the effective date of termination, Consultant will have no further claims against the Library under the Agreement.

Termination of the Agreement pursuant to this section shall not relieve the Consultant of any liability to Library for damages sustained by Library related to Consultant's breach of this Agreement, and Library may withhold any and all payments to Consultant for the purpose of set-off until such time as the exact amount of damages incurred by Library is determined.

The rights and remedies provided to Library in this section are not exclusive and are in addition to any and all additional rights and remedies as may be provided by law or under this Agreement.

ARTICLE 8: INSURANCE

Prior to the beginning of and throughout the duration of Consultant's performance of services as set forth in this Agreement, Consultant will obtain and maintain insurance in conformance with the requirements set forth below. Consultant will insure Library against claims for injuries or death to persons and damages to property which may arise from or in connection with the performance of the services hereunder and the results of those services by Consultant, its agents, representatives, employees, or subcontractors.

1. **Certificate Requirements.** Consultant must provide Library with an issued a Certificate of Insurance (a Memorandum of Understanding will not be accepted) with the following minimum requirements:
 - a. Certificate(s) will show current policy number(s) and effective dates.
 - b. Coverage and policy limits will meet, or exceed, requirements below.
 - c. The Certificate Holder will be Santa Cruz Library-County Library System, 117 Union Street, Santa Cruz, CA 95060.
 - d. Certificate will be signed by an authorized representative.
 - e. An endorsement will be provided to show Library, its officers, officials, employees, and volunteers as additional and primary insured.
2. **Minimum Scope and Limits of Insurance.** Consultant acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage allowed. Library will be entitled to coverage for the highest limits maintained by Consultant. Coverage will be at least as broad as:
 - a. *Professional Liability (Errors and Omissions): \$1,000,000 per occurrence or claim, \$2,000,000 aggregate.* Consultant will maintain insurance appropriate to Consultant's profession with a limit no less than one million dollars (\$1,000,000.00) per claim and two millions dollars (\$2,000,000.00) aggregate. Insurance must be maintained and evidence of insurance must be provided for at least five years after date of completion of the services provided hereunder. Consultant agrees to purchase an extended period coverage for a minimum of five years after completing the services rendered hereunder.
 - b. *Commercial General Liability (CGL): \$1,000,000 (Including products and completed operations).* Proof of coverage for one million dollars (\$1,000,000.00) per occurrence for bodily injury, personal injury, and property damage will be provided on Insurance Services Office (ISO) Form CG 00 01 12 07 covering CGL. If a general aggregate limit applies, either the general aggregate limit will apply separately to the services rendered hereunder or the general aggregate limit will be twice the required occurrence limit.
 - c. *Automobile Liability: \$1,000,000.* Proof of coverage for one million dollars (\$1,000,000.00) will be provided on ISO Form Number CA 00 01 covering any auto (Code 1), or, if Consultant has no owned autos, hired, (Code 8) and non-owned autos (Code 9), per accident for bodily injury and property damage.
 - d. *Workers' Compensation as required by the State of California, with Statutory Limits, and Employer's Liability Insurance: \$1,000,000 per accident for bodily injury or disease.*
3. **Other Insurance Provisions.** The insurance policies are to contain, or be endorsed to contain, the following provisions:

- a. *Additional Insured Status.* Library, its officers, officials, agents, representatives, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of the services performed by or on behalf of Consultant, including materials, parts, or equipment furnished in connection with such services. General liability coverage must be provided in the form of an endorsement to Consultant's insurance at least as broad as ISO Form CG 20 10 11 85, or if not available, through the addition of both CG 20 10 and CG 20 37 (if a later edition is used).
- b. *Primary Coverage.* For any claims related to this Agreement, Consultant's insurance coverage will be primary insurance as it respects Library, its officers, officials, agents, representatives, employees, and volunteers. Any insurance or self-insurance maintained by Library, its officers, officials, agents, representatives, employees, or volunteers will be in excess of Consultant's insurance and will not contribute with it.
- c. *Notice of Cancellation.* Each insurance policy required above will provide that Library must be given 30 days' prior written notice of any coverage cancellation (10 days for non-payment).
- d. *Waiver of Subrogation.* Consultant hereby grants to Library a waiver of any right to subrogation which any insurer of said Consultant may acquire against Library by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not Library has received a waiver of subrogation endorsement from the insurer. The Worker's Compensation policy will be endorsed with a waiver of subrogation in favor of Library for all work performed by Consultant, its employees, agents, and subcontractors.
- e. *Deductibles and Self-Insured Retentions.* Any deductibles or self-insured retentions must be declared to and approved by Library. Library may, at its option, allow Consultant to purchase coverage with a lower deductible or retention, or require Consultant to provide a financial guarantee satisfactory to Library guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- f. *Acceptability of Insurers.* Insurance must be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to Library.
- g. *Verification of Coverage.* Consultant will furnish the Library with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Library before work commences. However, failure to obtain the required documents prior to the work beginning will not waive the Consultant's obligation to provide them. The Library reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

ARTICLE 9: INDEMNIFICATION

Consultant will indemnify, and hold harmless Library, its officers, agents, representatives, employees, and volunteers from and against any and all claims, demands, actions, damages, or judgments for personal injury or property damage, or statutory, regulatory, or other legal violations accrued, alleged, or arising as a result of Consultant's proven negligent performance of services under this Agreement, including associated costs of investigation and defense. Consultant's duty to defend obligation shall be limited to the portion of any claim or liability arising directly from Consultant's services under this Agreement.

