



Library Bond Oversight Committee Agenda
Tuesday, March 12, 2019, 3:00 PM
Council Chambers
7351 Rosanna St.
Gilroy, CA 95020

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PUBLIC COMMENT GUIDELINES

During the **PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA** portion of the meeting, each person wishing to speak should prepare a presentation of not more than three (3) minutes. Public Speaker's slips should be submitted to the Secretary **BEFORE** this portion of the meeting begins. Anyone wishing to address the Committee on any other item on this **AGENDA** should fill out a speaker's slip and submit it to the Secretary **BEFORE** the Committee takes action on the item.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at (408)846-0202. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.102-35.104 ADA Title II)

- A. CALL TO ORDER AND ROLL CALL
- B. REPORT ON POSTING OF THE AGENDA
- C. APPROVAL OF MINUTES FOR THE MEETING OF June 18, 2018 (report attached)
- D. APPROVAL OF MINUTES FOR THE MEETING OF June 22, 2018 (report attached)
- E. OPEN FORUM (public comments on items not on the agenda)
- F. DISCUSSION
 - 1. Measure F Remaining Project Funds – Funds Usage and Interest Earnings (report attached)
 - 2. Committee Budget Recommendations for Fiscal Year 2020 and 2021
- G. ADJOURNMENT

CITY OF GILROY
MINUTES OF THE SPECIAL
LIBRARY BOND OVERSIGHT COMMITTEE MEETING
11:00 AM
June 18, 2018

A. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 11:13 AM.

Committee Members Present: Jay Baksa, James Pearson, Tony Marandos

Committee Members Absent: Hugh Smith, James Pace, Phyllis Armenta, Everett "Bud" Burchell

B. REPORT ON POSTING OF THE AGENDA

The agenda for this meeting was posted on June 15 at 10:30 AM.

C. OPEN FORUM (comments on items not on the agenda)

None.

D. DISCUSSION

Discussion order was changed to accommodate the presence of presenters and staff from the Santa Clara County Library District, to allow them to complete their presentation before other matters were discussed.

3. Consideration of a Recommendation to the City of Gilroy City Council for the use of \$150,000 in Library General Obligation Bonds for the Gilroy Library Shade Structure Project.

A presentation was made by staff from the Santa Clara County Library District, led by Chris Brown and project architect Brad Cox. Presentation focused on the infrastructure improvements provided by the project. These improvements include, but are not limited to: new shade structure, fans, and lighting; removal of most concrete planters to expand useable area from approximately 1,500 to 2,500 square feet; addition of public art spaces and aesthetic enhancements; and purchase of recycled material furniture. Costs proposed to be split, with \$160,000 from bonds, and \$200,000 from the Library District.

Discussion held by the Committee included that the Library District would manage and lead the project and be responsible for maintenance and upkeep; the hours of usable time for the patio area; that the committee pleased that it is a joint project, not just bond funding; the location of the public art spaces; the likelihood that service groups would want to use the space once finished and its current limited usage; that there should be a project contingency in the budget; and that the present commissioners were in support of the project.

Due to a lack of quorum, there was no vote on this item.

2. Update on Library Parking Lot Project

Discussion was held regarding potential for a parking structure, that there is timing to the use of the money; that the parking garage for the library is on the project list, but is the last item in the order of projects; that it was unknown why the overall project stopped when the library was constructed; that the bond covenants prevented the money from being spent on

projects not at the library; that it is a lot of taxpayer money being paid on debt service for the funds not to be used; that there is approximately \$3 million of bonds still available; and a discussion on other types of projects to improve the library.

1. Review of Financial Update for quarter ended March 31, 2018

Discussion was held regarding the interest earned; that the interest was not much compared to the amount on deposit; that the investment policy was beyond conservative; and that the Committee members present wish to review investment options.

E. ADJOURNEMENT

None, no quorum. Discussion ended at 11:55 AM.

DRAFT

CITY OF GILROY
MINUTES OF THE SPECIAL
LIBRARY BOND OVERSIGHT COMMITTEE MEETING
11:00 AM
June 22, 2018

A. CALL TO ORDER AND ROLL CALL

The meeting was called to order at 11:00 AM.

Committee Members Present: Jay Baksa, James Pearson, Tony Marandos, Hugh Smith, James Pace

Committee Members Absent: Phyllis Armenta, Everett "Bud" Burchell

B. REPORT ON POSTING OF THE AGENDA

The agenda for this meeting was posted on June 19 at 5:25 PM.

C. OPEN FORUM (comments on items not on the agenda)

None.

D. DISCUSSION

1. Consideration of a Recommendation to the City of Gilroy City Council for the use of \$150,000 in Library General Obligation Bonds for the Gilroy Library Shade Structure Project.

City staff presented an abbreviated version of the presentation made by staff from the Santa Clara County Library District at the June 18, 2018 meeting. The presentation focused on the infrastructure improvements provided by the project. These improvements include, but are not limited to: new shade structure, fans, and lighting; removal of most concrete planters to expand useable area from approximately 1,500 to 2,500 square feet; addition of public art spaces and aesthetic enhancements; and purchase of recycled material furniture. Costs proposed to be split, with \$160,000 from bonds, and \$200,000 from the Library District.

Discussion held by the Committee included a review of comments made by the members present at the last meeting and why they supported the project. Additional discussion included that the use of the patio area would likely need keys to be issued to renters of the area, that the new space will help to alleviate some of the meeting area shortages in the Library, and that it is a great use of small investments from each agency to deliver a large project.

A motion was made by Commissioner Pearson to approve the use of funds and recommend the project to the City Council, with a second from Commissioner Pace; unanimously approved (5-0, with 2 members absent).

E. ADJOURNEMENT

The meeting was adjourned at 11:25 AM.



Community Library Bond Quarterly Financial Update March 12, 2019

Passage of Measure F: In November 2008, the citizens of the City of Gilroy passed Measure F with an affirmative vote of 69.09%, which authorized the City to issue \$37 million dollars in general obligation bonds, subject to independent audit and citizens' oversight. The measure approved an ad valorem tax to finance the acquisition, construction and improvement of the Gilroy Community Library facilities.

Issuance of Debt: In May 2009, the City closed the first series of general obligation bonds for the Gilroy Community Library in the amount of \$10.5 million. Standard & Poor's and Fitch Ratings rated the 2009 bonds "AA" and "A+" respectively. The City issued the second series of bonds in summer 2010. The City's credit rating was upgraded to AA- by Fitch Ratings. In June 2012, Fitch Ratings completed a surveillance review of the City's finances and affirmed its credit rating of AA- and stable outlook for the bonds.

Project Status: The library Grand Opening was held on April 28, 2012 and the library is now open for regular operations.

The following is a summary of the project activity from April 1, 2018 to March 7, 2019 for the City's library bond measure:

Bond Proceeds	\$4,978,574
Interest Earnings	23,530
Remaining Project Funds	\$5,002,104