



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Councilmember Johnny Khamis
District 10

SUBJECT: KING LIBRARY INTERIOR
SAFETY BARRIERS

DATE: September 7, 2018

Approved by:

Date:

9/7/18

RECOMMENDATION:

Approve Staff Recommendation, including direction to Staff to work with SJSU and appropriate FD&O staff to develop a five-year capital project forecast, by the Fall joint quarterly meeting each year, for review and approval by both parties, on an annual basis, in advance of when the Library must submit their annual capital budget requests to the CMO Budget Office.

Amendments to the approved five-year plan and unanticipated costs during the year should be promptly identified and shared and budget implications shall be mutually agreed upon. Invoicing of capital costs should include appropriate documentation for costs (e.g. invoices, work orders, cost share split). Direct staff to include this capital planning process in any future amendments to the Agreement for Ownership and Operation of Joint Library Building and Grant of Easement.

ANALYSIS:

I applaud the work of our Library Staff who, in cooperation with the City Manager, negotiated a reasonable reimbursement agreement for the safety barrier project completed at the shared City-SJSU King Library. There is no question that steps needed to be taken to improve safety for students and visitors to the library, there was little consultation with City staff as to the costs involved in the project nor an up-front discussion of the potential cost sharing for the project nor a review of the detailed design proposal. As the Staff memo lays out, the project was executed before these essential steps were taken, and the City was ultimately presented with a bill for half of the \$3 million project costs.

While the City could assert, per Section 6.4 of the King Library Operating Agreement, that SJSU must bear the full costs of the alterations, given that the City had not agreed to a cost share, I've talked with the City Manager and City staff and they felt that the project was one that they agreed needed to be done and that the best course of action was to come to a reasonable agreement to bear a reasonable share – but not half – of the project costs. Applying the major capital ratio of 41% City and 59% SJSU formula seems reasonable and maintains a positive working relationship with SJSU on the unique King Library partnership which is a model, nationally, in City-University relationships.

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When SJSU was demanding that the City pick up half the costs of the atrium safety barrier project where the City was kept out of the loop after the initial discussions, I met with the SJSU President and the SJSU FD&O lead to express my concerns. I stressed the importance of good communications and of the need to avoid unilateral actions when it comes to the commitment of substantial funds that will have an inevitable impact on meeting other important capital needs in the library. To avoid future omissions and misunderstandings, I encourage my colleagues to join me in getting firmly behind Staff's recommendation that a 5-year capital plan be established along with a process for amendments to the plan and for dealing with unanticipated costs.

A solid capital plan will go far to facilitate discussions on cost sharing, make the process more transparent, and avoid unplanned surprises that should have been surfaced well before they became surprises. To paraphrase a popular saying, a failure to plan is a plan for failure, so let's put in place a basis that will guarantee that the 15 years ahead for the City-SJSU King Library partnership be even more successful than the first 15 years!