



STAFF REPORT

June 26, 2024

File Number 0600-10; A-3516

SUBJECT

APPROVAL OF AGREEMENT WITH LIBRARY SYSTEMS & SERVICES LLC. TO OPERATE THE ESCONDIDO PUBLIC LIBRARY THROUGH JUNE 30, 2026 AND TERMINATION OF EXISTING PROFESSIONAL SERVICES AGREEMENT

DEPARTMENT

Community Services Department

RECOMMENDATION

Request the City Council (1) adopt Resolution No. 2024-87 terminating the existing Professional Services Agreement ("PSA") with Library Systems and Services ("LS&S") for the operation of the Escondido Public Library effective June 30, 2024; and (2) adopt Resolution No. 2024-85 authorizing the Mayor to execute a new Professional Services Agreement ("Agreement") with LS&S effective July 1, 2024 through June 30, 2026.

Staff Recommendation: Approval (Community Services: Jennifer Schoeneck, Director of Economic Development)

Presenter: Robert Rhoades, Assistant Director of Community Services

ESSENTIAL SERVICE – No

COUNCIL PRIORITY – Eliminate Structural Deficit

FISCAL ANALYSIS

Given significant fiscal constraints to the City of Escondido's ("City") General Fund, the City is unable to appropriate funds to meet the financial obligations to LS&S under the existing PSA with LS&S through the end of its term in 2027. The PSA allows for a termination of that contract upon a failure to appropriate funding in a fiscal year.

With the approval of this new Agreement, the City will use available American Rescue Plan Act ("ARPA") funding to sustain library operations for two fiscal years. This eliminates more than \$3 million annually from the General Fund thereby reducing the estimated \$10 million structural budget deficit for the next two fiscal years.



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PREVIOUS ACTION

On August 23, 2017, the City Council authorized the City Manager and City Attorney to negotiate an agreement with LS&S to provide day-to-day operational services at the Escondido Public Library.

On October 18, 2017, the City Council approved Resolution No. 2017-139 which authorized the mayor, on behalf of the City of Escondido, to execute the PSA with LS&S to provide for the daily operation of the Escondido Public Library. The PSA is set to expire on June 30, 2027.

On January 31, 2024, the City Council approved a change in the approach of expending ARPA funding to operate the Escondido Public Library for two fiscal years ending June 30, 2026. The City Council directed staff to allocate ARPA funds to continue library operations with LS&S to provide continuing services to the residents of this City, a service which would have to be eliminated without the use of these federal funds.

BACKGROUND

The City and LS&S entered into a long-term agreement to provide for the management of the Escondido Public Library's day-to-day operations, which will expire on June 30, 2027. Over the previous seven years of the agreement, LS&S has maintained community programming and offered ongoing opportunities to address community issues such as unemployment, educational needs, and improving literacy.

As the City faces a multi-million-dollar structural budget deficit, the Escondido City Council has identified essential services and priorities to guide staff when making operational decisions.

Essential Services

- Police Services
- Fire/EMS Services
- Keep City Clean for Public Health and Safety
- Land Use/Development
- Clean Water; Sewer
- Public Works/Infrastructure
- Maintenance of Parks facilities/Open Spaces

Council Priorities

- Eliminate Structural Deficit
- Improve Public Safety
- Increase Retention and Attraction of People and Businesses to Escondido



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- Encourage Housing Development

In reviewing these essential services and priorities, on January 31, 2024, staff recommended to City Council a revised proposal for the distribution of ARPA funding for various projects and service areas. It was proposed to use \$6,157,990 from ARPA to fund the LS&S management services for the next two fiscal years thereby reducing the impact to the General Fund of this expenditure. Without this new allocation, funding for continued library management services was difficult to identify.

Once the existing PSA with LS&S is terminated by adoption of Resolution No. 2024-87, and the City Council adopts Resolution No. 2024-85 authorizing the mayor to execute the Agreement, LS&S's services for the City will remain substantively unchanged. LS&S will continue to manage the day-to-day operations of the Escondido Public Library under the guidance of the Library Board of Trustees and the City Staff Liaison.

This Agreement is only for two fiscal years ending on June 30, 2026 and at that time, the City Council will again need to identify new funding sources to continue library operations and services.

RESOLUTIONS

- a. Resolution 2024-85
- b. Resolution 2024-85- Exhibit "A"- Public Service Agreement- LS&S
- c. Resolution No. 2024-87