

Douglas County Libraries
Wednesday, January 25, 2023
5:30 P.M.
Philip S. Miller Library, Castle Rock, CO

CALL TO ORDER Interim Presiding: Suzanne Burkholder, Vice President

NOTICE *This meeting was noticed in compliance with both Colorado Open Meeting Law and the Douglas County Libraries Bylaws.*

ATTENDANCE

PUBLIC COMMENTS

CONSENT AGENDA

[Page 5](#)

Board members may request to have any item(s) removed from the consent agenda for further conversation by making that request when asked by the chair and stating the item.

MOTION to approve Consent Agenda

[Page 5](#)

1. Minutes December 07, 2023 [Pages 6-9](#)
2. December Email Poll - Castle Rock Project Easements [Pages](#)
3. BOCC Resolution 022-124, 2023 Library Appointments [10-11 Page](#)
4. Annual Designation of Board Public Notice Place [12 Page 13](#)
5. Audit - Planning Letter to Governance [Pages 14-15](#)
6. Park Street Lease to consolidate storage space RFA and Contract [Pages 16-21](#)

EXECUTIVE LIBRARY DIRECTOR UPDATE (Pasicznyuk)

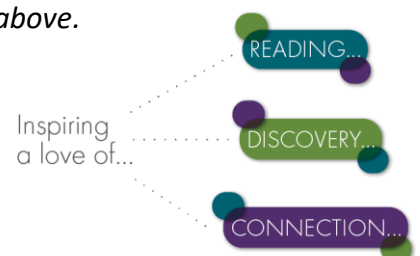
[Pages 22-25](#)

DISTRICT BUSINESS

[Page 26](#)

Do any board members have a conflict of interest to disclose regarding any of the below matters? If so, please recuse yourself, and return to the meeting after discussion has ended.

Items removed from Consent Agenda *If any from the Consent Table above.*



Annual Meeting Items

- **MOTION TO APPROVE VOTING BY BALLOT PROCESS** [Page 27](#)
for Selection of 2023 Board Officers
 - President
 - Vice President
 - Secretary
- **MOTION TO APPROVE BALLOT SLATE** [Page 28](#)
- **MOTION TO APPOINT:** Executive Library Director Succession Committee (Board President and 2 members) [Page 26](#)
- **MOTION TO APPOINT:** Trustee for Representative (1 member each) [Page 26](#)
 - Partnership of Douglas County Governments
 - Douglas County Youth Initiative
 - Appointment Already in Place: Douglas County Libraries Foundation
2023 Representative, Jessica Kallweit
- Annual Board Conflict of Interest Form [Pages 29-30](#)

Executive Committee Report

Policy Committee Report

PARTNER REPORTS

- [Partnership of Douglas County Governments](#)
- [Douglas County Youth Initiative](#)
- [Urban Libraries Council](#)
- [Foundation](#)
- [Exploratory Committee to Memorialize Kendrick Castillo](#)

EXECUTIVE SESSION

Executive Library Director's Goals and Performance Feedback

Pursuant to C.R.S., Section 24-6-402(4)(f), C.R.S., for the purposes of discussing personnel matters related to the Executive Library Director's goals and performance.

TRUSTEE COMMENTS

UPCOMING BOARD MEETINGS

1. **Board Policy Committee**: February 22, 2023, Lone Tree Library, 3:00 p.m.
Board Study Session: February 22, 2023, Lone Tree Library, 4:00 p.m.
(Dinner at 5:00 p.m.)
2. **Board Meeting**: February 22, 2023, Lone Tree Library, 5:30 p.m.

OTHER BOARD CALENDAR ITEMS

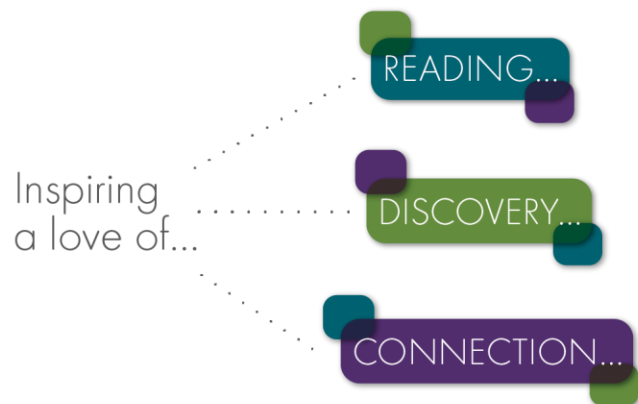
1. **Partnership of Douglas County Governments Meeting**: March 15, 2023, Parker Library, Event Hall, 7:00 a.m. - 9:30 a.m., (Breakfast at 7:00 a.m., meeting begins at 7:30 a.m.)

ADJOURN



Board of Trustees

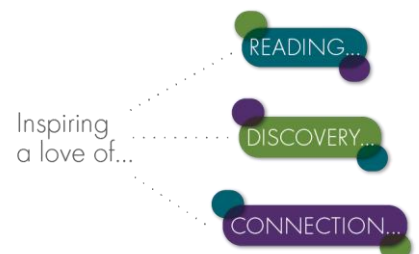
January 25, 2023



Board Action: Review the below items for mass approval. Board members can remove any item from the consent agenda prior to its acceptance for further discussion and action during district business.

#	Item	
1.	Minutes	December 7, 2022 Public Hearing and Budget Adoption Meeting
2.	Email Poll	December 15, 2022 Authorizing Executive Library Director to execute and sign easements for the Castle Rock Project
3.	Board of County Commissioner Appointment Resolution	Resolution #022-124 Reappointing Suzanne Burkholder (D-I), Appointing Zach McKinney (D-At-Large) and Ted Vail (D-III) , and amending Rick LaPointe to District II
4.	Designation of Board Public Notice Posting Place	Annual, legal requirement to designate the the District website as posting place for Board Public Notices with the Philip S. Miller Library as back-up if the website it down.
5.	Audit - Planning Letter to Governance	For distribution for the Board only, no action beyond receipt
6.	Unbudgeted Capital Expenditure	Park Stree Lease - see Request for Approval (RFA) and Contract

MOTION: I move to approve the Consent Agenda as presented.



DOUGLAS COUNTY LIBRARIES
Board of Trustees Budget Hearing and Business Meeting
December 7, 2022
Castle Rock, Colorado

President Vaughn called the business meeting to order at 7:00 p.m.