ARTICLE 10: EQUAL EMPLOYMENT OPPORTUNITY

Library strongly supports equal employment opportunities for all. Accordingly, Consultant must ensure that effective policies and procedures concerning the prevention of illegal discrimination and harassment exist in its workplace. In addition, Consultant must be in compliance with all applicable Federal and State and local equal employment opportunity acts, laws, and regulations. Library's current Equal Employment Opportunity and Anti-Discrimination policies to which this provision applies may be viewed at <http://www.codepublishing.com/CA/SantaCruz/?SantaCruz09/SantaCruz0983.html>.

ARTICLE 11: ATTORNEYS' FEES, GOVERNING LAW, & VENUE

If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which he or she may be entitled. The laws of the State of California shall govern all matters relating to the validity, interpretation, and effect of this Agreement and any authorized or alleged changes, the performance of any of its terms, as well as the rights and obligations of Consultant and the Library. The parties agree that any action related to this Agreement or services provided hereunder will be venued in the County of Santa Cruz. The maximum prevailing party attorney fee payment shall be limited to the available insurance coverage or \$25,000 whichever is greater.

ARTICLE 12: ASSIGNMENT

This Agreement may not be assigned unless Consultant first obtains the express written consent of the Director after approval of the Library Joint Powers Authority Board.

ARTICLE 13: AMENDMENTS

This Agreement may not be amended in any respect except by way of a written instrument which expressly references and identifies this particular Agreement, which expressly states that its purpose is to amend this particular Agreement, and which is duly executed by Library and Consultant. Consultant acknowledges that no such proposed amendment(s) shall be effective until authorized and approved by the Library Joint Powers Authority Board, or an officer of the Library when the Library Council may from time to time empower an officer of the Library to approve and authorize such amendment(s). No representative of the Library, other than the Director, is authorized to obligate the Library to pay the cost or value of services beyond the amount set forth herein. Unless expressly authorized by the Director, Consultant's compensation shall be limited to that as set forth in Appendix II, Fee Schedule.

ARTICLE 14: MISCELLANEOUS PROVISIONS

1. Project Manager. Director shall have the right to approve or reject the project manager assigned by Consultant to manage the services rendered hereunder, and Consultant must confer with the Director before assigning a project manager and obtain approval for said assignment. No subsequent change in assignment may occur without prior written approval of the Library.
2. Consultant Services Only. Consultant is employed to render professional services only, and any payments made to Consultant are compensation solely for such professional services.
3. Licensure. Consultant warrants that he or she has complied with any and all applicable governmental licensing requirements. Consultant will comply with all federal, state, and local laws, standards, regulations, licenses, and permits related to its performance of the services described herein.
 - a. Library Business Tax Certificate. Consultant will maintain a current City of Santa Cruz business tax certificate if:
 - i. Consultant is located in the City;
 - ii. Consultant will perform physical work in the City for 6 or more days annually; or
 - iii. Consultant will use company vehicles to deliver within the City for 6 or more days annually. For additional information and licensing requirements, please call the Revenue and Taxation division at (831) 420-5070.
4. Entire Agreement. This Agreement and its attachments constitute the entire contract between the parties hereto pertaining to the subject matter hereof, fully supersede any and all prior understandings, representations,

warranties and agreements between the parties hereto, or any of them, pertaining to the subject matter hereof, and may be modified only by written agreement as set forth herein.

5. Library Property. Upon payment for services rendered, or any portion thereof, all drawings, specifications, records, or other documents generated by Consultant pursuant to this Agreement, or any other work product of Consultant, are, and shall remain, the sole property of Library. The Consultant shall be permitted to retain copies, including reproducible copies, of drawings and specifications for information and reference, provided, however, that all drawings, specifications, records, documents, and other work product must not be used by Consultant on other projects, except upon obtaining the prior written consent of and providing appropriate compensation to Library.
6. Consultant's Records. Consultant must maintain accurate accounting records and other written documentation pertaining to the costs incurred for this project. Such records and documentation shall be available at Consultant's primary offices during the entire period of this Agreement, and for a period of three years from the date of the final Library payment for Consultant's services
7. Independent Contractor. In the performance of its work, it is expressly understood that Consultant, including Consultant's agents, servants, employees, and subcontractors, are independent contractors solely responsible for their own acts and omissions, and Consultant shall not be considered an employee of the Library for any purpose. Nothing in this Agreement shall be deemed to constitute a partnership in law between Library and Consultant, or any sub-contractor, to constitute either party as an agent of the other for any purpose; or to entitle either party to commit or bind the other in any manner unless expressly agreed upon in the Agreement.
8. Conflicts of Interest. Consultant stipulates that corporately and individually, the firm, its employees, and its subcontractors have no financial interest in either the success or failure of any project which is, or may be, dependent on the results of the Consultant's services pursuant to this Agreement.
9. Storm Water Requirements. Consultant, and all subcontractors, are required to abide by the applicable City Storm Water Best Management Practices (BMPs) for the duration of the work. The City's mandatory Storm Water BMPs, which are listed according to the type of work, operations, or business, are located on the City's website at: <http://www.Libraryofsantacruz.com/index.aspx?page=138>.
10. Notices. All notices herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given and fully received when made in writing and either deposited in the United States mail, postage prepaid; emailed, without receiving a receipt error; or faxed, with a successful transmission report. Notices shall be addressed as follows:

Pamela Anderson
Anderson Brulé Architects, Inc.
325 South First Street, 4th Floor
San Jose, CA 95113

- 11. No Waiver. The failure of any party to insist on the strict performance of any covenant or duty required by this Agreement, or to pursue any remedy under this Agreement, shall not constitute a waiver of the breach or the remedy.
- 12. Headings. The titles and headings of the various sections of this Agreement are intended solely for convenience of reference and are not intended to explain, modify, or place any construction on any provisions of this Agreement.
- 13. Severability. If any part or provision of the contract documents is determined by any court to be illegal, invalid, or unenforceable, in whole or in part, the contract documents shall continue to be valid as to its other provisions and the remainder of the affected provision, unless it can be concluded from the circumstances that, in the absence of the provisions found to be null and void, the parties would not have entered into the contract documents. The parties shall use all reasonable efforts to replace any and all provisions or parts found to be null and void with provisions that are valid under the applicable law and come closest to their original intention.

Approved As To Form:

Library Attorney

Date: _____

CONSULTANT
Pamela Anderson-Brulé
Anderson Brulé Architects
325 S. First St. 4th Floor
San Jose, CA 95113

By: _____

Printed: Pamela Anderson-Brulé _____

Title: President _____

Date: _____

LIBRARY
Teresa Landers
Santa Cruz Public Libraries
117 Union St.
Santa Cruz, CA 95060

By: _____

Teresa Landers

Library Director

Date: _____

APPENDIX I: SCOPE OF WORK

A. PROJECT APPROACH

Library is interested in creating broad standards for furniture, shelving, and signage for all of their library facilities.

Outlined below are the tasks which comprise interior design and assessment work for furniture, shelving, and signage standards for the Library.

<p>1.01 Initial Furniture & Signage Standards Concepts</p>	<p>Consultant will prepare an initial outline and template for the furniture, shelving, and signage standards to be reviewed in the first client meeting. Consultant will draft criteria for the development of the standards for review at the first client meeting. The outline will list typical library furniture, shelving, and signage types based on professional experience. The template and criteria will be based on industry standards and professional experience, and tailored to fit Library’s needs.</p>
<p>1.02 Client Meeting #1 Project Kick-off</p>	<p>Consultant will prepare for, facilitate, and document a meeting with Library staff to understand goals, needs, and any initial concepts in preparation for documenting the furniture, shelving, and signage standards. The goal of this meeting is to review an outline or template to be used for the standards documentation, review and confirm any criteria to be used, and give direction to the team for the preparation of the standards document.</p>
<p>1.03 Furniture & Design Standards Refinement</p>	<p>Consultant will incorporate client direction from the initial meeting and further refine the outline, template, and criteria. Any questions that arise will be submitted to the client via email correspondence.</p>
<p>1.04 Furniture & Design Standards Refinement</p>	<p>Consultant will draft the furniture, shelving, and signage standards based upon direction and feedback from the Library staff and following the established outline, template, and criteria</p>
<p>1.05 Client Meeting #2 (Web Conference)</p>	<p>Consultant will prepare for, facilitate, and document a meeting to review the draft furniture, shelving, and signage standards. A goal of this meeting is to gain final approval of outline, template and criteria and gather direction to refine the draft furniture, shelving, and signage standards. Consultant will be preparing the final draft of standards after this meeting.</p>
<p>1.06 Final Draft Documentation</p>	<p>Consultant will incorporate direction and approvals from Client Meeting #2 and prepare the final draft of the furniture, shelving, and signage standards documentation.</p>

<p>1.07 Final Draft Review</p>	<p>Consultant will prepare and electronically submit a Final Draft for review by the Library. Library will make final comments and provide final direction for finalizing the furniture, shelving, and signage standards</p>
<p>1.08 Final Documentation</p>	<p>Consultant will incorporate any final comments and direction into the Final Furniture, shelving, and signage standards Document. Consultant will submit the package electronically and one hardcopy.</p>

Deliverables:

Consultant will provide the following deliverables:

- Furniture, shelving and signage standards document-
 - Document will combine tables, lists and narrative to specify standards for furniture, shelving and signage.
 - Will use graphic images on a limited basis for clarity and brevity.
 - Standards will follow the established outline and template, and will include the approved criteria
 - Will include recommendations of best practices to achieve purchasing efficiencies acknowledging that four different jurisdictions will be involved in the procurement for their individual projects
 - May include recommended materials and finishes as necessary and appropriate to describe standards

Optional Services:

Consultant can provide the following optional services:

- Furniture budget
- Space planning. Drawings of typical layouts
- Material and finish palettes
- Design standards

Assumptions:

This Scope of Work is based on the following assumptions:

- Library will provide information on any existing furniture standards, purchasing agreements and purchasing process
- The above noted Scope of Work will commence in November 2014 and end by February 2015
- The above noted Scope of Work does not include any equipment such as telephones, computer workstations, PAC stations, security systems, vending machines, printers, copiers, etc.

