



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** COUNTY MANAGER

**File #:** 18-1081

Board Meeting Date: 12/4/2018

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Michael P. Callagy, County Manager

**Subject:** Approval of the Amended Second Amended Joint Powers Agreement Between the County of San Mateo and the Cities of Atherton, Belmont, Brisbane, East Palo Alto, Foster City, Half Moon Bay, Millbrae, Pacifica, Portola Valley, San Carlos, and Woodside relating to Library Services and the Amended Bylaws for the San Mateo County Library Joint Powers Authority

### **RECOMMENDATION:**

Adopt a resolution approving the second amended Joint Powers Agreement between the County of San Mateo and the cities of Atherton, Belmont, Brisbane, East Palo Alto, Foster City, Half Moon Bay, Millbrae, Pacifica, Portola Valley, San Carlos, and Woodside relating to library services and the amended Bylaws for the San Mateo County Library Joint Powers Authority.

### **BACKGROUND:**

Originally established by the San Mateo County Board of Supervisors in 1912 as a County Free Public Library, the San Mateo County Library Joint Powers Authority (Library JPA) was established in 1999.

Approximately 283,000 people live within the Library's legal taxing district which covers 351 square miles. The Library JPA ranks high among its peer libraries in the state and is known nationally for its excellence. San Mateo County Libraries delivers high-quality library service in a cost-effective manner through the careful distribution of resources. Internal economies of scale are achieved because as a system, support activities are centralized and shared. This reduces duplication of service and enables resources to be maximized and directed toward service to the public.

Under the authority of the California County Free Library Law of 1911, County Free Public Libraries are tasked with providing public library service within a defined boundary or service area. The underlying legislation supporting County Free Public Libraries explicitly provides for participation in the levy of a tax for library purposes. The share of property tax collected within the district or service area represents the Library JPA's primary source of funding.

The Library JPA is a separate, independent entity with its own Governing Board, consisting of elected officials from each member entity. The Library JPA has an Agreement and Bylaws that outline terms of providing library services for eleven cities (Atherton, Belmont, Brisbane, East Palo Alto, Foster City, Half Moon Bay, Millbrae, Pacifica, Portola Valley, San Carlos, Woodside) and the unincorporated areas of the County. Oversight responsibility, the ability to conduct independent financial affairs, approve budgets, sign contracts, provide policy direction and otherwise influence operations and account for fiscal matters are exercised by the Library JPA Governing Board pursuant to the Library JPA Agreement and Bylaws.

Changes were made to the original Agreement to clarify the authority of the Governing Board and to make other changes to the nature of the agreement between the parties. The Library JPA Governing Board and all members approved the existing First Restated Library Joint Powers Agreement in 2004.

### **DISCUSSION:**

In 2013, the Library JPA Governing Board recognized the need to further examine and amend the JPA Agreement. A subcommittee was established by the Governing Board in 2014, to develop recommendations that: (1) support the library system in the improvement and expansion of library services that directly impact community members and (2) allow the continued utilization of library revenue to support qualifying JPA members' facility and library related activities.

The subcommittee consists of members from both the Library JPA Operations Committee (Clay Holstine, Brisbane and Kevin Bryant, Woodside) and Library JPA Governing Board (Maryann Derwin (Chair), Portola Valley; Rick DeGolia, Atherton; Charles Stone, Belmont; Gary Pollard, Foster City; and Carole Groom, San Mateo County) and has worked over the past several years to examine issues and challenges including the allocation of property tax dollars, minimum service hours and lack of clarity in the Agreement's language. The amended Library JPA Bylaws and Agreement reflect their recommendations including the following significant changes:

- The requirement to amend the Bylaws in Article IX. has been changed from a majority vote to two-thirds vote of the Governing Board to be consistent with the Agreement.
- Language has been added to the Bylaws, Article II., and Agreement, Section III., C. to support the formation and association with one or more 501(c)(3) non-profit corporations. The Library Governing Board recently approved the formation of a San Mateo County Libraries Foundation.
- Section VI., D. in the Agreement has been amended to reflect a policy change with respect to restricting library property tax dollars. There are currently three member cities, including Atherton, Portola Valley and Woodside, where library district property tax exceeds the cost to operate their libraries and is subsequently set aside in trust accounts to be spent on library related activities within that city only. In the amended Agreement, excess library tax funds formerly known as "donor funds" will be split 50/50 between the member city and the JPA after deduction of any activities approved for expenditures within the member city. The updated provision will tentatively take effect in 2021 and be reviewed every three years.
- Section VI., E. in the Agreement regarding base library service hours has been changed from a threshold of 10,000 in population to 6,500.

- Section VI., F. in the Agreement regarding the Half Moon Bay facility has been removed to reflect the completion of the new library and the County's contribution of 50% of the replacement costs.

On February 5, 2018, the Library JPA Governing Board unanimously approved the attached Second Amended Library JPA Agreement and Bylaws. The Agreement is not binding until approved by all members of the Library JPA. At this time, all of the city member agencies have approved the Second Amended Agreement and Bylaws.

**FISCAL IMPACT:**

There are no fiscal impacts to the County if the proposed Amended Bylaws and Second Amended Library JPA Agreement are approved.

**ATTACHMENTS:**

1. Amended Bylaws for the San Mateo County Library Joint Powers Authority
2. Amended Bylaws for the San Mateo County Library Joint Powers Authority [Redline]
3. Second Amended Joint Powers Agreement Between the County of San Mateo and the Cities of Atherton, Belmont, Brisbane, East Palo Alto, Foster City, Half Moon Bay, Millbrae, Pacifica, Portola Valley, San Carlos, and Woodside relating to Library Services
4. Second Amended Joint Powers Agreement Between the County of San Mateo and the Cities of Atherton, Belmont, Brisbane, East Palo Alto, Foster City, Half Moon Bay, Millbrae, Pacifica, Portola Valley, San Carlos, and Woodside relating to Library Services [Redline]