This meeting was held and was noticed in compliance with both Colorado Open Meeting Law and the Douglas County Libraries Bylaws.

The following were present:

TRUSTEES: Suzanne Burkholder, Dan Danser, Jessica Kallweit, Rick LaPointe, Terry Nolan, Meghann Silverthorn, and Dawn Vaughn

A quorum was present.

STAFF: Bob Pasicznyuk, Dave Anderson, Jill Corrente, Susie DeSersa, Julianne Griffin, and Patti Owen-DeLay

PUBLIC: Bill Gernert, Mike Waid with Douglas County Community Foundation, and Jim Young

PUBLIC COMMENTS:

Jim Young and Bill Gernert spoke against the decision to move from physical newspapers to electronic newspapers.

CONSENT AGENDA:

Nothing was removed from the consent agenda.
There was no discussion.

MOTION 22-12-01: Danser moved and the motion carried unanimously to consent agenda consisting of the Regular Board Meeting Minutes of October 26, 2022, and to ratify the CORE Electric easement email poll. LaPointe seconded the motion.

PUBLIC HEARING FOR 2023 BUDGET ADOPTION

Vaughn opened the public hearing, stating: The Douglas County Libraries Board of Trustees is now convened and I now hereby open the Public Hearing. In compliance with Colorado Statutes, and as legally noticed, a public hearing is being held on December 7, 2022, for the purpose of adopting the Final Budget for 2023.

The proposed 2023 Budget is in your packet and is made a part of these Resolutions and is presented for adoption as the Final Budget of the Douglas County Libraries for 2023.

No adjustments are being proposed to the presented budget.

Vaughn stated that the board would be open to citizens' comments concerning the Douglas County Libraries Final Budget for 2023.

No public comments were made on the adoption of the 2023 budget.

MOTION 22-12-02: Kallweit moved and the motion carried unanimously to adopt **RESOLUTION 2022-12-01** Adopting a Budget, **RESOLUTION 2022-12-02** Setting Mill Levies, and **RESOLUTION 2022-12-03** Appropriating Sums of Money. Burkholder seconded the motion.

The 2023 budget passed as presented.

Vaughn closed the Public Hearing.

Treasurer LaPointe thanked Anderson on behalf of the board for his years of service and wished him well in his retirement.

EXECUTIVE LIBRARY DIRECTOR'S REPORT

Pasicznyuk reported on Colorado Gives Day stating that we met the event goal and increased the number of donors, though the average donation was down about \$20.

The Castle Rock project is on track, except the roof. A new plan has been devised to get this complete by the end of year.

Storybook Holiday was celebrated this past weekend. About 1,000 people attended the event. Vaughn concurred, sharing what a wonderful event it was for her family, and how it incorporated the Forest of Stories with a scavenger hunt.

DISTRICT BUSINESS

No conflicts of interest were declared.

Executive Committee

Douglas County Community Foundation (DCCF) Intergovernmental Agreement (IGA)

This matter was brought back to the board from the October meeting.

Waid spoke to questions, such as one concerning the execution of the IGA only upon approval by all the agencies. Waid shared changes and successes he has made in the organization.

No motion was offered to enter the IGA.

Quarterly KPI

Pasicznyuk summarized the report. Internal KPI will be reported on in the next KPI.

Pasicznyuk will walk the board through what each of the KPI items represents in his January director's report.

Quarterly Strategic Plan Update

Pasicznyuk overviewed the report. Items are on track with a couple of exceptions that are behind due to supply chain issues, with plans to get back on track.

Quarterly Financials

Anderson highlighted a few items:

- There was only a 2% difference in the quarterly financials against budget.
- Ownership taxes continue to be down but appear to be rebounding.
- Investments will show a move of funds from CSIP back to Colotrust to fund the Castle Rock building, and to take advantage of a more responsive rate.
- There is still about \$87,000 of property tax to be received.
- We have not spent as much on maintenance as projected.

Executive Library Director Succession Plan

There will be a draft plan brought to the board in the first quarter 2023.

Elect Interim President and Vice-President

Vice-President Burkholder is slated to be reappointed by the Board of County Commissioners on December 15, 2022, so there is no need to elect interim officers. As Vice-President, Burkholder will fulfill the duties of the President from January 1, 2023, until after the annual meeting.

Executive Library Director's 2023 Goals

Pasicznyuk presented his draft goals.

MOTION 22-12-03: Nolan moved and the motion carried unanimously to accept the Executive Library Director's 2023 Goals as presented. Burkholder seconded the motion.

Ad Hoc Policy Review Committee Update

Nolan reported that the committee is ahead and will be bringing some first policies for review in the first quarter of 2023.

PARTNER REPORTSPartnership of Douglas County Governments (PDCG)

Nolan reported. December meeting was canceled. The library will host the March meeting in Parker and September in the new Castle Rock facility.

Douglas County Youth Initiative (DCYI)

LaPointe stated there is no report. Pasicznyuk shared that he received an email where DCYI is recruiting youth members.

Urban Libraries Council (ULC)

The board met last Friday in Washington, DC. Silverthorn reported on the discussions and direction for the new Executive Director. Silverthorn has joined the ULC audit committee.

Douglas County Libraries Foundation (DCLF)

Vaughn reiterated the success of Colorado Gives Day.

Exploratory Committee to Memorialize Kendrick Castillo

The committee has not met.

TRUSTEE COMMENTS

Nolan asked if anyone wanted to reconsider or do anything about physical newspapers. The board discussed if they should direct staff to do something different. No action was taken.

Nolan asked and received concurrence from the board to revisit holiday closures and add it to the January 2023 agenda.

Vaughn told the board how honored she has been to be on the board with all her fellow board members.

Burkholder and Nolan shared appreciation of Vaughn and Danser and their work on the board.

Danser expressed appreciation and shared his reason for serving and not seeking reappointment, stating he sees the library is well cared for.

UPCOMING BOARD MEETINGS

1. **Board Executive Committee**: December 19, 2022, Castle Pines Library, 8:00 a.m.
2. **Board Executive Committee**: January 12, 2023, Castle Pines Library, 8:00 a.m.
3. **Board Ad Hoc Policy Committee Meeting**: January 25, 2023, Castle Rock Library, 3:00 p.m.-4:00 p.m.
4. **Board Study Session**: January 25, 2023, Castle Rock Library, 4:00 p.m.-5:00 p.m.
5. **Board Business Meeting**: January 25, 2023, Castle Rock Library, 5:30 p.m.