APPENDIX II: FEE SCHEDULE

SCOPE OF WORK

Furniture, Shelving and Signage Standards	\$29,950
Reimbursables (Only billed as they occur)	880
TOTAL	<u>\$30,830</u>

**Anderson Brule Architects
Hourly Rate Schedule**

PROJECT STAFF	FEE
Principal	\$225
Senior Architect/Project Manager	\$160
Project Architect	\$140
Job Captain, Architect	\$135
Senior Interior Designer	\$130
Account Manager	\$115
Designer	\$105
Interior Designer	\$105
Project Coordinator	\$100
Design Intern	\$95
Administrative Assistant	\$95
Accounting Clerk	\$95

**Matthew Williams Design
Hourly Rate Schedule**

PROJECT STAFF	FEE
Design Services	\$125
Production Services	\$ 90
Project Management	\$ 75

Reimbursables

ITEM	COST/UNIT
Monochrome computer plots	\$3 per SF
Color computer plots	\$8 per SF
Black and white reproduction (8.5"x11" & 11"x17")	\$0.10 per page
Color document reproduction (8.5"x 11")	\$1.50 per page

Color document reproduction (11"x17")	\$1.50 per page
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Other reimbursable expenses include:

- Postage, express delivery and courier services.
- Renderings, models, and mock-ups authorized in writing by the Owner.
- Long distance telephone calls.
- Blueprinting and reproduction services.

DRAFT

APPENDIX III: TIMELINE FOR COMPLETION

The services described in the Scope of Work can be completed in 2-3 months depending on Library availability. The first client meeting can take place as soon as two weeks after the contract is approved. Subsequent meetings can take place every 2-3 weeks

Final report will be submitted 90 days from issuance of Notice to Proceed or no later than February 13, 2015 unless changed by mutual agreement.

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RESOLUTION # 2014-014

**RESOLUTION OF THE SANTA CRUZ LIBRARY JOINT POWERS
AUTHORITY BOARD APPROVING A CONTRACT WITH PAMELA
ANDERSON BRULE ARCHITECTS, INC. FOR THE FY 2014-2015 BUDGET**

WHEREAS, the Board gave a directive to contract for developing furniture, signage and shelving standards based on a description of services and estimated cost, and;

WHEREAS, the work described in the attached contract reflects the direction given by the Board at a cost not to exceed \$30,830.

NOW THEREFORE, be it resolved by the Library Joint Powers Authority Board that it approve allocation not to exceed \$30,830 to be used for developing furniture, signage and shelving standards as described in the attached contract.

PASSED AND ADOPTED this 27th day of October 2014 by the following votes:

AYES: Board Member(s):

NOES: Board Member(s):

ABSENT: Board Member(s):

DISQUALIFIED: Board Member(s):

APPROVED

ATTEST

Chair

Board Clerk

STAFF REPORT

DATE: October 23, 2014
TO: Library Joint Powers Board
FROM: Teresa Landers, Library Director
RE: Facilities Financing Authority JPA Agreement

<p>RECOMMENDATION: Approve and recommend approval by each jurisdiction.</p>

SUMMARY

The Library Joint Powers Board (LJPB) requested that a new JPA be formed for the purpose of creating a Community Facilities District. Revisions to a draft agreement have been accepted by the administrators of each of the jurisdictions and it is now ready for approval by the LJPB and the individual legislative bodies of each jurisdiction.

BACKGROUND

The administrators from each of the jurisdictions and the LJPB spent several months reviewing possible ways to form a Communities Facilities District (CFD) in order to hold an election to fund improvements to all 11 library facilities.

The current operating JPA agreement expires in 2017 and it was decided that changes to this agreement would best be made after an election in 2015. The current Library Financing Authority Agreement was a possible vehicle but would need some revisions. It also includes Watsonville which is not a party to the current facilities initiative. It was felt that the entities could continue to work on these revisions but that it would not be advisable to delay the formation of the CFD if at all possible and the inclusion of Watsonville is problematic.

A third JPA, formed just for the purpose of forming the CFD, calling the election, writing the ballot measure and issuing the bonds could be created fairly easily. It would need to be approved by each jurisdiction absolutely no later than December 2014 in order to allow enough time for the CFD formation process.

A draft of this 3rd JPA agreement was presented at the September 2014 LJPB meeting where Board members requested that each jurisdiction get its comments to the Library Director by September 15 so she would have time to send them to the Bond Counsel

working on the agreement and get a final draft back in time for the October LJPB meeting.

A greatly revised version of the agreement was received on October 2 and was not available for review by the LJPB at its October 6 meeting so a special meeting was scheduled for October 27. During the interim, the Administrators of the four jurisdictions met twice and arrived at a final draft that was sent to bond and local counsels for review.

That draft is attached with some changes recommended by Bond Counsel and jurisdictional legal counsels.

DISCUSSION

The legal concerns of each of the four jurisdictions have been addressed. The final draft includes indemnity language that was requested by two of the jurisdictions.

The County Treasurer-Controller will serve as Treasurer for the new JPA. Staff for the new JPA will be agreed on by the governing board of the new JPA, which is the four jurisdictional administrators.

The issue of allocations by branch and the total amount of the financial measure has been addressed as follows:

- A placeholder amount of \$1 has been included to indicate the distribution. This is not to be construed as reflecting a ratio of final distribution. Based with this, a total placeholder bond of \$11 is indicated.
- There will be a supplemental agreement that will need to be finalized before calling the election on March 6, 2015 that will spell out the actual allocations.

The version the Administrators agreed to was for \$10 and excluded the Headquarters Facility. While there has been some discussion about not including Headquarters in this financial measure, and using operational funds to handling deferred maintenance and furnishings replacements, that has not yet been officially agreed to. The final allocations will determine whether Headquarters is included or not. To that end, the \$10 was changed to \$11 and Headquarters was added to the list.

The wording indicating that the \$11 total and \$1 individual allocations is not intended to indicate a ratio of the final distribution was also added to provide clarity to the stated intent of the Administrators.

