

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

227



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
June 3, 2010

**SUBJECT:** Memorandum of Understanding with the City of La Quinta

**RECOMMENDED MOTION:** That the Board of Supervisors approve and authorize the Chairman to sign the attached Memorandum of Understanding with the City of La Quinta

**BACKGROUND:** The attached Memorandum of Understanding (MOU) has been developed by the Economic Development Agency (EDA) and City staff to delineate the level of library and museum services the City of La Quinta will receive from EDA. Effective July 1, 2010, the MOU will replace the previous two MOUs for library and museum services with the City of La Quinta. Under the terms of this agreement, the City of La Quinta will remain a participant in the Riverside County Library System and will contract with EDA for museum management services until at least June 30, 2015. Any expenses incurred as a result of the MOU will be part of the Riverside County Library budget.

This MOU has been approved by the City of La Quinta and reviewed by County Counsel.

Robert Field  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11- 2014/15

**COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:** No

<b>SOURCE OF FUNDS:</b> City of La Quinta Library Fund	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** APPROVE

**County Executive Office Signature**

FORM APPROVED COUNTY COUNSEL  
BY: NEAL R. KIPNIS  
DATE: 6/3/10  
Departmental Concurrence

Dep't Recomm.:  Consent  Policy  
Per Exec. Ofc.:  Consent  Policy

**Prev. Agn. Ref.:** 3.15 of 12/2/04

**District:** 4

**Agenda Number:**

**3.16**

RF:DM:SM:TG:cm:mh 10137

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

**MEMORANDUM OF UNDERSTANDING  
TERMS AND CONDITIONS TO PROVIDE MANAGEMENT  
OF THE LA QUINTA BRANCH LIBRARY  
AND THE LA QUINTA MUSEUM**

This Memorandum of Understanding ("MOU") is made and entered into as of \_\_\_\_\_, 2010 ("Agreement Date") by and between the City of La Quinta ("City") and the County of Riverside Economic Development Agency ("EDA").

**WHEREAS**, EDA has offered to enhance existing library services as an alternative to the City exercising its right to withdraw from the County Library System, which EDA manages through contract services with Library Systems and Services, Inc. (LSSI); and

**WHEREAS**, the City and EDA desire to enhance the delivery of library and museum services within the City, and have reached an agreement that they wish to set forth in writing in the form of this MOU.

The City and EDA therefore agree as follows:

**SECTION 1: TERM**

This MOU shall take effect on July 1, 2010 and shall remain in effect through and including June 30, 2015. The City or EDA may request an extension of this MOU with modified terms. If either the City or EDA desires to extend the term of this MOU on modified terms, the City and EDA shall negotiate in good faith to extend this MOU. Unless otherwise agreed to by the City and EDA, any extension to this MOU would use the then existing service levels, building size, etc. as the floor of acceptable standards for the future library and museum service. The City fully reserves its rights to withdraw from the County Library System and/or management contract of the museum pursuant to existing laws and regulations, effective with the expiration of this MOU or subsequent extensions.

## **SECTION 2: HOURS OF OPERATION – LA QUINTA BRANCH LIBRARY**

During the term of this MOU, the La Quinta Branch Library, located at 78-275 Calle Tampico, shall be open: a minimum of 7 days per week including 4 evenings and Sunday; and be open a minimum of 52 hours per week.

### **2.1 HOURS OF OPERATION – LA QUINTA MUSEUM**

Using contract staff provided by LSSI, the EDA will provide 40 hours per week of management services to the "City" for the purpose of operating the La Quinta Museum.

## **SECTION 3: LIBRARY COLLECTION**

EDA agrees to spend a minimum of \$5,000 for collection materials during each year of this MOU. The library annual expenditures for collection materials shall be increased as necessary to be consistent with other large branches, and the collection shall be increased in size and scope to make it consistent with other large branches. The City shall have the opportunity to participate in acquisition determinations and to approve the level of funding for the acquisitions. Collection materials purchased for the La Quinta Branch Library shall be the property of the City and be housed at the La Quinta Branch Library. Such collection materials shall not be permanently transferred or moved from the La Quinta Library without the expressed written consent of the City.

## **SECTION 4: LIBRARY FUNDING AND SERVICE**

EDA will work cooperatively with the City to identify funding/grant opportunities for various programs and services connected with the library facility.