OTHER BOARD CALENDAR ITEMS

1. **Partnership of Douglas County Governments Meeting**: January 18, 2023, Lone Tree Arts & Culture Center, 7:00 a.m.

ADJOURN

Vaughn adjourned the meeting at 9:02 p.m.

Respectfully submitted,

TR Nolan, Board Secretary
Minutes prepared by Patti Owen-DeLay

Conducted by: Patti Owen-DeLay

Date(s) poll conducted: December 15, 2022 - December 16, 2022

Question: Do you authorize Executive Library Director, Bob Pasicznyuk, to execute and sign all easements for the Castle Rock New Build Project?

To Vote: To vote respond to the email with this poll stating your vote (yes, no, or abstain) and if you have any comments, include your comment in the email response.

Suzanne Burkholder: YES No Abstain Could not be reached
Comments: None

Jessica Kallweit YES No Abstain Could not be reached
Comments: None

Daniel Danser: YES No Abstain Could not be reached
Comments: None

Rick LaPointe: YES No Abstain Could not be reached
Comments: None

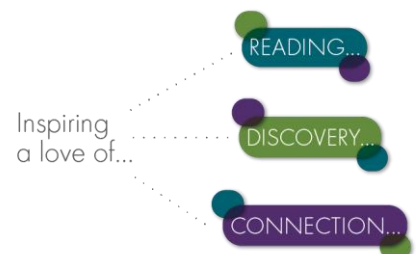
Terry Nolan: YES No Abstain Could not be reached
Comments: None

Meghann Silverthorn: Yes NO Abstain Could not be reached
Comments: None

Dawn Vaughn: YES No Abstain Could not be reached
Comments: None

RATIFICATION DATE: _____

MOTION #: _____



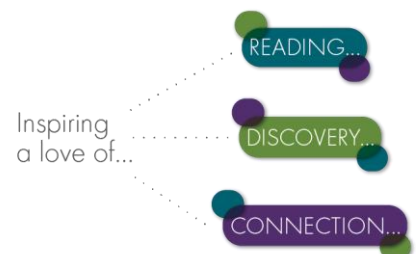
BOARD OF TRUSTEES E-MAIL POLL ADDENDUM

As we are engaging with the Town of Castle Rock and utility providers for the easements on the Castle Rock New Build Project, there are minor changes being requested.

Because these easements are perfunctory and approval is required for us to complete the project, we are requesting that you authorize Executive Library Director, Bob Pasicznyuk to execute and sign these easements.

For example: The CORE easement you approved and executed via email poll in November requested a 10' clearance. CORE realized in a meeting with FP after execution of the easement that due to a delivery door, they actually need additional footage to get their needed 10' of clearance. This resulted in a new easement document that then overrides the two CORE documents that board already approved, as they combined all their project easements into one document. (CORE easement approved in October, and CORE easement approved via email poll in November.)

For simplicity and to keep with project deadlines, we request that you authorize Pasicznyuk to execute and sign the project easements.



Resolution No. R-022- 124

**THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF DOUGLAS, COLORADO**

**RESOLUTION MAKING APPOINTMENTS TO THE DOUGLAS COUNTY
LIBRARIES BOARD OF TRUSTEES.**

WHEREAS, Resolution No. R-990-149, established the Douglas Public Library District, now known as Douglas County Libraries, specified the terms of office for the members of the library district’s board of trustees and established a procedure for filling vacancies on the library district’s board of trustees (“Establishment Resolution”); and

WHEREAS, Resolution No. R-001-041 reduced the term office of members of the Board of Trustees of the Douglas Public Library District from five years to three years.

WHEREAS, Resolution No. R-013-37 revised the process regarding recommendations for Appointment of Trustees to serve on the Douglas County Libraries Board of Trustees and was amended in 2018 to further detail the process.

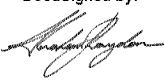
WHEREAS, Trustees to the Douglas County Libraries are appointed by the Douglas County Board of County Commissioners; and



BE IT RESOLVED, that the following individuals are appointed to the Douglas County Libraries Board of Trustees for the term specified:

Suzanne Burkholder	District I	Term Expires December 31, 2025
Rick LaPointe	District II	Term Expires December 31, 2024
Ted Vail	District III	Term Expires December 31, 2025
Zach McKinney	At-Large	Term Expires December 31, 2025

PASSED AND ADOPTED this 15th day of December 2022, in Castle Rock, Douglas County, Colorado.

**THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF DOUGLAS, COLORADO**

DocuSigned by:

BY: ABE LAYDON, Chair
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DocuSigned by:

ATTEST: KRISTIN RANDLETT, Clerk to the Board
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DATE: January 25, 2023

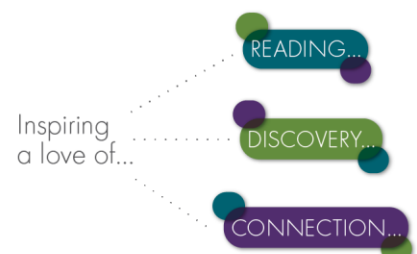
AGENDA ITEM: Annual designation of public notice posting location

PERSON(S) RESPONSIBLE: Bob Pasicznyuk, Executive Library Director

EXECUTIVE SUMMARY: Colorado Open Meeting Law requires public and timely notice of meetings of public bodies. In addition it requires the public body to adopt the “place of posting” at its first meeting of each year. The law was amended to allow for “virtual” posting. Douglas County Libraries complies with the requirements of the law. This act is just another aspect of legal compliance.

STAFF RECOMMENDATION: We recommend that you approve the District website as the official posting place for library required public meeting notices, with Philip S. Miller Library as a backup in case of website issues.

FISCAL IMPACT: None



January 17, 2023

Library Board of Trustees
Douglas County Libraries
100 S. Wilcox Street
Castle Rock, CO 80104

This letter is provided in connection with our engagement to audit the financial statements of Douglas County Libraries (DCL) as of and for the year ended December 31, 2022. Professional standards require that we communicate with you certain items including our responsibilities with regard to the financial statement audit and the planned scope and timing of our audit, including significant risks we have identified.

Our Responsibilities

As stated in our engagement letter dated November 11, 2022 we are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America, for the purpose of forming and expressing opinions about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit does not relieve you or management of your respective responsibilities.