Spelling out the specifics of the content supplemental agreement was also added for clarity.

The supplemental agreement will address the following issues:

- Specific allocations by branch and the overall amount of the financial measure
- How any unspent funds will be allocated

- Minimum Deliverables by branch project (These were approved by the LJPB in October and will need to be finalized once the allocations are determined)
- Roles and Responsibilities of the Library and the Jurisdictions. This will include furniture, shelving and signage standards that are currently under development.

It is recommended, therefore, that the LJPB approve the final draft, and recommend its adoption by the four jurisdictions by December 31, 2014 so that the formation of the CFD can begin as soon as possible after.

SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY

JOINT EXERCISE OF POWERS AGREEMENT

This JOINT EXERCISE OF POWERS AGREEMENT (this "Agreement"), dated December __, 2014, is entered into by and among the CITY OF SANTA CRUZ, a charter city and municipal corporation duly organized and existing under the Constitution and laws of the State of California, the CITY OF SCOTTS VALLEY, a general law city and municipal corporation duly organized and existing under the laws of the State of California, the CITY OF CAPITOLA, a general law city and municipal corporation duly organized and existing under the laws of the State of California, and the COUNTY OF SANTA CRUZ, a California county duly organized and existing under the laws of the State of California.

BACKGROUND:

1. The Cities and the County wish to enter into this Agreement establishing a new and separate joint powers authority for the purpose of financing the acquisition, construction and improvement of public library facilities (the "Public Library Improvements") through the formation of a community facilities district under the Mello-Roos Community Facilities Act of 1982, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, commencing with Section 53311 of said Code (the "Mello Roos Act") and the authorization and issuance of bonds under the Mello Roos Act.

2. Following the execution and delivery of this Agreement, the Cities and the County intend to enter into a memorandum of understanding, a supplemental agreement which constitutes an amendment to this Agreement (the "Supplemental Agreement"), which specifies the terms and provisions upon which the Public Library Improvements will be funded, including provisions relating to the allocation of funds to the various Parties, the scope of the various components of the Public Library Improvements and the respective roles and responsibilities of the various Parties with respect to the construction of the Public Library Improvements, the allocation and disposition of excess funds, a definition of general design standards for the Public Library Improvements, and other matters relating to the design, construction and implementation of the financing plan for the Public Library Improvements.

AGREEMENT:

For and in consideration of the premises and the material covenants hereinafter contained, the Parties hereto hereby formally covenant, agree and bind themselves as follows:

SECTION 1. *Definitions.* Unless the context otherwise requires, the terms defined in this Section 2 have the meanings herein specified.

"Agreement" means this Joint Exercise of Powers Agreement, as it may be amended from time to time, creating the Facilities Authority.

"Board" means the governing board of the Facilities Authority.

“Bond” or “Bonds” means any notes, bonds or other obligations issued by the Facilities Authority for the purpose of financing Public Library Improvements.

“Cities” means, collectively, the Cities of Santa Cruz, Scotts Valley and Capitola.

“County” means the County of Santa Cruz.

“Directors” means the members of the Board, as set forth in Section 4(b).

“Facilities Authority” means the joint powers authority created by this Agreement.

“Joint Powers Act” means the Joint Exercise of Powers Act, constituting Chapter 5 of Division 7 of Title 1 of the California Government Code, commencing with Section 6500 of said Code.

“Library Board” means the board which is established under Section 3 of the Library Operating Agreement.

“Library Operating Agreement” means that certain agreement entitled “Joint Powers Agreement Between The City Of Santa Cruz And The County Of Santa Cruz And The Cities Of Capitola And Scotts Valley Relating To Library Services,” among the Cities and the County, which became effective on June 24, 1996, including all amendments thereto which are duly authorized and executed by the parties to that agreement thereto.

“Library Operator” means the Library Joint Powers Authority, the Parties or any other entity established by the Parties to oversee library operations.

“Mello Roos Act” means the Mello-Roos Community Facilities Act of 1982, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, commencing with Section 53311 of said Code.

“Memorandum of Understanding” means a memorandum of understanding or other agreement among all of the Members relating to the design, construction and implementation of the financing plan for the Public Library Improvements, as described more fully in the recitals of this Agreement.

“Parties” means, collectively, all the parties to the Agreement, being the Cities and the County.

“Public Library Improvements” means physical improvements to the public library facilities, as set forth in Section 2, which are operated by the Library Board in accordance with the Library Operating Agreement and for which bonds may be issued pursuant to Section 6546(p) of the Joint Powers Act.

“Supplemental Agreement” means the agreement referenced in Background recital 2 above, among all of the Members and which supplements and amends this Agreement, and which provides additional specificity with respect to the design, construction and implementation of the financing plan for the Public Library Improvements.

SECTION 2. *Purpose.* This Agreement is entered into under the Joint Powers Act for the purpose of establishing a joint powers authority which is authorized to exercise the

powers granted to it under the Joint Powers Act and the Mello Roos Act for the purpose of:

- (a) Forming a community facilities district under the Mello Roos Act;
- (b) Calling an election under the Mello Roos Act on the issuance of Bonds for the purpose of raising not to exceed \$11 of proceeds for the financing of Public Library Improvements;
- (c) Issuing Bonds to finance Public Library Improvements; and
- (d) Carrying out all activities required for the proper management of the Bonds to be issued hereunder.