EDA will spend on library services within the City (including lease payments for the La Quinta Branch Library facility and all other facility expenses), or transfer to the City Library fund, one hundred percent (100%) of library revenues from City or City Redevelopment Agency sources, including but not limited to revenues from redevelopment

pass-through agreements, the library portion of the property tax and the library property tax increment, and the City portion of State-funded Public Library Foundation funds. The library revenues from City or City Redevelopment Agency sources, including but not limited to, revenues from redevelopment pass-through agreements, the library portion of the property tax and the library property tax increment, and the City portion of State-funded Public Library Foundation funds shall be referred to hereinafter as the "La Quinta Revenues." An example of funding source and formula for La Quinta Revenues is attached and incorporated herein as Exhibit A. The guaranteed percentage per fiscal year will be as follows:

- Fiscal Year 2010/2011 – 100% of La Quinta Revenues
- Fiscal Year 2011/2012 – 100% of La Quinta Revenues
- Fiscal Year 2012/2013 – 100% of La Quinta Revenues
- Fiscal Year 2013/2014 – 100% of La Quinta Revenues
- Fiscal Year 2014/2015 – 100% of La Quinta Revenues

EDA shall have a minimum of one MLS Librarian serving full-time at the La Quinta Branch Library.

In addition to general expenses/operational costs, EDA and City will agree annually upon an amount that will be allocated from La Quinta Revenues to purchase collection materials. EDA will continue to allocate the library expenses which are shared by all library locations in the same manner as it has during the last MOU. EDA has indicated a total cost for operating the library for Fiscal Year 2009/2010 of \$900,382 (operational costs). EDA and City will work together on appropriate: A) staffing levels, B) hours of operation, and C) levels of service; all commensurate with the needs of the 20,000 square-foot library. Final determination on A, B, and C shall be at the sole discretion of the City based upon input of EDA.

Once all City library expenses are paid/deducted, one hundred percent (100%) of the remaining balance of the La Quinta Revenues will be transferred to the City Library

Fund. EDA will present revenues and expenses to the City for review prior to transferring funds to the City Library Fund. The first transfer to the City Library Fund will be made by February 15 of each fiscal year. A second transfer will be made by June 30. A final reconciliation and payment shall be completed by February 1 of the subsequent fiscal year to allow for any year-end fiscal closing procedures of EDA related to the prior fiscal year. Late payments by EDA will result in the City charging EDA interest, at the City pooled rate during the time of delinquency, based on the amount of the payment and the number of days the payment is late. Once deposited, the funds in the City Library Fund shall be the sole property, and shall be under the exclusive control of the City. The City shall have the right, at its sole discretion, to withdraw and use the moneys in the City Library Fund on any and all library-related expenditures including, but not limited to: (1) reimbursement for any City-paid cost and expense for the La Quinta Branch Library, including but not limited to perimeter landscape installation, maintenance or replacement; lighting, custodial services, utilities, maintenance, replacement, and repair expenses relating to the La Quinta Branch Library, including replacement funds; (2) artwork or other enhancement expenditure in or around the La Quinta Branch Library; (3) repayment of all debt incurred by the City in connection with the construction or renovation repayment of the La Quinta Branch Library or La Quinta Museum; (4) a monthly land lease payment to the City as compensation for the use of the land upon which the La Quinta Branch Library is constructed and operated in the amount of \$132,000 per year, as adjusted by a CPI adjustment on each July 1<sup>st</sup> following the Agreement Date; and (5) any and all other library-related expenses as deemed appropriate by the City. Within 30 days following each deposit EDA makes into the City Library Fund, the City will provide EDA with a report outlining the then existing balance in the City Library Fund and the expenditures made since EDA's last deposit. As used herein, the term "CPI adjustment" shall mean the increase, if any, in the Consumer

Price Index for Urban Wage Earners and Clerical Workers, Los Angeles-Riverside-Orange County average, All Items, 1982-84 = 100, published by the United States Department of Labor, Bureau of Labor Statistics (the "CPI"), by comparing (a) the CPI existing on the first day of that month that is closest to and precedes the July 1 adjustment date for which the Department of Labor has published the CPI, with (ii) the existing on the first day of that same month of the previous year. No adjustment shall be made in any year in which there has been a decrease in the CPI. If the CPI is no longer published at any point during the term of this MOU, a comparable index shall be selected by the parties.

In the event that State library revenues decrease significantly, the City reserves the right to revisit and/or renegotiate this MOU upon the request of EDA, at the sole discretion of the City.