Planned Scope of the Audit

Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our audit is designed to provide reasonable, but not absolute, assurance about whether the financial statements as a whole are free of material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations. Because of this concept of reasonable assurance and because we will not examine all transactions, there is a risk that material misstatements may exist and not be detected by us.

Our audit will include obtaining an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements and as a basis for designing the nature, timing, and extent of further audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. However, we will communicate to you at the conclusion of our audit, any material weaknesses or significant deficiencies identified. We will also communicate to you:

- Any violation of laws or regulations that come to our attention;
- Our views relating to qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures;
- Significant difficulties, if any, encountered during the audit;

- Disagreements with management, if any, encountered during the audit;
- Significant unusual transactions, if any;
- The potential effects of uncorrected misstatements on future-period financial statements; and
- Other significant matters that are relevant to your responsibilities in overseeing the financial reporting process.

Professional standards require us to design our audit to provide reasonable assurance that the financial statements are free of material misstatement whether caused by fraud or error. In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as “significant risks.” Although we are currently in the planning stage of our audit, we have preliminarily identified the following significant risks that require special audit consideration.

Financial Statement Level Risks

- **Management override of internal controls** - Professional standards require auditors to address the possibility of management overriding controls. Accordingly, we identified as a significant risk that management of the organization may have the ability to override controls that the organization has implemented. Management may override the organization’s controls in order to modify the financial records with the intent of manipulating the financial statements to overstate the organization’s financial performance or with the intent of concealing fraudulent transactions.

Specific Risks

- **Improper revenue recognition** - Professional standards require auditors to presume that improper revenue recognition is a fraud risk. Accordingly, we identified this as a fraud risk in which management may use various techniques to overstate revenue or conceal fraudulent recognition of revenue.
- **Improper capitalization** – We identified improper capitalization as a significant risk based on our professional judgment that potential errors could be made in the capital asset reconciliation process and incorrectly classified as additions.

Group Audit

The consolidated financial statements include the financial statements of Douglas County Library Foundation (DCF), which we consider to be a significant component of the consolidated financial statements. Consistent with the audit of the consolidated financial statements as a whole, our audit will include obtaining an understanding of DCF and their environment, including internal control, sufficient to assess the risks of material misstatement of the consolidated financial statements of DCF. and to design the nature, timing, and extent of further audit procedures.

We expect to begin our audit in February 2023 and issue our report in April 2023.

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

Respectfully,



Denver, CO

DATE: January 25, 2023

AGENDA ITEM: Board authorization of Park Street Shop Lease (Units A and B) – Beverly Building Company through 2027.

DISCUSSION: This item is coming to the Douglas County Board of Trustees in keeping with Board Financial Policies – Leases.

DCL currently leases 1,900 sq.ft. at 1543 Park Street (Unit A) in Castle Rock for use as a maintenance and storage facility. Recently, we were offered the adjacent unit (B). Unit B is a mirror image of our current shop at 1,900 sq.ft. and includes an interior connection between both units. The board approved a five year lease for Unit A by Motion 22-10-05 at the October 26, 2022 meeting. The lease (A & B) supersedes the 10/26 lease.

Facilities shop space is used for repairs (for example: sorter bins) and storage - surplus furniture, seasonal book collections, and community engagement exhibits.

More importantly, this new and larger facility is part of our ongoing plan to consolidate and centralize library storage for efficiency and safety. Centralizing and consolidating storage mitigates transit and labor costs – “soft” costs that are more burdensome than mere lease expenses.

This new alternative compares favorably with area storage costs. Our Highlands Ranch storage unit cost was \$20.28 sq. ft. compared to this space at \$9.61 sq. ft. including utilities. For further comparison, the average rate for industrial space in Douglas County is around \$11.52 sq. ft. (minus utilities). Furthermore, the savings realized by eliminating our remaining storage units would amount to just under \$1,100.00/month.

Since 2020, the lessor, Beverly Building Company, has maintained an annual lease rate increase of between 8% and 9.5%. Consistent with this, the proposed new 5 year lease has an average rate increase of 9.5%.

Addendum 1 to the lease agreement includes the required non-appropriations language.

RECOMMENDATION: We recommend that the Board approve the new lease for the 5 year term for both units A and B at 1543 Park Street, Castle Rock, CO 80104.

FISCAL IMPACT:

\$2,840.00 per month for year 1 (**2023** Total: \$34,080.00)

\$2,990.00 per month for the next 2 years (**2024** Total: \$35,880.00 & **2025** Total: \$35,880.00)

\$3,100.00 per month for the next 2 years (**2026** Total: \$37,200.00 & **2027** Total: \$37,200.00)

Total **5 year** commitment = **\$180,240.00**

MOTION: I move to authorize the Board to execute The Beverly Building Lease for 1534 Park Street, Units A & B, Castle Rock, CO 80104.

PERSON(S) RESPONSIBLE: Bob Pasicznyuk, Executive Director

ATTACHMENT: Lease Document

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL COUNSEL BEFORE SIGNING

BUSINESS LEASE

This lease, dated December 16, 2022, is between

BEVERLY BUILDING COMPANY, as Landlord, and DOUGLAS COUNTY LIBRARIES, as Tenant.

In consideration of the payment of the rent and the performance of the covenants and agreements by the Tenant set forth herein, the Landlord does hereby lease to the Tenant the following described premises situate in Douglas County, in the State of Colorado; the address of which is 1543 No. Park St., Suites "A" & "B", Castle Rock, CO 80114. Premises includes 3800 Sq. Ft. which includes 100% of the space in a multi-tenant building.

Said premises, with all the appurtenances, are leased to the Tenant from the date of February 1, 2023 until the date of January 31, 2028 at and for a rental for the full term of \$ 180,240.00 payable in monthly installments of \$ 2840. for the period 2/1/23 thru 1/31/24

in advance, on the 1st day of each calendar month during the term of this lease, payable at Beverly Building Company, Box 101540, Denver, CO 80250-1540 without notice.