It is understood and agreed by the Parties that the purpose of the Facilities Authority is to form a single community facilities district and to conduct a single bond election for the issuance of a single issue of Bonds for the purpose of raising not to exceed \$11 and that following the initial formation of the community facilities district and bond election, the purposes of the Facilities Authority shall be to issue the Bonds that have been authorized at such election, to service the debt associated with the issuance and otherwise administer the Bonds during the term thereof.

Within ten days of issuance, exclusive of any costs of issuance, which shall be retained by the Facilities Authority, and exclusive of any reserve which is funded from the proceeds of the Bonds, the Facilities Authority shall distribute the Bond proceeds to each of the Parties in the amounts specified below, by way of example only, in order to undertake and complete the construction of the Public Library Improvements:

Aptos – \$1
Boulder Creek – \$1
Branciforte – \$1
Capitola – \$
Downtown – \$1
Felton – \$1
Garfield Park – \$1
Headquarters \$1
La Selva Beach – \$1
Live Oak– \$1
Scotts Valley – \$1

No changes to the total amount of the Bonds to be issued or to the distribution of Bond proceeds among the Parties may occur without the unanimous agreement of the Parties and a written amendment to this Agreement.

The Supplemental Agreement will also address how excess funds by project will be re-allocated to fulfill the purposes stated in the financial measure which funds the Community Facilities District.

It is understood that the above \$1 allocation per branch is intended to be a placeholder for actual allocations as described in the Supplemental Agreement and it is

not intended to reflect any particular ratio apportionment or amount of bond proceeds to be issued for any of the particular branch libraries for which bond proceeds will be issues.

Each of the Parties shall deposit Bond proceeds into a separate account to track revenues, expenses and fund balance, which will be subject to an independent audit every year during the term of this Agreement. Each of the Parties will be required to execute and deliver certifications and make representations and covenants regarding the administration and investment of Bond proceeds, as may be required by bond counsel in order to ensure compliance with applicable provisions of federal tax law.

The Parties shall work with their designated Library Operator to ensure that the Public Library Improvements meet the appropriate minimum deliverables for each project as well as furniture, shelving and signage standards as defined in the Supplemental Agreement.

SECTION 3. *Term.* This Agreement takes effect as of the date hereof and continues in full force and effect while any Bonds or other obligations of the Facilities Authority remain outstanding under the terms of any indenture, trust agreement, contract, agreement, lease, sublease or other instrument under which such Bonds are issued or other obligations are incurred. The Facilities Authority shall cause all records regarding its formation, existence, any Bonds issued by it, obligations incurred by it and proceedings pertaining to its termination to be retained for at least six years following termination of the Facilities Authority or final payment of any Bonds, whichever is later.

SECTION 4. *The Facilities Authority.*

(a) Creation of Facilities Authority. There is hereby created under the Joint Powers Act an agency and public entity to be known as the "Santa Cruz Libraries Facilities Financing Authority." As provided in the Joint Powers Act, the Facilities Authority is a public entity separate from the Parties. The debts, liabilities and obligations of the Facilities Authority do not and shall not constitute debts, liabilities or obligations of the Parties. Within 30 days after the effective date of this Agreement or any amendment hereto, the Facilities Authority will cause a notice of this Agreement or amendment to be prepared and filed with the office of the Secretary of State of the State of California in the manner set forth in Section 6503.5 of the Joint Powers Act.

(b) Governing Board. The Facilities Authority shall be administered by the Board consisting of four Directors, who shall consist of the chief executive officer of each of the Parties, or a designee of any such chief executive officer. In the case of the Cities, the chief executive officer shall be the City Manager of each of the Cities; and in the case of the County, the chief executive officer shall be the County Administrative Officer of the County. The Board may adopt, from time to time, such bylaws, rules and regulations necessary for the productive management of its meetings.

Board members will not receive any compensation for serving as such, but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a member if the Board determines that such expenses will be reimbursed and if unencumbered funds are available for that purpose. All voting power of the Authority shall reside in the Board. Each Director shall have one vote.

(c) Meetings of Board.

(i) Time and Place. The Board shall establish the times and dates for regular meetings by resolution adopted by the Board. Regular meetings of the Board shall be held at such location as shall be designated by the Board, except as may otherwise be permitted by the laws of the State of California in the case of a meeting held by teleconference. The initial location for regular meetings of the Board shall be 224 Church Street in the City of Santa Cruz. The Board may hold special meetings at any time and from time to time in accordance with the provisions of the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California), or any successor legislation hereinafter enacted (the "Brown Act").

(ii) Brown Act. All meetings of the Board will be called, noticed, held and conducted in accordance with the applicable provisions of the Brown Act.

(iii) Minutes. The Board will cause minutes of all meetings of the Board to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to the Parties.

(iv) Quorum. A majority of the members of the Board shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn meetings from time to time. The affirmative votes of at least a majority of the Directors present at any meeting at which a quorum is present shall be required to take any action by the Board. Notwithstanding the foregoing provisions of this subsection (iv), any action taken by the Board to form a community facilities district, call a bond election or issue Bonds pursuant to such election and distribute bond proceeds shall only be taken with the affirmative vote of all of the Directors.

(d) Officers; Duties; Bonds

(i) Treasurer-Controller. Pursuant to Section 6505.5 and 6505.6 of the Joint Powers Act, the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector is hereby designated as the Treasurer-Controller and, as such, shall perform the functions of the treasurer and the functions of the auditor of the Facilities Authority, as such functions are set forth in Section 6505.5 of the Joint Powers Law. Pursuant to Section 6505.1 of the Joint Powers Act, the Treasurer-Controller shall have custody of, handle and have access to all accounts, funds and money of the Facilities Authority from whatever source and all records of the Facilities Authority relating thereto.