#### **SECTION 5: MUSEUM SCOPE OF WORK**

**5.1** Using contract staff provided by LSSI, the EDA will provide 40 hours per week of management services to the "City" for the purpose of operating the La Quinta Museum. The Museum Manager shall have a BS in Museum Management or closely related field (History, Humanities) and will be an individual with expertise in the following areas:

- a) Local history
- b) Cultural programming
- c) Facilities management
- d) Personnel management
- e) Budgeting
- f) Community Relations
- g) Outreach and volunteers coordination
- h) Customer Services

- i) Working with numerous outside organizations

**5.2** During the period of management the Museum Manager will perform the following tasks:

- a) Onsite management of the daily operations of the Museum 40 hours per week
- b) Hire and manage the Museum staff
- c) Direct special projects, including the installation of special exhibits
- d) Stewardship of the assets of the Museum and museum collections
- e) Represent the Museum to the public, press, local government, local history groups, and other organizations and individuals
- f) Manage the work of museum volunteers
- g) Publicize and promote museum activities, programs and exhibits
- h) Advise the City on matters pertaining to the operation of the Museum
- i) Other tasks associated with the operation of the Museum as required by the City

**5.3** The Museum Manager provided by LSSI shall report to the City's Director of Community Services. The Museum Manager shall meet and coordinate with the Director of Community Services on an as needed basis. While the day-to-day operations of the Museum shall be carried out by the Museum Manager, the

overall management of the Museum shall be under the direction of the Director of Community Services.

#### **SECTION 6: MUSEUM EXPENSES**

**6.1** The parties acknowledge and agree that monies from the City Library Fund established pursuant to this Memorandum of Understanding ("MOU") by and between the City and the County will be used for all Museum operating expenses, including the payment of the fee outlined in Section 7, below.

**6.2** The museum Manager will work with the Community Services Director to prepare an annual operating budget and maintain expenses within the budget.

**6.3** Any sales from the museum store and admissions will be deposited into the City's Museum revenue accounts and will be the sole property of the City. All expenses for inventory of the store will be included within the approved operating budget. All pricing for museum store items will be approved by the Director of Community Services.

#### **SECTION 7: MUSEUM FEE SCHEDULE**

The total cost of management of the Museum will be approximately \$175,000 annually. This amount will be billed to the City by the EDA for the period of service under this proposal. This cost assumes all staff and expenses for the museum operation. The City will be responsible for landscape maintenance, custodial services, replacement or maintenance of lighting, utilities, and repair or replacement relating to the museum.

#### **SECTION 8: REPORTS/MEETINGS**

EDA shall provide City staff quarterly reports appropriate for City Council review. The reports shall be comprehensive and include a status on important library and museum matters such as MOU payment schedule, all related expenditures, collections, programs,



service levels, and other matters of interest. Quarterly reports shall be due on or about the following dates: September 15, December 15, March 15, and June 15 of each fiscal year of this MOU. In addition, the County Librarian or his/her designee shall attend quarterly meetings at a mutually agreed upon time with City Hall to review submitted reports before City staff forwards such reports to City Council.

#### **SECTION 9: CITY LIBRARY COMMITTEE**

In order to enhance City input on library matters, the City may create a City Library Committee ("Committee"). The purpose of the Committee shall be to review library operations and make recommendations on library operations including, but not limited to, collection purchases, equipment purchases, hours of operation, and other library matters deemed appropriate for review by the Committee. The meeting locations and times shall be set by the Committee and agreed to by all parties. EDA and City will consider input from this Committee to determine appropriate levels of library service.

#### **SECTION 10: CITY WITHDRAWAL FROM COUNTY LIBRARY SYSTEM; STATUS OF LIBRARY COLLECTION, FURNISHINGS, FURNITURE, ETC.**

10.1 All items purchased with La Quinta Revenues shall be the sole property of the City of La Quinta. In addition, if the City decides at a future date to withdraw from the County Library System, the City shall be granted the ownership of the then existing collection, equipment, furniture, or furnishings or for any collection materials, equipment, furniture or furnishing purchased prior to or during the term of this MOU for use at the La Quinta Branch Library.

In negotiations, City and EDA have agreed that in recognition of the City of La Quinta's contributions to the County Library System, over the past years, City will be given full credit for the value of the library collection and equipment and will

be granted ownership of the then existing collection and equipment without additional payment.

**10.2** To ensure seamless access to the City's library collection by Riverside County Library System patrons, if the City withdraws from the County Library System at the expiration of this MOU, the City will strongly consider options to link its automated collection management system with County's either (i) by contracting with EDA for operation of the City's system, or (ii) by the City paying all costs to establish a fully interactive link between the City's automated system and EDA's; and

**10.3** If the City withdraws from the County Library System at the expiration of this MOU, the City would endeavor to become a member of the Inland Library System preserving its citizens' access to holdings in other public libraries in the Inland area (and vice versa).

#### **SECTION 11: DEFAULT OF COUNTY.**

**11.1** EDA's failure to comply with the provisions of this Agreement shall constitute a default. In the event that EDA is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating EDA for any work performed after the date of default and can terminate this Agreement immediately by written notice to EDA. If such failure by EDA to make progress in the performance of work hereunder arises out of causes beyond EDA's control, and without fault or negligence of EDA, it shall not be considered a default.