THE TENANT, IN CONSIDERATION OF THE LEASING OF THE PREMISES AGREES AS FOLLOWS:

- 1. The Tenant shall pay the rent for the premises above-described.
2. The Tenant shall, at the expiration of this lease, surrender the premises in as good a condition as when the Tenant entered the premises, ordinary wear and tear excepted.
3. The Tenant shall not sublet any part of the premises, nor assign the lease, or any interest therein, without the written consent of the Landlord.
4. The Tenant shall use the premises only as a maintenance & storage facility (See Addendums 1 & 2 attached)
5. The Tenant shall neither hold, nor attempt to hold, the Landlord, its agents, contractors and employees, liable for any injury, damage, claims or loss to person or property occasioned by any accident, condition or casualty to, upon, or about the premises including, but not limited to, defective wiring, the breaking or stopping of the plumbing or sewage upon the premises, unless such accident, condition or casualty is directly caused by intentional or reckless acts or omission of the Landlord.
6. The Tenant shall neither permit nor suffer said premises, or the walls or floors thereof, to be endangered by overloading, nor said premises to be used for any purpose which would render the insurance thereon void or the insurance risk more hazardous, nor make any alterations in or changes in, upon, or about said premises without first obtaining the written consent of the Landlord.
7. The Tenant shall obtain and keep in full force, at Tenant's expense, fire and liability insurance as may be reasonably required by the Landlord.
8. The Tenant shall permit the Landlord to place a "For Rent" sign upon the leased premises at any time after sixty (60) days before the end of this lease.
9. The Tenant shall allow the Landlord to enter upon the premises at any reasonable hour.

IT IS EXPRESSLY UNDERSTOOD AND AGREED BETWEEN LANDLORD AND TENANT AS FOLLOWS:

- 10. The Tenant shall be responsible for paying the following: Electric Gas Water Sewer Phone Refuse Disposal Janitorial Services Other
The Landlord agrees to keep all the improvements upon the premises, including but not limited to, structural components, interior and exterior walls, floors, ceiling, roofs, sewer connections, plumbing, wiring and glass in good maintenance and repair at their expense.
11. No assent, express or implied, to any breach or default of any one or more of the agreements hereof shall be deemed or taken to be a waiver of any succeeding or other breach or default.
12. If, after the expiration of this lease, the Tenant shall remain in possession of the premises and continue to pay rent without a written agreement as to such possession, then such tenancy shall be regarded as a month-to-month tenancy, at a monthly rental, payable in advance, equivalent to the last month's rent paid under this lease, and subject to all the terms and conditions of this lease.
13. If the premises are left vacant and any part of the rent reserved hereunder is not paid, then the Landlord may, without being obligated to do so, and without terminating this lease, retake possession of the said premises and rent the same for such rent, and upon such conditions as the Landlord may think best, making such changes and repairs as may be required, giving credit for the amount of rent so received less all expenses of such changes and repairs, and the Tenant shall be liable for the balance of the rent herein reserved until the expiration of the term of this lease.
14. The Landlord acknowledges receipt of a deposit in the amount of \$ None to be held by the Landlord for the faithful performance of all of the terms, conditions and covenants of this lease. The Landlord may apply the deposit to cure any default under the terms of this lease and shall account to the Tenant for the balance. The Tenant may not apply the deposit hereunder to the payment of the rent reserved hereunder or the performance of other obligations.

15. If the Tenant shall be in arrears in payment of any installment of rent, or any portion thereof, or in default of any other covenants or agreements set forth in this lease, and the default remains uncorrected for a period of three (3) days after the Landlord has given written notice thereof pursuant to applicable law, then the Landlord may, at the Landlord's option, undertake any of the following remedies without limitation: (a) declare the term of the lease ended; (b) terminate the Tenant's right to possession of the premises and reenter and repossess the premises pursuant to applicable provisions of the Colorado Forcible Entry and Detainer Statute; (c) recover all present and future damages, costs and other relief to which the Landlord is entitled; (d) pursue breach of contract remedies; and/or (e) pursue any and all available remedies in law or equity. In the event possession is terminated by a reason of default prior to expiration of the term, the Tenant shall be responsible for the rent occurring for the remainder of the term, subject to the Landlord's duty to mitigate such damages. Pursuant to applicable law [13-40-104(d.5), (e.5) and 13-40-107.5, C.R.S.] which is incorporated by this reference, in the event repeated or substantial default(s) under the lease occur, the Landlord may terminate the Tenant's possession upon a written Notice to Quit, without a right to cure. Upon such termination, the Landlord shall have available any and all of the above-listed remedies.

16. If the property or the premises shall be destroyed in whole or in part by fire, the elements, or other casualty and if, in the sole opinion of the Landlord, they cannot be repaired within ninety (90) days from said injury and the Landlord informs the Tenant of said decision; or if the premises are damaged in any degree and the Landlord informs the Tenant it does not desire to repair same and desires to terminate this lease; then this lease shall terminate on the date of such injury. In the event of such termination, the Tenant shall immediately surrender the possession of the premises and all rights therein to the Landlord; shall be granted a license to enter the premises at reasonable times to remove the Tenant's property; and shall not be liable for rent accruing subsequent to said event. The Landlord shall have the right to immediately enter and take possession of the premises and shall not be liable for any loss, damage or injury to the property or person of the Tenant or occupancy of, in or upon the premises.

If the Landlord repairs the premises within ninety (90) days, this lease shall continue in full force and effect and the Tenant shall not be required to pay rent for any portion of said ninety (90) days during which the premises are wholly unfit for occupancy.

17. In the event any dispute arises concerning the terms of this lease or the non-payment of any sums under this lease, and the matter is turned over to an attorney, the party prevailing in such dispute shall be entitled, in addition to other damages or costs, to receive reasonable attorneys' fees from the other party.

18. In the event any payment required hereunder is not made within ten (10) days after the payment is due, a late charge in the amount of 0 % of the payment will be paid by the Tenant.

19. In the event of a condemnation or other taking by any governmental agency, all proceeds shall be paid to the Landlord hereunder, the Tenant waiving all right to any such payments.

20. This lease is made with the express understanding and agreement that in the event the Tenant becomes insolvent, the Landlord may declare this lease ended, and all rights of the Tenant hereunder shall terminate and cease.

21. The Tenant and the Landlord further agree:

A: That Addendums No. 1 and No.2 attached are and shall be integral parts of this Lease.

B: That Lessee has the option to cancel this Lease with 30 days' notice to the Lessor anytime after January 31, 2024. Lessee shall not be penalized in any way and will have no obligation to pay rent past the end of the actual vacation month.

This lease shall be subordinate to all existing and future security interests on the premises. All notices shall be in writing and be personally delivered or sent by first class mail, unless otherwise provided by law, to the respective parties. If any term or provision of this lease shall be invalid or unenforceable, the remainder of this lease shall not be affected thereby and shall be valid and enforceable to the full extent permitted by law. This lease shall only be modified by amendment signed by both parties. This lease shall be binding on the parties, their personal representatives, successors and assigns. When used herein, the singular shall include the plural.

