



PUBLIC WORKS DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: February 19, 2019

Subject

Provide direction for the use of increased County staffing budget for the Santa Clara County Library for FY 19/20 of \$428,596.

Recommended Action

Provide staff direction whether to:

1. Use the additional staffing budget from the County of \$428,596/year to reduce the City's existing \$468,023/year contribution for 12 additional Library hours per week and redirect \$428,596 of City funding toward a new program room attached to the Library (Option 3 as provided by the Santa Clara County Library District) ; or
2. Use the additional staffing budget from the County of \$428,596/year (including consideration to add additional City funds over and above the \$468,023/year) to implement one or more of the options provided by the Santa Clara County Library District (Options 1A, 1B, 2A, 2B, 2C, 4 or any combination thereof).

Background:

At the October 25, 2018 Santa Clara County Library District (SCCLD) Joint Powers Authority (JPA) Board meeting, the JPA approved an increase to the SCCLD staffing budget for FY 19/20. The purpose of this action is to open all SCCLD libraries seven days per week with at least four (4) hours of service on Sundays, by providing additional staffing for the Campbell, Gilroy, Morgan Hill and Saratoga community libraries beginning July 1, 2019. With the City's existing funding for 12 additional hours, the Cupertino Community Library already achieves this goal.

To preserve funding equity in accordance with the JPA's Joint Exercise of Powers Agreement funding formula, an additional \$428,596 will be allocated to the Cupertino Community Library for staffing in fiscal year 2019-2020 and 2020-2021. As the City currently provides funding for additional library hours and staff time to accommodate Library events that are programmed at Community Hall, these additional County staffing dollars provide a variety of options.

The SCCLD has provided a number of options for the City to consider when providing recommendations for the use of the increased budget. These options are included below and detailed in Attachment A.

These options were presented to the Cupertino Library Commission on January 9th, 2019. The Commission recommended that the City Council consider implementing both Options 1A and 2A with the understanding that these two options together include an additional estimated contribution from the City of \$113,892 per year. The Commission also provided a secondary recommendation of Option 2C.

Staff recommends that increased funding for the anticipated two years be set aside to fund costs associated with the new Library program room expansion (Option 3), as proposed in the adopted Civic Center Master Plan. Because it is still unknown if these increases will be ongoing, it is prudent for the City to use one time dollars on one time costs. In addition, once services are enhanced, be it additional hours or services level increases, those enhancements may be hard to reverse. If the enhanced services were to continue after any elimination of increased library funding, it would result in a nearly 100% increase in costs over the City's existing contribution for the 12 additional library hours.

The increased revenue of \$428,596 comes from higher than expected property tax and Educational Revenue Augmentation Fund (ERAF) payments. The JPA estimates that revenue will continue at this level for at least two years, but cannot predict the likelihood of availability beyond this period.

Discussion:

The City Council may decide to use all or part of the increased budget to offset the existing City contribution. Any funds not used to offset the existing contribution may be applied toward the various options provided by SCCLD and listed below, or potentially other options, agreeable to the SCCLD, that relate directly towards library staffing. Some of the potential options are:

Option 1A (\$308,531) - Extend the hours of operation of the Cupertino Library by adding hours on:

- Saturdays from 6:30 p.m. to 9:00 p.m. (hours of operation 10:00 a.m. to 9:00 p.m.)
- Sundays from 6:30 p.m. to 7:00 p.m. (hours of operation 10:00 a.m. to 7:00 p.m.)

Option 1B (\$421,258) - Extend the hours of operation of the Cupertino Library by adding hours on:

- Saturdays from 6:30 p.m. to 9:00 p.m. (hours of operation 10:00 a.m. to 9:00 p.m.)
- Sundays from 6:30 p.m. to 9:00 p.m. (hours of operation 10:00 a.m. to 9:00 p.m.)

Option 2A (\$233,957) – Enhance the SCCLD's "Go Go Biblio" outreach to 55 regular community stops every month at schools, preschools and other community locations.

Option 2B (\$116,974) – Enhance the SCCLD’s “Go Go Biblio” outreach to 30 regular community stops every month at schools, preschools and other community locations.

Option 2C (\$425,505) – Combination of Options 1A and 2B.

Option 3 (\$428,596) – Use the additional staffing budget to reduce the City’s existing contribution and redirect the funds toward a new program room attached to the Library.

Option 4 (\$428,596) - Reduce the existing \$468,023/year of funding the City provides for 12 additional library hours per week with the \$428,596/year increased staffing budget, for a revised total City contribution of \$39,427 for FY19/20 and FY20/21.

Library Commission Option (\$542,488) – Combination of Options 1A and 2A. This option uses the full portion of the increased budget and requires the City contribute an additional \$113,892 per year to fully implement the option.

This funding is currently guaranteed for the next two years only. If the funding were to be reduced or eliminated after two years, the City Council would need to reconsider any adjustments to its contribution levels or expansions to the Library’s level of service.

Sustainability Impact

No sustainability impact with providing direction to the SCCLD.

Fiscal Impact

The Fiscal impact to the City is dependent upon the City Council’s decision for the use of the increased staffing budget.

The option with the least fiscal impact to the City would be Option 4, which offsets the City’s existing yearly contribution, for the additional 12 hours per week in library hours, from \$468,023 annually to \$39,427 annually for at least the next two years.

The option with the greatest fiscal impact to the City would be the combination of Options 1A and 2A, as recommended by the Cupertino Library Commission. This approach requires the City to continue its existing annual contribution of \$468,023 and then increasing the contribution by an additional \$113,892 per year, for a total annual contribution of \$581,915.

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Reviewed by: Roger Lee, Acting Director of Public Works

Approved for Submission by: Timm Borden, Interim City Manager

Attachments:

A – SCCLD Increased Personnel Budget Options

B – Go Go Biblio Flyer