The Treasurer-Controller of the Facilities Authority is hereby designated as the public officer or person who has charge of, handles, or has access to any property of the Facilities Authority. The Treasurer-Controller shall file an official bond in the amount of \$25,000 as required by Section 6505.1 of the Joint Powers Act; provided, that such bond shall not be required if the Facilities Authority does not possess or own property or funds with an aggregate value of greater than \$500 (excluding amounts held by a trustee or other fiduciary in connection with any Bonds). So long as required by Section 6505 and Section 6505.5 of the Joint Powers Act, every year during the term of this Agreement the Treasurer-Controller of the Facilities Authority shall 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. Any costs

associated with the independent audit shall be paid for by the Parties to this Agreement or their designated Library Operator, as determined by the Parties, proportionate to the Bond proceeds received, as set forth in Section 2.

(ii) Chair and Vice Chair. The Board of Directors shall elect a Chair and a Vice-Chair of the Facilities Authority at its first meeting in January of each year. The Chair shall be the presiding officer of the Facilities Authority, and shall sign all contracts on behalf of the Facilities Authority unless otherwise provided by resolution of the Board. The Vice Chair shall perform the duties of the Chair in the absence or unavailability of the Chair.

(iii) Executive Director, Secretary and Other Officers The Board may appoint staff to conduct the business of the Facilities Authority. Said officers shall perform such functions as shall be customary in the exercise of such positions, and as may be more specifically provided by the Facilities Authority from time to time. The Executive Director shall have charge of the day-to-day administration of the Facilities Authority and shall execute the directives of the Board. The Secretary shall have charge of and access to all the records of the Facilities Authority other than those that are the responsibility of the Treasurer-Controller. The Secretary shall be responsible for recording and distributing the minutes of all meetings of the Board. The Board may appoint an attorney or firm of attorneys to serve as the general legal counsel to the Facilities Authority, who shall perform such duties as may be prescribed by the Board. Any costs associated with such appointments shall be paid for by the Parties to this Agreement or their designated Library Operator, as determined by the Parties, proportionate to the Bond proceeds received, as set forth in Section 2.

The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants. Any costs associated with such appointments shall be paid for by the Parties to this Agreement or their designated Library Operator, as determined by the Parties, proportionate to the Bond proceeds received, as set forth in Section 2.

(iv) Privileges and Immunities. All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, worker's compensation and other benefits which apply to the activities of officers, agents or employees of the Parties when performing their respective functions within the territorial limits of their respective Party, shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties extraterritorially under the provisions of this Agreement.

(v) Employees Independent of Parties. None of the officers, agents or employees, if any, directly employed by the Facilities Authority shall be deemed, by reason of their employment by the Facilities Authority, to be employed by any Party or, by reason of their employment by the Facilities Authority, to be subject to any of the requirements of any Party.

SECTION 5. *Powers.*

The Facilities Authority shall have the power, in its own name, to conduct proceedings under the Mello Roos Act to form a single community facilities district within all or a portion of the boundaries of the Parties, to conduct a single bond election for the issuance of a single issue Bonds for the purpose of raising not to exceed \$11 for the purpose of authorizing the imposition of a special tax within the community facilities district

and for the purpose of authorizing the issuance of Bonds to finance Public Library Improvements within the community facilities district, and to issue Bonds under the Mello Roos Act for said purposes. The Facilities Authority is not authorized to take any actions inconsistent with or additional to the specific proceedings set forth above.

The Facilities Authority shall have all powers which a joint powers authority may exercise under the Joint Powers Act (including powers which are common to the Parties in accordance with Section 6502 of the Joint Powers Act), and all powers granted to it as a public agency under the laws of the State of California (including but not limited to the powers set forth in Chapter 12, Division 6, Title 1 of the California Government Code, commencing with Section 5920 of said Code), for the purpose of carrying out the purposes for which the Facilities Authority has been established. The Facilities Authority is hereby authorized, in its own name, to do all acts necessary for the exercise of common powers, including but not limited to making and entering into contracts, suing and being sued in its own name, incurring obligations, and carrying out and enforcing all the provisions of this Agreement.

Notwithstanding anything herein to the contrary, the Facilities Authority shall not complete proceedings under the Mello Roos Act to form a community facilities district or to conduct an election for the purpose of authorizing the imposition of a special tax within the community facilities and for the purpose of authorizing the issuance of Bonds to finance Public Library Improvements, prior to the execution and delivery of a Memorandum of Understanding or a Supplemental Agreement by all of the Parties. Such proceedings to form a community facilities district and call an election on the issuance of bonds shall comply in all respects with the applicable provisions of the Memorandum of Understanding or Supplemental Agreement.

SECTION 6. *Termination of Powers.* The Facilities Authority shall continue to exercise the powers herein conferred upon it until the termination of this Agreement in accordance with Section 3.

SECTION 7. *Fiscal Year.* Unless and until changed by resolution of the Board, the fiscal year of the Facilities Authority is the period from July 1 of each year to and including the following June 30.