Attest: William C. Barber

BEVERLY BUILDING COMPANY
Box 101540 Date
Denver, CO 80250-1540 (303) 781-0692 Date

Attest: _____

DOUGLAS COUNTY LIBRARIES Date
100 So. Wilcox Street Date
Castle Rock, CO 80104 Date

GUARANTEE

For value received, I guarantee the payment of the rent and the performance of the covenants and agreements by the Tenant in the within lease.

N/A

Signature Date

ASSIGNMENT AND ACCEPTANCE

For value received _____, assignor, assigns all right, title and interest in and to the within lease to _____, assignee, the heirs, successors and assigns of the assignee, with the express understanding and agreement that the assignor shall remain liable for the full payment of the rent reserved and the performance of all the covenants and agreements made in the lease by the Tenant. The assignor will pay the rent and fully perform the covenants and agreements in case the assignee fails to do so. In consideration of this assignment, the assignee assumes and agrees to make all the payments and perform all the covenants and agreements contained in the lease and agreed to by the Tenant.

Assignor _____ Date Assignee _____ Date

CONSENT OF ASSIGNMENT

Consent to the assignment of the within lease to _____ is hereby given, on the express condition, however, that the assignor shall remain liable for the prompt payment of the rent and performance of the covenants on the part of the Tenant as herein mentioned, and that no further assignment of said lease or sub-letting of the premises, or any part thereof, shall be made without further written agreement.

Signature _____ Date Signature _____ Date

LANDLORD'S ASSIGNMENT

In consideration of One Dollar, in hand paid, I hereby assign to _____ my interest in the within lease, and the rent therein reserved.

Landlord Date

ADDENDUM NO. 1
TO
LEASE OF SPACE

- 1: Termination upon Non-Appropriation. Notwithstanding anything herein to the contrary, this Business Lease Agreement is subject to and contingent upon funds being appropriated by the Board of Trustees for the Douglas Public Library District for payment of rent on the demised premises for each applicable fiscal year. A fiscal year begins January 1 and ends on December 31. If such funds for rent are not appropriated, the Tenant may terminate this Agreement and be released from any further obligation hereunder upon giving written notice of termination due to non-appropriation of funds. Such termination shall be effective as of the last day of the Tenant's fiscal year for which funds have been appropriated for the Tenant's obligations under this Agreement.
- 2: Use of Hazardous Substances. Landlord acknowledges that Tenant will be using the demised premises for the non-commercial manufacture and repair of furniture used by Tenant in its normal operations. Landlord further acknowledges that the conduct of such activity will include and require the use and storage of Hazardous Substances (e.g. stains, varnish, adhesives, finish removers, etc.) and by these presents, Landlord grants its expressed authorization for the use and storage of such Hazardous Substances on the demised premises, subject to the terms and conditions of such use and storage found in Addendum No. 2 to the Lease Agreement.

ADDENDUM NO. 2
TO
LEASE OF SPACE

1. No Waste or Impairment of Value: Tenant covenants and agrees that nothing shall be done or kept on the Demised Premises or the Property which might impair the value of the Demised Premises or the Property, or which would constitute waste.
2. No Hazardous Use: Tenant covenants and agrees that nothing shall be done or kept on the Demised Premises or the Property and that no improvements, changes, alterations, additions, maintenance or repairs shall be made to the Demised Premises which might be unsafe or hazardous to any person or property.
3. No Structural or Electrical Overloading: Tenant covenants and agrees that nothing shall be done or kept on the Demised Premises or the Building and that no improvements, changes, alterations, additions, maintenance or repairs shall be made to the Demised Premises which might interfere with electric or electronic equipment in the Building or on any adjacent or nearby property. In the event of violations hereof, Tenant covenants and agrees to immediately remedy the violation at Tenant's expense and in compliance with all requirements of governmental authorities and insurance underwriters.
4. No Nuisance, Noxious, or Offensive Activity: Tenant covenants and agrees that no noxious or offensive activity shall be carried on upon the Demised Premises or the Property nor shall anything be done or kept on the Demised Premises or the Property which may be or may become a public or private nuisance or which may cause embarrassment, disturbance, or annoyance to others in the Building or on adjacent or nearby property.
5. No Annoying Lights, Sounds or Odors: Tenant covenants and agrees that no light shall be emitted from the Demised Premises which is unreasonably bright or causes unreasonable glare; no sound shall be emitted from the Demised Premises which is unreasonably loud or annoying; and no odor shall be emitted from the Demised Premises which is or might be offensive to persons in adjacent or nearby property.
6. No Unsightliness: Tenant covenants and agrees that no unsightliness shall be permitted on the Demised Premises or the Property which is visible from any adjacent or nearby property. Without limiting the generality of the foregoing, all unsightly conditions, equipment, objects and conditions shall be kept enclosed within the Demised Premises; no refuse, scrap, debris, garbage, trash, bulk materials or waste shall be kept, stored or allowed to accumulate on the Demised Premises or the Property except as may be enclosed within the Demised Premises; all pipes, wires, poles, antennas and other facilities for utilities or the transmission or reception of audio or visual signals or electricity shall be kept and maintained underground or enclosed within the Demised Premises or appropriately screened from view; and no temporary structure shall be placed or permitted on the Demised Premises or the Property without the prior written consent of Landlord.
7. No Animals: Tenant covenants and agrees that no animals shall be permitted or kept on the Demised Premises of the Property.
8. Restriction on Signs and Exterior Lighting: Tenant covenants and agrees that no signs or advertising devices of any nature shall be erected or maintained by Tenant on the Demised Premises or the Property and no exterior lighting shall be permitted on the Demised Premises or the Property except as approved in writing by the Landlord.
9. No Violation of Covenants: Tenant covenants and agrees not to commit, suffer or permit any violation of any covenant, condition or restriction affecting the Demised Premises or the Property.
10. Restriction on Changes and Alterations: Tenant covenants and agrees not to improve, change, alter, add to, remove or demolish any improvements on the Demised Premises ("Changes"), without the prior written

consent of the Landlord which consent shall not be unreasonably withheld, and unless Tenant complies with all conditions which may be imposed by the Landlord, in its sole discretion, in connection with such consent; and unless Tenant pays to Landlord the reasonable costs and expenses of the Landlord for architectural, engineering or other consultants which may be reasonably incurred by the Landlord in determining whether to approve any such Changes. If such consent is given, no such Changes shall be permitted unless Tenant shall have procured and paid for all necessary permits and authorizations from any governmental authorities having jurisdiction; unless such Changes will not reduce the value of the Property, and will not affect or impair existing insurance on the Property; and unless Tenant, at Tenant's sole cost and expense, shall maintain or cause to be maintained workmen's compensation insurance covering all persons employed in connection with the work and obtains liability insurance covering any loss or damage to persons or property arising in connection with any such Changes and such other insurance or bonds as Landlord may reasonably require. Tenant covenants and agrees that any such Changes approved by Landlord shall be completed with due diligence and in a good and workmanlike fashion and in compliance with all conditions imposed by Landlord and all applicable permits, authorizations, laws, ordinances, orders, rules and regulations or governmental authorities having jurisdiction and that the costs and expenses with respect to such Changes shall be paid promptly when due and that the Changes shall be accomplished free of liens of mechanics and materialmen. Tenant covenants and agrees that all such Changes shall become the property of the Landlord at the expiration of the Lease Term or, if Landlord so requests, Tenant shall, at or prior to expiration of the Lease Term and at its sole cost and expense, remove such Changes and restore the Demised Premises to their condition prior to such Changes.

EXECUTIVE LIBRARY DIRECTOR'S REPORT

Bob Pasicznyuk

January 2023

BUSINESS PLAN, OPERATIONS AND STRATEGY

Fractional Rounding Above 4 Mills – AKA: Abatement Levy. At our last Board meeting, trustees inquired about why the Library's operating mill levy for 2023 was fractionally above 4 mills when voters have only authorized 4 mills. I spoke to Toby Damisch, Douglas County Assessor, for the answer. He related that in any given year, tax entities, like the Library, never receive all their authorized revenue because some properties are in dispute. When any dispute is resolved in subsequent years, the fractional amount that was in dispute is gained – referred in tax statutes as an abatement levy.

Castle Rock Project. Fransen Pittman (F/P), the Library General Contractor, is managing multiple delays and scheduling challenges on the project – roof, weather, utilities, and more. None of the delays have yet to impact the targeted construction completion for late June 2023. F/P is installing temporary heat the week of January 8. Masons continue to install brick around the Southern and Eastern exterior walls. Interior dry wall and HVAC installation is nearly complete. Project contingencies remain in the mid-\$700,000 range along with allowances for work yet to be completed. We are now building a moving, installation, and transition plan for the work required following construction. The Town of Castle Rock is allowing us to prepare the building before our final permit as well as occupy the new facility before our East parking is complete. Both decisions will mitigate our closure gap.

Board Reports. Accountability and clarity are essential to achieve results. You'll notice changes to end-of-quarter board reports.

- Each division will report their progress and results for the previous quarter's work plan.
- The Key Performance Indicator Report will include a key explaining each measure as well as relevant information about the score for that quarter.

Internal KPI Update. The Library's Internal performance metrics are three:

- 1) Turnover Rate
- 2) Performance Management Information
- 3) Gallup Engagement Survey

The Library has engaged *Gallup Employment Engagement Solutions* to prepare and deliver the organization for their Engagement Survey. Here's the timeline.

Q1. Contracts & Timeline

Q2. Organization Communication and Training

Q3. Survey Delivery, Assessment, and Action Recommendations

Director of Finance Introduction. Casie Cook (pronounced Case – ee) joined our Library’s



Finance team as Director on 1/19/2023. Casie is a CPA having earned Bachelor’s and Master’s degrees in Accounting from Metropolitan State University in Denver. She offers our Library over 16 years of financial forecasting, budget, leadership, accounting, systems, and audit experience from the for-profit and non-profit world. Tammy Goodwin, Accounting Operations Manager, has been leading the team in the gap since Dave Anderson’s retirement at the end of December. The Library has contracted with Dave Anderson for a few days of succession and transition coaching this year.

Newspapers. After piloting digital newspapers alongside physical newspapers for 1 year (funded by an ARPA grant), DCL transitioned to fully-digital newspaper offerings on January 1. Press Reader, Barron’s, Wall Street Journal and New York Times are even available to our customers anywhere and at any time free of charge. Customers have access to the entire archive of back issues in addition to the daily issue. The digital format via the iPad has extensive accessibility functionality, including a screen reader, options to adjust display and text size, and subtitles and captioning. I will brief the Board on customer feedback at the meeting.

Q1 2023 Preview.

- Battle of the Books, our bowl-style book trivia tournament, returns for a 14th season.
- The Sammy Project Exhibit, a photography exhibit by Whitney Yeager on Mental Health.
- Imagination Library - 1,900 DCL families had enrolled by 1/18/2023.
- Fairy Tale Balls.
- Staff Safety and Security Awareness Training.
- Brown & Brown Competitiveness Evaluation Begins.
- Author Event - C J Box - <https://www.dcl.org/featured-events/>

PROFESSIONAL TRENDS AND ANALYSIS

Colleagues and Competition. Denver voters approved a significant increase in funding for Denver Public Library – moving their per capita funding to about \$100. Boulder voters approved creating a library district moving their library from the management of municipal government. The Boulder Public Library has closed from December 19 through January 4 for methamphetamine contamination and remediation.

BUSINESS OPPORTUNITIES & RISKS

Budget 2024. While the 2023 budget isn't yet a month old, the Library is beginning to prepare for 2024. Our Library's revenues have been historically predictable, but 2024 includes a number of variables heightening volatility and creating management challenges.

- 1) Historically high assessment rates.
- 2) SB 22-293 which reduced property tax assessment rates state-wide while providing a provision for public libraries to apply for lost revenue rebates in 2024.
- 3) Governor, Legislature and referendum action around property taxes.

The Library's preparations are five-fold:

- Work with the Assessor and Treasurer to discover the implications of SB 22-293
- Validate capital maintenance and improvement forecasts
- Validate our debt position and payout information
- Analyze staff salaries and wages for competitiveness against the market
- Develop a prioritization scheme that we can employ against different revenue scenarios

Sterling Ranch Negotiation. Sterling Ranch has proposed a mixed use building or campus including the Library, food service, and corporate clients. They've proposed that they'd build the campus with the Library's portion to our specifications. The Library would purchase their portion. There are many details to manage and identify. We are targeting the end of Q2 to complete a proposal for Board reaction.

BOARD TALKING POINTS

Digital Newspapers. Stop paying for the Wall Street Journal, New York Times, and 500 other newspapers and get a Douglas County Library Card! Your Library now offers these newspapers online. Visit dcl.org/digital-media/ to save your household and school budgets thousands.

Battle of the Books, Douglas County Libraries bowl-style book trivia tournament, returns for a 14th season of in-person competition for students in grades 3-6. This year, 43 schools are participating- that's about 64% of all elementary schools in Douglas County.

Interschool battles begin later this month at various library locations all leading up to district finals in early March.

The Sammy Project Exhibit. Beginning in February, Douglas County Libraries will host, The Sammy Project, a photography exhibit by Whitney Yeager featuring portraits and stories of people living with mental health challenges.

Imagination Library. We are excited to announce that beginning this year, Douglas County Libraries will be partnering with Dolly Parton's Imagination Library (DPIL) to connect children from birth to age 5 with FREE books delivered to their homes every month. Through Dolly

Parton's Imagination Library, children from birth to age five receive a free book each month, sent straight to their home that they get to keep.

Signing up is easy! Interested community members may register children from birth to age five to get started.

Elevating the Brand – Douglas County Libraries elevates our community by inspiring a love of reading, discovery, and connection. With nearly 2 million visitors to seven branches each year, visitors are met with beautiful spaces, curated collections, personalized services, and a variety of events that offer a premium experience for all.

Item	Preparatory Work	Motion
Election Process	Come having reviewed the ballot process on using a ballot process versus a nomination process for the annual election of officers.	I move that the voting for the 2023 annual elections of officers be taken by ballot, using the ballot derived from the informal poll of interest done prior to the start of this meeting.
Confirmation of Ballot Slate	No preparatory work.	Once ballot has been passed out and read into the record, I move to accept the 2023 ballot slate as presented, or I move to accept the 2023 ballot slate as amended by ...
Annual Election of Officers	Come prepared to appoint and/or volunteer for a board Officer position.	I move to appoint _____ as... Unless the board votes to handle elections by ballot, as was done in 2022. Then the tallied ballot results will be read into the record.
Annual Meeting Representative Opportunities	Come prepared to volunteer for and/or vote to appoint 2023 representatives.	I move to appoint _____ as the Board representative for the Partnership of Douglas County Governments. I move to appoint _____ as the Board representative for the Douglas County Youth Initiative.
Annual Conflict of Interest Disclosure	Come prepared to complete the Annual Conflict of Disclosure document	No motion

Voting by Ballot Process
for Board Annual Meeting
Election of Officers

Prior to the meeting garner interest and develop the slate by asking trustees to state which slate positions they are open to being considered for election.

In open meeting

1. Announce annual election of officers
2. Ask for a motion to vote anonymously by ballot, once made, seconded, voted on and approved,
3. Confirm that ballots have been created reflecting trustees desire for certain positions
4. Hand out ballots
5. Ask for a motion to confirm that the ballot slate is accurate
6. Instruct trustees to mark their one choice for each position. Fold their ballot and return to staff
7. Staff tallies the ballots and reads the winners into the minutes
8. The ballots are anonymous and the votes remain anonymous

I move that the voting for the 2023 annual elections of officers be taken by ballot, using the ballot derived from the informal poll of interest done prior to the start of this meeting.

I move to accept the 2023 Ballot slate for officers as presented,

or

I move to accept the 2023 Ballot slate for officers as amended....



**Board of Trustee
Officer Ballot
January 2023**

Select one candidate for each position

Board President

- Susan Burkholder
- Jessica Kallweit
- Rick LaPointe
- Zach McKinney
- Terry Nolan
- Meghann Silverthorn
- Ted Vail

Board Vice - President

- Susan Burkholder
- Jessica Kallweit
- Rick LaPointe
- Zach McKinney
- Terry Nolan
- Meghann Silverthorn
- Ted Vail

Board Secretary

- Susan Burkholder
- Jessica Kallweit
- Rick LaPointe
- Zach McKinney
- Terry Nolan
- Meghann Silverthorn
- Ted Vail



BOARD OF TRUSTEES DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST

From the Douglas County Libraries Bylaws:

Section 6. Ethics. Trustees shall conduct themselves in accordance with Colorado law, including the Code of Ethics for public officials, Sections 24-18-101, *et seq.*, C.R.S. (the “Code of Ethics”). Trustees shall avoid situations in which their personal interests might be served or in which financial benefits inure to them at the expense of library users, colleagues, or the District. Trustees shall disclose to the Board any and all potential conflicts of interest during appointment. If during the course of Board business, an area of potential conflict of interest or the appearance of such develops for a Trustee, that Trustee shall immediately make full disclosure to the Board and, if required in order to ensure compliance with the Code of Ethics, immediately cease participation in both discussion and voting relative to the matter.

- Trustees may not in their private capacities negotiate, bid for, or enter into a contract with the District in matters in which they have a direct or indirect financial interest.
- Trustees shall recuse themselves from Board discussion, deliberation and vote on any matter in which the Trustee, an immediate family member or an organization with which they are associated has a material financial interest. Such recusals shall be reflected in the meeting minutes for the relevant meeting.
- Trustees shall not receive anything of value that could or should reasonably be expected to influence their vote or other official action.
- Trustees shall respect the confidential nature of District business while adhering to the Colorado Open Records Act (“CORA”), Sections 24-72-200.1 *et seq.*, C.R.S. and all other applicable laws governing freedom of information.



BOARD OF TRUSTEES DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST

Disclosure:

To help avoid any conflicts of interest, on this form you are disclosing ownership or other proprietary interests, responsibilities, circumstances, or other reasons why you (or, by extension, any member of your family) might have an actual or perceived or potential conflict of interest with your duty as a trustee for Douglas County Libraries.

- You invite further review by Douglas County Libraries of any aspects of these circumstances that might be considered appropriate.
- You agree to take steps, such as avoiding deliberation and resolution of certain issues.
- You agree to notify Douglas County Libraries Library Director if and when you determine that any additional, actual, perceived or potential conflicts of interest with your duty to Douglas County Libraries arise subsequent to the execution of this form. Please check and /or complete the appropriate section below:

Direct or indirect financial interests can take the form of, but are not limited to, ownership, creditor, employment or other contractual arrangements.

Actual, perceived or potential conflict of interest:

No actual, perceived or potential conflict of interest.

Name: _____

Signature: _____ Date: _____