**11.2** If the City Manager or his delegate determines that EDA is in default in the performance of any of the terms or conditions of this Agreement, it shall serve EDA with written notice of the default. EDA shall have (10) business days after service upon it of said notice in which to cure the default by rendering a

satisfactory performance. In the event that EDA fails to cure its default within such period of time, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

**SECTION 12: INDEMNIFICATION AND HOLD HARMLESS.**

**12.1** Indemnification by City. City shall indemnify and hold County of Riverside, EDA, LSSI, their officers, agents, employees and independent contractors free and harmless from any claim or liability whatsoever, based or asserted upon any act or omission of City, its officers, agents, employees, volunteers subcontractors, or independent contractors, for property damage, bodily injury or death, or any other element of damage of any kind or nature arising out of the performance of this Agreement, and City shall defend at its expense, including attorney fees, County of Riverside, EDA, LSSI, their officers, agents, and employees and independent contractors in any legal action or claim of any kind based upon such alleged acts or omissions.

**12.2** Indemnification by County of Riverside, EDA. County of Riverside, EDA shall indemnify and hold City, its officers, agents, employees and independent contractors free and harmless from any claim or liability whatsoever, based or asserted upon any act or omission of County of Riverside, EDA, LSSI, their officers, agents, employees, volunteers, subcontractors, or independent contractors, for property damage, bodily injury or death, or any other element of damage of any kind or nature arising out of the performance of this Agreement, and EDA shall defend at its expense, including attorney fees, City, its officers, agents, employees

and independent contractors in any legal action or claim of any kind based upon such alleged acts or omissions.

**SECTION 13: INSURANCE.**

Both EDA and City maintain programs of self-insurance. In the event either party shall cease such program, then that party shall be required to procure insurance which would be typical for its obligations under this MOU.

**SECTION 14: NOTICES.**

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, that provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by Notice. Notice shall be effective upon delivery to the addresses specified below or on the third business day following deposit with the document delivery service or United States Mail as provided above.

To City: City of La Quinta  
Mailing Address:  
P.O. Box 1504  
La Quinta, California 92247-1504

78-495 Calle Tampico  
La Quinta, California 92253  
Attn: Community Services Director

To County: County of Riverside  
3403 10<sup>th</sup> Street, Suite 500  
Riverside, California 92501  
Attn: Cultural Services Manager

## **SECTION 15: COMPLETE AGREEMENT**

Notwithstanding the foregoing, it is intended that this MOU sets forth the full and entire understanding of the parties regarding the matters set forth herein.

Any agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall not be binding upon the parties hereto unless made and executed in writing by all parties hereto, and if required, approved and implemented by the La Quinta City Council and the County Board of Supervisors.

The waiver of any breach, term or condition of this MOU by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

The MOU is hereby executed and/or ratified by and between the following authorized representatives of the City and County.

IN WITNESS WHEREOF, County and City have executed this MOU on the date(s)

written below:

Date: 6/3/10

Date: \_\_\_\_\_

By: Thomas P. Genovese  
Thomas P. Genovese, City Manager  
City of La Quinta

By: \_\_\_\_\_  
Marion Ashley, Chairman  
Riverside County Board of Supervisors

ATTEST:

By: Veronica J. Montecino  
Veronica J. Montecino, CMC  
City Clerk

ATTEST:

By: \_\_\_\_\_  
Clerk of the Board

APPROVED AS TO FORM

By: M. Katherine Jensen  
M. Katherine Jensen, City Attorney

APPROVED AS TO FORM AND CONTENT:

By: Alfred J. ...  
County Counsel

LIBRARY SYSTEMS AND SERVICES, LLC

By: \_\_\_\_\_  
Mark Smith, Library Administrator

**EXHIBIT A**

**Example of Funding Source and Formula**

City of La Quinta Library Revenues  
Fiscal Year 2009-2010

	<u>Property Tax</u>	<u>Revenue</u>
Estimated Tax	Estimated Tax after ERAF shift to State	
\$ 735,297.75	\$ 387,112.52	\$ 387,112.52
	<u>Redevelopment</u>	
Project 1		
Pass through	\$ 1,312,603.35	\$ 1,312,603.35
Project 2		
Pass through	\$ 719,837.69	\$ 719,837.69
	<u>State Public Library Foundation Funds</u>	
\$ 1.354189 per capita x Population (43,778)		<u>\$ 59,283.69</u>
Total Library Revenue		<u>\$ 1,179,360.24</u>

**Formula:**

Total Library Revenue x 100% = Amount to be spent within La Quinta on City Library Services or Deposited in City Library Fund