SECTION 8. *Disposition of Assets.* Upon termination of this Agreement under Section 3, any surplus money in possession of the Facilities Authority or on deposit in any fund or account of the Facilities Authority, and all property of the Facilities Authority both real and personal, will be returned in proportion to any contributions made as required by Section 6512 of the Joint Powers Act, and otherwise will be divided proportionate to the amount of the Bonds set forth in Section 2. The Board is vested with all powers of the Facilities Authority for the purpose of concluding and dissolving the business affairs of the Facilities Authority.

SECTION 9. *Contributions and Advances.* Contributions or advances of public funds and of personnel, equipment or property may be made to the Facilities Authority by the Parties for any of the purposes of this Agreement. It is mutually understood and agreed that no Party of the Facilities Authority shall have any obligation to make advances or contributions to the Facilities Authority to provide for the costs and expenses of administration of the Facilities Authority, even though any Party may do so. Any Party

may allow the use of personnel, equipment or property in lieu of other contributions or advances to the Facilities Authority.

SECTION 10. *Accounts and Reports.* The Facilities Authority will establish and maintain such funds and accounts as may be required by good accounting practice. The books and records of the Facilities Authority will be open to inspection at all reasonable times by the Parties and their representatives.

SECTION 11. *Conflict of Interest Code.* The Facilities Authority shall, by resolution of the Board, adopt a Conflict of Interest Code to the extent required by law.

SECTION 12. *Severability.* If any part, term, or provision of this Agreement is decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof will not be affected thereby.

SECTION 13. *Successors.* This Agreement is binding on and inures to the benefit of the successors of the Parties. No Party may assign any right or obligation under this Agreement without the written consent of the other Parties.

SECTION 14. *Amendment.* This Agreement may be amended by supplemental agreement executed by the Parties at any time. However, this Agreement may be terminated only in accordance with Section 3 and any such supplemental agreement is subject to any restrictions contained in any Bonds or documents related to any Bonds to which the Facilities Authority is a party.

SECTION 15. *Form of Approvals.* Whenever an approval is required in this Agreement, unless the context specifies otherwise, it shall be given by resolution duly adopted by the governing board of the affected Party, and, in the case of the Facilities Authority, by resolution duly adopted by the Board. Whenever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

SECTION 16. *Mutual Defense and Indemnification of Parties and Employees.* Each Party and the Facilities Authority shall defend, indemnify, and hold harmless one another against any and all claims, actions, losses, liability or expense (including attorney's fees) arising out of, or based upon, the acts or omissions of the Facilities Authority or its Parties in executing the powers of the Facilities Authority. To the full extent permitted by law, the Board shall provide for indemnification by the Facilities Authority of any person who is or was a member of the Board, or an officer, employee or other agent of the Facilities Authority or a Party, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any legal proceeding related to the work of the Facilities Authority, if such person acted in good faith and in the course and scope of his or her office, employment or agency. In the case of a criminal proceeding, the Board may, but is not required to, provide for indemnification and defense of a member of the Board, or an officer, employee or other agent of the Facilities Authority to the extent permitted by law. A member, officer, or employee of the Facilities Authority or any Party may not be held personally liable on any Bonds and may not be subject to any personal liability or accountability by reason of the issuance of Bonds under the Joint Powers Act and this Agreement.

(a) Liability Insurance. The Facilities Authority shall purchase a General Liability Insurance policy with coverage in the minimum amount of \$1,000,000 combined single limit, including coverage for: (a) bodily injury, (b) personal injury, (c) broad form property damage, (d) contractual liability, and (e) cross-liability. Any costs associated with the insurance policy shall be paid for by the Facilities Authority out of the Bond proceeds. The named insured shall be the Facilities Authority and, accordingly, the Facilities Authority shall have responsibility for exercising all rights conferred by the insurance policy upon the insured.

(b) Uninsured Claims. Any uninsured costs of providing liability defense, including payments for legal fees and costs and including payment of adjusted and settled claims and judgments must be approved by the Parties. Where it is necessary to employ special legal counsel given the nature of the claim, the Facilities Authority shall select said special legal counsel. Legal counsel shall report to the Facilities Authority with respect to said claims in recognition of the Facilities Authority's status as defendant and client. Legal counsel shall therefore enjoy an attorney-client privilege with the Facilities Authority and the Facilities Authority shall have the authority to make all decisions for which a client is customarily responsible in an attorney-client relationship, including final decisions with respect to the adjustment and settlement of uninsured claims and the rejection of settlement offers. Any costs associated with uninsured claims shall be paid for by the the Parties to this Agreement or their designated Library Operator, as determined by the Parties, proportionate to the Bond proceeds received, as set forth in Section 2.

SECTION 17. *Notices.* Notices to any Party hereunder shall be sufficient if delivered to the representatives of the Parties serving as Directors on the Board.

SECTION 18. *Section Headings.* All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

SECTION 19. *Law Governing.* This Agreement is made in the State of California under the Constitution and laws of the State of California and is to be so construed.

SECTION 20. *Amendments.* This Agreement may be amended at any time, or from time to time, only by the unanimous consent of the Parties. Any Party proposing to amend this Agreement shall give notice of its intent to propose an amendment at any meeting of the Board at least 60 days prior to the date upon which the proposed amendment, if adopted by the Board, would take effect.

SECTION 21. *Enforcement by Facilities Authority.* The Facilities Authority is hereby authorized to take any or all legal or equitable actions necessary or permitted by law to enforce this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

CITY OF SANTA CRUZ

By _____

Attest:

CITY OF SCOTTS VALLEY

By _____

Attest:

CITY OF CAPITOLA

By _____

Attest:

COUNTY OF SANTA CRUZ

By _____

Attest:
