



**TO:** Mayor and Councilmembers

**SUBMITTED BY:** JoAnne Plummer, Neighborhood Services Director

**SUBJECT:** Library Management Services Agreements for the Cities of Buellton and Solvang

**RECOMMENDATION:**

- A. Approve a lease agreement for the provision of library management services to the City of Buellton; and,
- B. Approve an agreement for the provision of library management services to the City of Solvang.

**BACKGROUND:**

The City of Goleta has provided library management services since July 1, 2019, to the Cities of Buellton and Solvang. This service is reflective of the City's agreement with the County of Santa Barbara for Goleta to provide library services to Santa Barbara County Library Zone 4 (Zone 4). The agreement states, "Goleta shall furnish library services to all persons inhabiting Zone 4, including the Cities of Goleta, Solvang, and Buellton, and the unincorporated areas of the communities of the Eastern Goleta Valley, Community Service Area 3 (CSA 3), Isla Vista, Gaviota, Hope Ranch, Los Olivos and Santa Ynez.

In 2019, Council approved an amendment to the City's Municipal Code Chapter 2.13 to formally designate the City Council as the Library Board of Trustees and a new Chapter was also adopted in the Goleta Municipal Code (Ch. 2.14), which established a Library Advisory Commission (Commission). The Commission continues to be active and serves in an advisory capacity to the Library Board of Trustees.

**DISCUSSION:**

Staff have been working with the City Managers of the Cities of Buellton and Solvang to coordinate details of the library management services agreements. Each agreement is customized to the specific service needs of each city, and the agreement terms are proposed to be concurrent with the term of the Countywide Library Services Agreement, which is an annual document that aligns with the fiscal year. Therefore, the agreements

will commence once signed and are set to expire on June 30, 2026, with an option for both parties to mutually extend the respective agreements for five successive one-year terms.

#### Agreement with City of Buellton

The agreement with the City of Buellton is included as Attachment 1 to this report. Recognizing that the City of Buellton owns its library building, the agreement has been crafted to dually serve as a lease and library management services agreement. Buellton will lease the building to Goleta for an annual rental rate of one dollar (\$1).

Services to be provided by Goleta to Buellton are detailed in Exhibit A of the agreement (Statement of Work), and consist of general library management services including administration, management and operation of the library services, provision of personnel and other resources, tools, programs and services, including lending books and other materials, cataloguing the library's collection, and other related activities consistent with the operation of a free public library. In addition, the City of Goleta will also have the ability to apply for, administer, and implement any grant opportunities for the benefit of Buellton.

The City of Buellton will be providing custodial services at the library facility, in addition to managing the building's utilities accounts including water, sewer, refuse, electricity and gas.

#### Agreement with City of Solvang

The agreement with the City of Solvang is included as Attachment 2. Services to be provided to Solvang by Goleta are detailed in Exhibit A and consist of the same general library management services as will be performed by Goleta for the City of Buellton, with the exception of custodial services. The City of Buellton will provide custodial services at their facility, the City of Goleta will be providing custodial services for the Solvang library facility, which is a County-owned building. Costs for the Goleta-provided custodial services are included in Solvang's proposed operating budget for Fiscal Year 2025/2026 (FY 25/26). Staff will pursue a small-amount contract with a custodial vendor for the services needed.

#### Level of Service and Staffing

The Statement of Work in Exhibit A of both agreements describes the baseline level of service and staffing levels to be provided by Goleta to the branches. Services are assumed to continue at status-quo levels; however, a process is outlined in the agreements for any requests from the Cities of Buellton and Solvang for enhanced levels of regular library-related services such as additional staffing, hours of operation, one-time or periodic services. Any such requests would need to be budgeted for, and the applicable management fee would be applied by Goleta to Solvang and/or Buellton.

#### Proposed Operating Budgets for Fiscal Year 2025/2026

The budgets for Library Services for both Buellton and Solvang, have been developed based on current operations and are include in the proposed Two-Year Budget Plan.

### *Fund Balance*

The previous contracted amounts had years in which projected expenses were less than budgeted and other years in which the costs exceeded the allocation. This has resulted in both agencies currently maintaining a fund balance. Working with Goleta's Finance Department and the Cities of Buellton and Solvang, the intent of the fund balance is to continue to deposit any unspent allocation into the respective fund balance to build towards a six-month reserve. This reserve will be utilized for budget shortfalls, special projects or needs of the respective library and/or to continue library operations for the contracted six months following termination.

Staff will report the year-end fund balance to each jurisdiction annually, following the first quarter of the following fiscal year. Any use of the reserve, apart from budget shortfalls, will be with the written approval of the jurisdiction's City Manager.

### **FISCAL IMPACTS:**

There are no fiscal impacts associated with this item. The City's costs to manage the Buellton and Solvang Libraries will be recouped using the full cost recovery approach.

The cost model details schedule are found in Exhibit C in both Attachment 1 and 2. Funding provided by the jurisdictions that exceed expenditures will be placed into their reserve fund (fund balance), as mentioned previously.

Buellton and Solvang Libraries are funded by their respective cities' general fund, County per capita funding, library-generated revenues, and donations. In FY 25/26, the City of Buellton will be invoiced \$ 288,961.64 as part of their city contribution, and the City of Solvang will be invoiced \$ 284,855.00 for their city contribution. The budgets for both libraries are found in Exhibit D (Attachment 1 and 2).

### **ALTERNATIVES:**

The City Council could choose not to approve the draft agreements in their current form. However, not approving these agreements would still require Goleta to continue to provide services for the next six months, per the current contract, to both Buellton and Solvang for Library operations. In addition, should the contracts not be approved, the funding requested from Buellton and Solvang will be modified to reflect a reduced service model.

**LEGAL REVIEW BY:** Isaac Rosen, City Attorney

**APPROVED BY:** Robert Nisbet, City Manager

### **ATTACHMENTS:**

1. Lease Agreement for the Provision of Library Management Services Between the City of Buellton and the City of Goleta at the Buellton Library
2. Agreement for the Provision of Library Management Services Between the City of Solvang and the City of Goleta at the Solvang Library

## **ATTACHMENT 1**

Lease Agreement for the Provision of Library Management Services between the City of  
Buellton and the City of Goleta at the Buellton Library

**Project Name: Library Management Services Agreement (City of Buellton)**

**LEASE AGREEMENT FOR THE PROVISION OF LIBRARY MANAGEMENT SERVICES BETWEEN THE CITY OF BUELLTON AND THE CITY OF GOLETA AT THE BUELLTON LIBRARY**

This AGREEMENT ("AGREEMENT") for the Provision of Library Management Services at the BUELLTON LIBRARY (hereinafter referred to as "LIBRARY") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, by and between CITY OF BUELLTON, a municipal corporation, (hereinafter referred to as "BUELLTON") and the CITY OF GOLETA, a municipal corporation (hereinafter referred to as "GOLETA") (collectively referred to herein as the "PARTIES").

A. Goleta is a party that certain agreement entitled Agreement for Operation of a County-Wide Library System dated February 18, 2025, ("COUNTY AGREEMENT") pursuant to which the County of Santa Barbara ("COUNTY") has compelled Goleta, as a condition of receiving library funding, to manage BUELLTON's library commencing July 1, 2025, the effective date of BUELLTON'S placement into Library Zone 4.

B. Pursuant to this contract, GOLETA will administer, manage, and operate the LIBRARY, and for that purpose will provide personnel and other resources, tools, programs and services including lending books and other materials, cataloging the LIBRARY's collection, and other related activities consistent with the operation of a free public library.

**NOW, THEREFORE**, in consideration of the foregoing and the promises herein contained, the PARTIES hereby agree as follows:

**1. SCOPE OF SERVICES**

Subject to the terms and conditions set forth herein, GOLETA agrees to operate and manage the BUELLTON LIBRARY ("LIBRARY") in accordance with the terms of this AGREEMENT and in conformance with GOLETA'S standard policies, procedures and standards for library operation. Operation and management of the LIBRARY shall include, but shall not be limited to, the lending of books and other materials, the cataloging of the LIBRARY's collection, and the provision of personnel, resources, tools, programs and services consistent with the operation of a free public library. GOLETA agrees to operate the LIBRARY by providing free library services to the patrons of the LIBRARY. All of the collection materials in the LIBRARY, including those belonging to BUELLTON, shall be equally available to all of the inhabitants within the Black Gold Cooperative Library System (hereinafter referred to as "Black Gold"). A detailed Statement of Work is attached as Exhibit "A" to this AGREEMENT and incorporated herein by reference.

GOLETA'S performance under this AGREEMENT is contingent upon the continued existence of the COUNTY AGREEMENT and funding thereunder and this AGREEMENT shall be subject to termination as provided in Section 9 herein should the COUNTY AGREEMENT expire, be terminated or be modified in a manner as to materially affect, as determined by GOLETA'S City Council in its sole discretion, GOLETA'S obligations, commitments or costs or as to reduce the COUNTY'S funding obligations to GOLETA.

## **2. FUNDING AND PAYMENT**

Funding for the operation of the LIBRARY shall be provided by BUELLTON to GOLETA by way of the annual collection of a library management fee as calculated and collected by GOLETA, and as agreed upon annually by the PARTIES. BUELLTON shall compensate GOLETA for the provision of LIBRARY management services to BUELLTON, as detailed in Exhibit "B" (Payment Methodology) attached hereto and incorporated herein by reference. A management fee amount shall be determined annually by GOLETA, and its calculation shall be based on the cost model detailed in Exhibit "C" attached hereto and incorporated herein by reference. The estimated fee amount for the first year of services (July 1, 2025 - June 30, 2026) is detailed in Exhibit "D" (Proposed Operating Budget) attached hereto and incorporated herein by reference.

## **3. PREMISES**

BUELLTON agrees to lease to Goleta, on the terms and conditions, hereinafter set forth, and in its "as is condition", those premises as follows for the purpose of operating the library:

That portion of that certain real property located at 202 Dairyland Road, Buellton, CA 93427 as more particularly described on Exhibit E, legal description, E-1 site plan and but limited to that area depicted as "library" on exhibit E-2, site plan, attached herewith and incorporated herein by this reference.

Pursuant to section 7 of the county agreement, GOLETA shall occupy and have exclusive use of the premises for the administration, management, and operation of said library as provided herein for the term of this agreement and any extensions thereof.

GOLETA shall pay to BUELLTON an annual lease rental rate of one dollar (\$1.00).

Title to the library improvements shall remain in BUELLTON during the term and shall remain in BUELLTON upon the expiration or termination of this agreement.

BUELLTON shall pay and discharge all taxes and assessments, including special assessments, if any, levied upon the premises.

If the premises are totally destroyed by fire or other casualty, this agreement shall terminate. If a casualty renders ten percent or less of the floor space of the premises unusable for the purpose intended, Buellton shall promptly repair the premises, but in any event within 60 days of the casualty, or GOLETA may terminate this agreement by written notice to BUELLTON.

If a casualty renders more than ten percent of floor space of the premises unusable, GOLETA may choose to remain and BUELLTON shall promptly repair the premises within 90 days of the casualty, or GOLETA may terminate this agreement by written notice to BUELLTON, within 10 days of the casualty. If the casualty renders twenty percent or more of the floor space unusable, this agreement may be terminated at the option of GOLETA or BUELLTON.

Except as provided herein, BUELLTON shall not make any structural alterations to the library without providing at least sixty (60) days prior written notice to GOLETA. To the extent feasible, BUELLTON shall make such alterations only at such time as does not conflict with GOLETA's operation of the library. BUELLTON may perform such structural alterations without sixty (60) days prior written notice to GOLETA if, in BUELLTON's sole discretion, such alterations are immediately necessary to protect public health or safety, to protect the contents of the library, or to remedy an emergency. BUELLTON shall endeavor to afford GOLETA advance notice of structural alterations performed in such circumstances.

GOLETA shall not be obligated to nor shall it make any structural alteration to the library without the express written consent of BUELLTON. For purposes of this provision, a "structural alteration" shall be any modification that results in a change in the structural integrity of the library, or change in the location, design, area or size of any wall, window or door. A "structural alteration" also shall include any modification that alters the gross cubic area of the library and any substantive modification to finish materials.

#### **4. TERM**

The term of this AGREEMENT shall be concurrent with the term of the COUNTY AGREEMENT and shall, only for the first year, commence upon the execution of this AGREEMENT by the PARTIES and end on June 30, 2026. THE PARTIES may mutually elect to extend this Agreement for five successive one (1) year terms subject to the approval of the GOLETA City Council. BUELLTON shall notify GOLETA of such election in writing no less than 180 calendar days prior to the termination date of this AGREEMENT. Within sixty (60) days after receipt of such notice from BUELLTON, GOLETA shall provide written notice of acceptance or rejection of such extension.

If this AGREEMENT is not extended or renewed, or if GOLETA fails to respond to BUELLTON 's request for extension as provided in the preceding paragraph, and BUELLTON has no other arrangement for the administration and

operation of the LIBRARY, all terms and conditions of this AGREEMENT shall remain in full force and effect for a period not to exceed six (6) months after the end of the term of this AGREEMENT.

## **5. LIBRARY MATERIALS COLLECTION, FURNISHINGS AND EQUIPMENT**

### **A. Library Materials.**

All digital media and physical books, periodicals, audio/video materials, and other Library resources and tools (collectively known as "Materials") contained in the LIBRARY on the beginning date of this Agreement, are the property of BUELLTON. In addition, all Materials contained in the LIBRARY at the termination or expiration of this AGREEMENT are and shall remain the property of BUELLTON. As part of its operational responsibilities as set forth herein, GOLETA shall have the discretion and responsibility for selecting and purchasing all Materials for the LIBRARY's collection on behalf of BUELLTON, utilizing the funding described herein and donations specifically designated for collection materials. GOLETA shall also have the discretion to de-select and re-assign materials to best meet the needs of the community.

Some donated and previously purchased Materials, but which are no longer in circulation, may be sold or disposed of by GOLETA as appropriate. All funds received for the sale or disposal of any such materials shall benefit the LIBRARY and be used solely for LIBRARY purposes.

### **B. Furnishings and Equipment.**

All furnishings and equipment contained in and designated for use solely in the LIBRARY, including but not limited to book shelves, desks, tables, chairs, study carrels, RFID equipment and software, telecommunication and computer equipment and systems, office machines, and appliances, are and shall continue to be the property of BUELLTON. Any future additions to the LIBRARY's furnishings and equipment purchased with funds provided for or by BUELLTON, including reserve funds, shall be the property of BUELLTON. In the event that any furnishings, equipment or supplies are purchased for use in the LIBRARY by another entity, such furnishings, equipment or supplies shall be deemed the property of BUELLTON. This provision shall apply to all security system equipment and upgrades purchased by GOLETA for the LIBRARY, including self-check machines, new security gates, and any other equipment purchased for the purpose of facilitating the LIBRARY's RFID based security system.

## **6. MAINTENANCE OF RECORDS**

GOLETA shall keep reasonably itemized and detailed records and reports pertaining to the management of the LIBRARY as required by law or grants in accordance with generally accepted accounting principles. and shall be available to BUELLTON for inspection after reasonable prior notice to GOLETA. Records

shall be retained in accordance with GOLETA'S record retention schedule and shall be conveyed to BUELLTON upon expiration or termination of this AGREEMENT.

## **7. FRIENDS OF THE LIBRARY**

A. THE PARTIES recognize the important role a Friends of the Library ("Friends") organization plays in assisting the LIBRARY in its provision of quality service to the community. THE PARTIES recognize that the funds raised and provided by the Friends are important to the ongoing operation of the LIBRARY and as such, serve a public purpose. Any incidental public support provided to the Friends through this AGREEMENT is an appropriate expense in support of this public purpose.

B. Unless otherwise specifically stated or designated by the donor, all donations made to or at the LIBRARY shall be deemed to be made to the LIBRARY.

## **8. EMERGENCY**

In the event of a catastrophic, unplanned and/or reasonably unforeseeable event or emergency which (a) results in the closure or inability of the library to open for more than one week, (b) results in a significant loss of library materials, and/or (c) which significantly impairs the ability of the LIBRARY to maintain the current level of library service, THE PARTIES shall meet as soon as possible to determine and mutually agree upon how and in what manner to proceed with LIBRARY operations.

## **9. TERMINATION**

A. Without Cause.

At any time during the term of this AGREEMENT or any extension thereof, either of the PARTIES to this AGREEMENT may, on six (6) months' prior written notice to the other party, terminate this AGREEMENT without cause.

Notwithstanding the foregoing, GOLETA may terminate this AGREEMENT should the COUNTY AGREEMENT expire, be terminated, notice of termination be given by the COUNTY or be modified in a manner as to materially affect, as determined by GOLETA'S City Council in its sole discretion, GOLETA'S obligations, commitments or costs or as to reduce the COUNTY'S funding obligations to GOLETA. Termination in that circumstance shall be effective immediately upon written notice to BUELLTON or at some other time specified in the notice.

B. For Default.

Default by GOLETA:

Except as otherwise set forth in other provisions of this AGREEMENT, this AGREEMENT shall not be subject to termination for any default of GOLETA, but BUELLTON may enforce the AGREEMENT or any provision therein as otherwise allowed by law. If GOLETA fails to cure a default that BUELLTON is permitted to cure, then BUELLTON may in its sole discretion perform such cure. In the event that BUELLTON elects to cure the default, GOLETA shall reimburse BUELLTON for all costs incurred by BUELLTON in performing the cure, as well as for all damages proximately caused to BUELLTON because of the default.

BUELLTON shall have such other rights or remedies as may be provided by law or equity. The use of each such right and remedy shall be cumulative, and shall not preclude BUELLTON from pursuing other rights and remedies that may exist now or in the future.

Default by BUELLTON

Except as otherwise set forth in other provisions of this AGREEMENT, this AGREEMENT shall not be subject to termination for any default of BUELLTON, but GOLETA may enforce the AGREEMENT or any provision therein as otherwise allowed by law. If BUELLTON does not cure a default that GOLETA is permitted to cure, then GOLETA may in its sole discretion perform such cure. In the event that GOLETA elects to cure the default, BUELLTON shall reimburse GOLETA for all costs incurred by GOLETA in performing the cure, as well as for all damages proximately caused to GOLETA because of the default.

GOLETA shall have such other rights or remedies as may be provided by law or equity. The use of each such right and remedy shall be cumulative, and shall not preclude GOLETA from pursuing other rights and remedies that may exist now or in the future.

**10. ASSIGNMENT**

GOLETA shall not assign this AGREEMENT or any part thereof or any monies payable hereunder without the prior written consent of BUELLTON. Any attempt to assign without such written consent shall be void.

**11. INSURANCE**

GOLETA is insured through its membership in the California Joint Powers Insurance Authority ("CJPIA"). The CJPIA Memorandum of Coverage includes coverages that satisfy the following requirements:

A. GENERAL AND AUTOMOBILE LIABILITY INSURANCE: The general liability insurance shall include personal injury liability coverage, shall afford

coverage for all operations of GOLETA at the LIBRARY, and shall include contractual liability for the AGREEMENT between BUELLTON and GOLETA. The automobile liability insurance shall cover all owned, non-owned and hired motor vehicles which are operated on behalf of GOLETA pursuant to GOLETA's activities hereunder. BUELLTON and its officers, employees and agents shall be named as "Additional Insured" on any policy. The limit of liability of said policy or policies for general and automobile liability insurance shall not be less than \$5,000,000 per occurrence combined single limit for bodily injury and property damage. Personal injury coverage should also be in the amount of not less than \$1,000,000 per occurrence and aggregate. Said policy or policies shall contain a provision that such insurance as is afforded by this policy shall be primary and contributory to the full limits stated in the declarations, and if THE PARTIES have other valid and collectible insurance for a loss covered by this policy, that other insurance shall be excess only.

B. WORKERS' COMPENSATION INSURANCE: Statutory Workers' Compensation and Employer's Liability Insurance shall cover all GOLETA staff while performing any work incidental to the performance of this AGREEMENT. The policy shall provide that no cancellation, major change in coverage, or expiration shall be effective or occur until at least thirty (30) calendar days after receipt of such notice by BUELLTON.

During the term of this AGREEMENT, BUELLTON shall maintain All-Risk Property Insurance covering the contents of the LIBRARY and against loss or damage by fire, lightning, vandalism, malicious mischief and such perils ordinarily defined as "extended coverage." Such insurance shall be in an amount not less than the full insurable replacement value of the LIBRARY.

## **12. INDEMNITY**

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the parties pursuant to Government Code Section 895.6, the parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead all parties agree that pursuant to Government Code Section 895.4, GOLETA shall fully defend, indemnify and hold BUELLTON, its officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of the acts or omissions of GOLETA, its officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this Agreement and BUELLTON shall fully defend, indemnify and hold GOLETA, its officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of the acts or omissions of BUELLTON. No party, nor any officer, board member, employee or agent thereof shall be responsible for any damage, claim, expense, cost, or liability occurring by reason of the acts or omissions of other parties hereto, their

officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such other parties under this AGREEMENT. The indemnity provided by each party pursuant to this Section shall survive the expiration or termination of this AGREEMENT.

### **13. DESIGNATED REPRESENTATIVE**

JoAnne Plummer, Director of Neighborhood Services, is the representative of GOLETA and will administer this AGREEMENT for and on behalf of GOLETA. Scott Wolfe, Buellton City Manager, is the representative for BUELLTON and will administer this AGREEMENT on behalf of BUELLTON. Changes in designated representatives shall be made only after advance written notice to the other party.

### **14. INDEPENDENT CONTRACTOR**

The PARTIES, in the performance of this Agreement, will be acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of one another. The parties intend that an independent contractor relationship will be created by this AGREEMENT. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

### **15. ENTIRE AGREEMENT AND AMENDMENT**

In conjunction with the matters considered herein, this AGREEMENT contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This AGREEMENT may be altered, amended or modified only by an instrument in writing, executed by the parties to this AGREEMENT and by no other means. Each party waives their future right to claim, contest or assert that this AGREEMENT was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

### **16. COMPLIANCE WITH LAW**

CITY shall, at its sole cost and expense, comply with all county, state and federal ordinances and statutes now in force or which may hereafter be in force with regard to this AGREEMENT.

### **17. CALIFORNIA LAW**

This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County

of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

## **18. HAZARDOUS MATERIALS**

### **A. Warranties and Representations**

BUELLTON warrants that hazardous substances have not been released upon the LIBRARY property; that BUELLTON has no knowledge of any release of hazardous substances on the LIBRARY property; that it has no knowledge or reason to believe that there are hazardous substances on the LIBRARY property; and that it shall comply with all law concerning the use, release, storage and disposal of hazardous substances.

### **B. Notice**

Each party shall immediately notify the other upon discovery that hazardous substances have been released on the LIBRARY property.

### **C. Indemnity**

#### **1. BUELLTON's *Obligation*.**

BUELLTON shall indemnify, defend and hold harmless GOLETA, its agents, officers and employees from and against any and all liability, expenses (including defense costs and legal fees), and claims for damages of any nature whatsoever (including, but not limited to, bodily injury, death or property damage) arising from or connected with the presence of hazardous substances on the LIBRARY property, excepting only liability for hazardous substances placed on the LIBRARY property by GOLETA.

#### **2. GOLETA's *Obligation*.**

GOLETA shall indemnify, defend and hold harmless BUELLTON, its agents, officers and employees from and against any and all liability, expenses (including defense costs and legal fees), and claims for damages of any nature whatsoever (including, but not limited to, bodily injury, death or property damage) arising from or connected with the introduction of hazardous substances onto the LIBRARY property by GOLETA.

#### **3. *Survival of Obligation*.**

The indemnity provided by each party pursuant to this Section shall survive the expiration or termination of this AGREEMENT.

D. Indoor Air Pollution Notification

Each party shall immediately notify the other upon discovery of any indoor air pollution problem at the LIBRARY. BUELLTON shall correct any such problem at its sole expense.

**19. NON-DISCRIMINATION**

GOLETA shall not in the management, operation, rental, use, or maintenance of the premises discriminate against any person or group based on race, religion, color, medical condition, sex, sexual orientation or gender identity, national origin, or political affiliation.

**18. MEDIATION**

If any dispute, controversy or claim arises under this AGREEMENT, the parties shall negotiate in good faith to settle the matter. If the parties are unable to resolve the matter within a reasonable time, the parties shall submit the matter to mediation by a trained mediator approved by both parties, the cost of which shall be shared equally by the parties. The place of mediation shall be Santa Barbara, California. Nothing in this Section shall preclude any party from seeking injunctive relief or other equitable remedies (whether prior to or during such mediation) if necessary to protect the interests of such party.

**19. NOTICES**

Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail, postage prepaid, and addressed as follows:

TO GOLETA:	Attention: Robert Nisbet, City Manager City of Goleta 130 Cremona Drive, Suite B Goleta, CA 93117
------------	--

TO BUELLTON:	Attention: Scott Wolfe, City Manager 107 West Highway 246 P.O. Box 1819 Buellton, CA 93427
--------------	---

**20. COUNTERPARTS AND ELECTRONIC/FACSIMILE SIGNATURES**

This Agreement may be executed in several counterparts, which may be facsimile or electronic copies. Each counterpart is fully effective as an original, and together constitutes one and the same instrument.

**21. AUTHORITY**

Each of the PARTIES represents and warrants that its City Council approved this AGREEMENT and authorized its respective City Manager to execute the same.

**In concurrence and witness whereof**, this AGREEMENT has been executed by the PARTIES effective on the date and year first above written.

**CITY OF GOLETA**

**CITY OF BUELLTON**

\_\_\_\_\_  
Robert Nisbet, City Manager

\_\_\_\_\_  
Scott Wolfe, City Manager

**ATTEST**

**ATTEST**

\_\_\_\_\_  
Deborah Lopez, City Clerk

\_\_\_\_\_  
Linda Reid, City Clerk

**APPROVED AS TO FORM**

**APPROVED AS TO FORM**

\_\_\_\_\_  
Isaac Rosen, City Attorney

\_\_\_\_\_  
Greg Murphy, City Attorney

  
\_\_\_\_\_  
Scott Shapses, Assistant City Attorney

## **Exhibit A Statement of Work**

### **1. DELIVERY OF SERVICES.**

GOLETA, through its Library Department, shall deliver general library management services to the City of Buellton according to the terms and conditions set forth herein.

### **2. GENERAL LIBRARY MANAGEMENT SERVICES.**

GOLETA agrees to provide general library management services for BUELLTON, which include administration, management, and operations of library services, and will provide personnel and other resources, tools, programs and services, including lending books and other materials, cataloging the library's collection and other related activities consistent with the operation of a free public library. Other than as specified in Section 5 of this AGREEMENT, GOLETA must not employ any personnel, purchase or rent supplies, equipment or services, or incur any expenses in the name of BUELLTON.

### **3. LEVEL OF SERVICE AND STAFFING LEVELS.**

A. LEVEL OF SERVICE AND STAFFING LEVELS RECOMMENDATION: The level of service and staffing levels for general library management services, along with its proposed operational budget for the following fiscal year to BUELLTON will be recommended by GOLETA on or before March 1 of each year with service level adjustments (if needed) occurring July 1 of the following year. GOLETA will provide BUELLTON with a list of its proposed staffing levels for the library for review. Staffing levels shall not be reduced by GOLETA without the approval of BUELLTON, including proposed reductions due to any furloughs or other work-schedule reductions, staffing and scheduling of GOLETA employees. Where proposed reductions in staffing levels are the result of mid-year budgeting changes by GOLETA or an unexpected reduction in funding from the County of Santa Barbara, BUELLTON shall have the option of providing additional financial support to maintain staffing levels previously agreed to between the PARTIES as set forth herein.

B. LEVEL OF SERVICE ENHANCEMENT: BUELLTON may request GOLETA to provide an enhanced level of regular library-related services, including without limitation, additional staffing and/or hours of operation, one-time or periodic services. BUELLTON will provide GOLETA with this request in writing and GOLETA must provide a written response within 30 days, including a proposed budget detailing the cost of such enhanced services and a list of any added or different type of personnel necessitated by such requested changes. Any enhancements in operations, staffing levels, or hours of operations must be agreed to by the PARTIES. For any enhanced level of regular library-related

services, GOLETA will charge the applicable management fee commensurate with costs estimated to be incurred for the enhanced services. Proposed changes shall be presented as needed to the City of Buellton City Council, Goleta Library Advisory Commission, and County Library Advisory Committee for input, as described in the Agreement for Operations between GOLETA and the County of Santa Barbara.

C. LIBRARY STAFFING: All persons required for the performance of GOLETA'S responsibilities under this AGREEMENT must be selected and employed by GOLETA, and must at all times be and remain agents or employees of GOLETA. No persons employed or retained by GOLETA for performance of its duties under this AGREEMENT shall at any time be deemed or considered to be the agents or employees of BUELLTON.

GOLETA shall be responsible for the selection, supervision, training, discipline, and scheduling of all LIBRARY staff. The operating and personnel procedures of the Library Department of GOLETA will at all times apply to GOLETA'S operation of the LIBRARY.

Prior to any change to a Branch Supervisor of the LIBRARY, GOLETA shall, through its City Librarian, meet and discuss with BUELLTON, the proposed appointment or transfer. BUELLTON shall have the right to request different personnel than those proposed; however, the ultimate decision regarding appointment or transfer resides with GOLETA. The parties recognize that GOLETA has the sole responsibility and authority for making personnel decisions relating to its employees.

D. HOURS OF OPERATION: The LIBRARY's hours of operation are:

Mondays and Tuesdays: 10:00 a.m. – 7:00 p.m.

Wednesdays: 10:00 a.m. – 5:00 p.m.

Thursdays: Closed

Fridays and Saturdays: 11:00 a.m. – 4:00 p.m.

Sundays: Closed

The LIBRARY's planned holiday closures each year are:

New Year's Day

Martin Luther King Jr. Day

President's Day

Memorial Day

Juneteenth

Independence Day

Labor Day

Veteran's Day

Thanksgiving

Day After Thanksgiving

Christmas Eve

Christmas Day  
New Year's Eve

Any proposed changes to the LIBRARY'S normal operating hours, including changes to normally scheduled holiday closures, shall be communicated by GOLETA to BUELLTON with reasonable advance notice, and subject to approval from BUELLTON. GOLETA shall not effect changes to the LIBRARY's normal operating hours without written approval from BUELLTON.

#### **4. GRANT ADMINISTRATION AND PROGRAMS.**

The administrative function will also include the ability and authority for GOLETA to apply, administer and implement grant opportunities for the benefit of BUELLTON with the expressed written permission of the Designated Representative of BUELLTON. If the additional level of service is tied to a grant program, BUELLTON will be invoiced for actual, additional costs above the grant award for the applicable time period unless GOLETA and BUELLTON agree otherwise. This assumes that any grant funds are received directly by GOLETA, BUELLTON may request and GOLETA may provide cost estimates prior to implementation of a grant and/or program. BUELLTON understands that actual, additional costs may vary slightly (high or low) from original estimates.

Any supplemental, material expenses related to ongoing programs will be recommended by GOLETA to BUELLTON in advance of purchase. BUELLTON understands and accepts that if a supplemental item related to an ongoing program is not approved by GOLETA, BUELLTON may exercise the option to refrain from further work on the grant or program. GOLETA will apply departmental and or city-wide overhead to a grant cost when the provisions of the grant allow for the accounting of overhead expense. BUELLTON understands and accepts that the net cost of grant overhead may become an expense to BUELLTON when other provisions are not agreed upon in writing by both parties in advance of the implementation of the grant. BUELLTON understands and accepts any ongoing fiscal, staffing, and/or programmatic obligations incurred in the acceptance of a grant. An example of such obligation may include a grant requirement to retain a staffing position for a time period beyond the original grant award period.

#### **5. FACILITY UPKEEP, MAINTENANCE AND REPAIR.**

The following are EXCLUDED from this AGREEMENT and the responsibility of the entity indicated:

- A. Maintenance and repair of the LIBRARY. (BUELLTON)
- B. Custodial services and supplies needed for the operation of the LIBRARY and LIBRARY restrooms. (BUELLTON)
- C. Utilities and sold waste collection. (BUELLTON).

## **6. INFORMATION TECHNOLOGY SUPPORT**

GOLETA agrees to provide Information Technology (IT) support services to the LIBRARY for all telecommunications equipment, computers and internet, printers, copy machines, and other IT-related equipment and services. Contracted staff from Acorn Technology Corporation will be utilized for these services. Estimated costs are provided in Exhibit D, Proposed Operating Budget for Fiscal Year 2025-26.

GOLETA agrees to administer the LIBRARY's telephone account and payments on BUELLTON'S behalf. This service will be subject to the management fee charges described in Exhibit C.

## **7. EXCLUDED EXPENSES**

The following are EXCLUDED from this AGREEMENT and the responsibility of the entity indicated:

- A. Custodial services and supplies needed for the operation of the LIBRARY and LIBRARY restrooms.
- B. Utilities and solid waste collection. (BUELLTON)

GOLETA shall not be responsible for funding, or fronting funds, to cover any overall budget deficits the LIBRARY may experience as a result of total expenses exceeding total available revenues. Refer to Exhibit D to view the LIBRARY's Proposed Operating Budget for Fiscal Year 2025/26.

## **Exhibit B Payment Methodology**

### **1. GENERAL COMPENSATION**

#### **A. Reimbursable Expenses.**

Subject to the terms of this AGREEMENT, BUELLTON shall pay to GOLETA the costs incurred by GOLETA in providing the services contracted for or otherwise authorized under the terms of this AGREEMENT, including:

- i. Salaries and benefits of all GOLETA employees engaged therein for positions defined in Exhibit D-1: Library Staffing
- ii. Direct supervision
- iii. Clerical support
- iv. Direct services and supplies
- v. Department-applied overhead as identified in the management fee calculation
- vi. Management services
- vii. Any actual, additional costs associated with supplemental library operation services, and,
- viii. Any other mutually agreed upon expense that arises during the term of the AGREEMENT. Examples include BUELLTON'S request to participate in a CITY bid process, or sharing a purchasing contract for the purpose of quantity discount to the benefit of both parties.

### **2. ANNUAL COMPENSATION**

- A. Proposed operational budget's for Fiscal Year 2025/2026 and Fiscal Year 2026/2027 have been reviewed and approved and are included in Exhibit D. Should the term of this AGREEMENT be extended, beginning Fiscal Year 2027/2028 the city of BUELLTON will increase their contribution by three percent (3%) from the previous year.

In the event that BUELLTON desires to increase the then-existing type or level of staffing provided under the terms of this AGREEMENT, in addition to other procedures set forth in this AGREEMENT, BUELLTON will make a written request to GOLETA in December of each year for changes to be applied to the succeeding fiscal year. BUELLTON'S request shall detail the specific type and level of staffing BUELLTON desires, with BUELLTON acknowledging that the costs of such services may impact the total, negotiated agreement for the relevant fiscal year. GOLETA shall review said annual request within thirty (30) days of GOLETA's receipt thereof and acknowledge acceptance or rejection by letter to BUELLTON'S Designated Representative. Upon notice from GOLETA of acceptance or partial acceptance of said request, and the cost of providing the type or level of

staffing therein agreed upon, the PARTIES shall prepare and execute a written amendment to this AGREEMENT as to the terms and conditions set forth in said annual request and acceptance; all other terms set forth in this AGREEMENT shall continue in full force and effect. In the event the CITY rejects all or any portion of said annual request, the then-existing type and level of staffing shall remain in full force and effect, as modified by the acceptable portions of said annual request, until such time that the PARTIES reach agreement as to the rejected portions of said annual request. An increase in level of service recommended by GOLETA, or decrease requested by BUELLTON, is subject to the procedures set forth in Paragraph 2 of Exhibit A and not this Paragraph.

#### B. Payment Process.

The total estimated cost for the applicable fiscal year will be invoiced annually to BUELLTON for full payment on or before the 25<sup>th</sup> of July for the annual payment. The purpose of this annual payment in the first month of the fiscal year, is to ensure total funding available for operations, and in addition, to benefit both parties administratively. BUELLTON'S payment shall be made by check or electronic transfer. A check shall be made payable to order of "City of Goleta" and mailed to the GOLETA address 130 Cremona Drive, Suite B, Goleta, CA 93117. If such payment is not delivered to the GOLETA office within thirty days of the respective due date, GOLETA is entitled to recover interest thereon. Said interest shall be assessed using the GOLETA'S pooled interest rate in effect at the time; it shall commence thirty (30) days after the date of the invoice and continue until such time as the payment is delivered to the GOLETA office described on said invoice.

### 3. **ADDITIONAL LIBRARY MANAGEMENT SERVICES**

#### A. Annual Agreement

BUELLTON costs for annual Library Management Services are defined in Exhibit A, Section 2.

#### B. Estimates

BUELLTON may request an estimated cost from GOLETA as described in paragraph 2(A) for budget preparation and planning purposes for the fiscal year or in advance of a planned event. BUELLTON understands and accepts that such an estimate in no way represents any minimum or maximum charge to BUELLTON.

#### C. Cost Tracking & Invoicing

The actual costs related to providing additional or special Library Management Services will be tracked through GOLETA'S Financial System (currently Incode 10), and reviewed prior to preparing a summary invoice.

GOLETA will send an invoice within 90 days of conclusion of the work performed. A detailed listing of these charges will be kept on file at the GOLETA office and made available to BUELLTON upon written request. These records will be maintained for a period of one year after the day of the original invoice.

#### D. Payment Process

BUELLTON payment for additional or supplemental Library Management Services is due to GOLETA within thirty (30) days of the date of the invoice. Payment will be made payable to: "City of Goleta" and mailed to: City of Goleta, Attention: Finance, 130 Cremona Drive, Suite B, Goleta, CA 93117. If such payment is not delivered to the GOLETA office within thirty days after the date of the invoice, GOLETA is entitled to recover interest thereon. Said interest shall be assessed using GOLETA's pooled interest rate in effect at the time; it shall commence thirty (30) days after the date of the invoice and continue until such time as the payment is delivered to the GOLETA office described on said invoice.

## **Exhibit C Cost Model**

The cost model determines the overall cost of providing Library Management Services to BUELLTON, including the estimated management fee of support staff. The cost model is inclusive of budget line items to operate the branch library, and includes accounts related to staff salary and benefits, services and supplies, and capital outlay. In addition to the cost estimates, GOLETA'S cost model includes a management fee that is representative of the administrative overhead from support staff of providing library management services. The annual proposed operating budget represents the total cost for the library management operations for the following fiscal year.

### **1. Proposed Operating Budget**

On or before March 1 of each year of this AGREEMENT, GOLETA will provide BUELLTON with a copy of its proposed operating budget for BUELLTON library for the following fiscal year. For planning purposes, BUELLTON and GOLETA have agreed to a 3% escalation cost annually. Any changes to the LIBRARY budget during the current fiscal year of this AGREEMENT, including any unanticipated reductions or increases, which would affect services or hours open to the public, will be communicated to BUELLTON as soon as possible. BUELLTON shall have the exclusive authority to accept or reject any changes or reductions in service levels or service hours requested by GOLETA. Where proposed reductions in service are the result of mid-year budgeting changes by GOLETA or an unexpected reduction in funding from the County of Santa Barbara, BUELLTON shall have the option of providing additional financial support to maintain service levels previously agreed to between THE PARTIES as set forth herein.

### **2. Salary and Benefits**

This is the actual hourly cost of salary and benefits paid to the Library employee's classification for library management services based on staffing levels approved. Subject to future increases due to benefit and salary changes.

### **3. Services and Supplies**

This category is the estimated direct cost of services and supplies to support the BUELLTON library. The line item accounts are consistent with GOLETA'S chart of accounts and were originally estimated based on information received at the time. This section of costs accounts for expenditures that can be directly charged against the library and clearly identified. Major costs include Black Gold Fees, IT services, courier delivery services, and GOLETA's management fee. Subject to future changes, due to changes in cost of contracts fees, or unanticipated direct costs.

**4. Capital Equipment/Outlay.**

This category is the estimated direct cost of book acquisitions (including processing fees) or other future capital outlay.

**5. Management Fee.**

The management fee is the estimated cost of support and administration provided by GOLETA support department staff. It includes support from General Government, Finance, Human Resources and Goleta Library. The management fee is calculated using a time and materials survey cost model that incorporates the hourly labor and benefit rate of GOLETA staff that would be directly supporting the BUELLTON library. The model identifies direct tasks performed by staff and other direct costs provided to the library branches with reasonable assumptions. The cost model will increase 3% annually and will never exceed the maximum allowance of the total budget per the County Agreement for Library Services.

**6. Annual Reporting.**

Upon completion of the fiscal year, any remaining funds from the City of BUELLTON will be deposited into a Fund Balance. The purpose of the Fund Balance will build a six month operation reserve to be utilized to cover any expenses related to the BUELLTON Library in the following scenarios:

- A. The program experiences unbudgeted expenses that are agreed upon in writing by both BUELLTON and GOLETA, and/or
- B. There is an unforeseen change to the Per Capita funding from the County of Santa Barabara, and/or
- C. The City of BUELLTON decide to take on Library Services and terminate the contract, there would be sufficient funding to close down the operations for transition, and/or
- D. The City of BUELLTON elect to request a reimbursement of the funds for other Library related business.

Annually, representatives from the City of GOLETA's will provide BUELLTON with a report on expenses and fund balance. This report will be in writing, but BUELLTON may request a formal presentation to their City Council. This presentation can occur no sooner than October of the year following the fiscal year operations.

## Exhibit D

### Proposed Operating Budget for Fiscal Year 2025-26 and 2026-27 (July 1, 2025 - June 30, 2026) (July 1, 2026 - June 30, 2027)

REVENUE		
Row Labels	2025-2026 Total Budget	2026-2027 Total Budget
City Contribution	\$ 288,961.64	\$ 295,650.59
County Per Capita	\$ 170,168.36	\$ 175,273.41
Revenue - Donations, ect.	\$ 1,750.00	\$ 1,750.00
<b>Grand Total</b>	<b>\$ 460,880.00</b>	<b>\$ 472,674.00</b>
EXPENDITURES		
Category	2025-2026 Total Budget	2026-2027 Total Budget
Admin Charges	\$ 47,880.00	\$ 50,274.00
Books & Subscriptions	\$ 35,000.00	\$ 35,000.00
Capital (Computers, ect)	\$ 5,000.00	\$ 5,000.00
Operating	\$ 104,500.00	\$ 105,000.00
Salaries	\$ 268,500.00	\$ 277,400.00
<b>Grand Total</b>	<b>\$ 460,880.00</b>	<b>\$ 472,674.00</b>
<b>Revenue</b>	\$ 460,880.00	\$ 472,674.00
<b>Expense</b>	\$ 460,880.00	\$ 472,674.00

**Exhibit E**

**Property Legal Description**

The land referred to herein is situated in the State of California, County of Santa Barbara and described as follows:

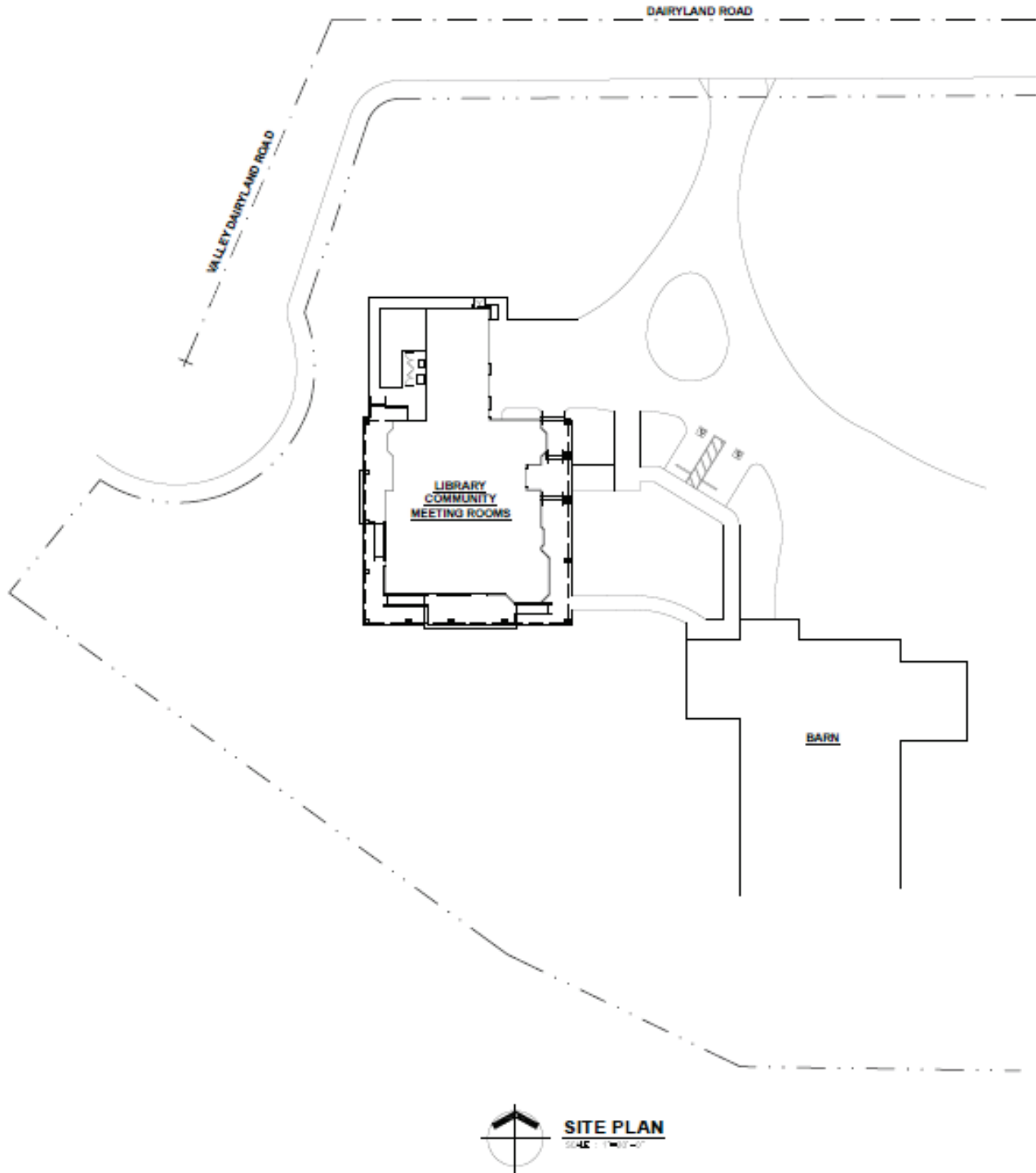
LOT 35 OF TRACT NO. 31,001-1, IN THE CITY OF BUELLTON, COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 181, PAGES 44 THROUGH 49 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AMENDED PURSUANT TO THAT CERTAIN CERTIFICATE OF CORRECTION RECORDED JUNE 7, 2004 AS INSTRUMENT NO. 2004-60549 OF OFFICIAL RECORDS.

APN: 099-660-035

(End of Legal Description)

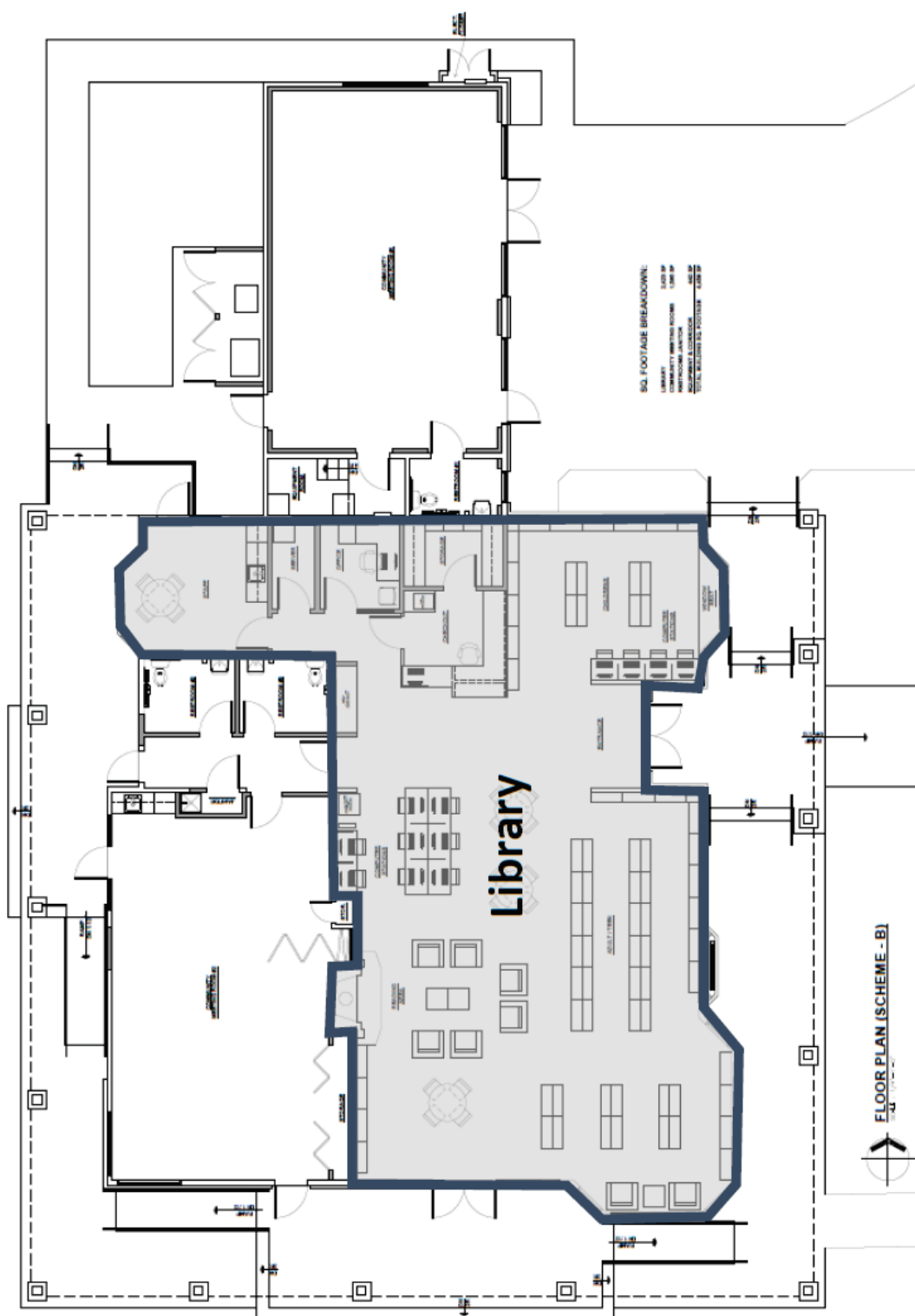
## **Exhibit E-1**

### Site Plan



**Exhibit E-2**

## Floor Plan



## **ATTACHMENT 2**

Agreement for the Provision of Library Management Services between the City of Solvang and the City of Goleta at the Solvang Library

**Project Name: Solvang Library Management Services Agreement**

**AGREEMENT FOR THE PROVISION OF LIBRARY MANAGEMENT SERVICES  
BETWEEN THE CITY OF SOLVANG AND THE CITY OF GOLETA AT THE  
SOLVANG LIBRARY**

This AGREEMENT ("AGREEMENT") for the Provision of Library Management Services at the SOLVANG LIBRARY (hereinafter referred to as "LIBRARY") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, by and between CITY OF SOLVANG, a municipal corporation, (hereinafter referred to as "SOLVANG") and the CITY OF GOLETA, a municipal corporation (hereinafter referred to as "GOLETA") (collectively referred to herein as the "PARTIES").

A. Goleta is a party that certain agreement entitled Agreement for Operation of a County-Wide Library System dated February 18, 2025, ("COUNTY AGREEMENT") pursuant to which the County of Santa Barbara ("COUNTY") has compelled Goleta, as a condition of receiving library funding, to manage SOLVANG's library commencing July 1, 2025, the effective date of SOLVANG'S placement into Library Zone 4.

B. Pursuant to this contract, GOLETA will administer, manage, and operate the LIBRARY, and for that purpose will provide personnel and other resources, tools, programs and services including lending books and other materials, cataloging the LIBRARY's collection, and other related activities consistent with the operation of a free public library.

**NOW, THEREFORE**, in consideration of the foregoing and the promises herein contained, the PARTIES hereby agree as follows:

**1. SCOPE OF SERVICES**

Subject to the terms and conditions set forth herein, GOLETA agrees to operate and manage the SOLVANG LIBRARY ("LIBRARY") in accordance with the terms of this AGREEMENT and in conformance with GOLETA'S standard policies, procedures and standards for library operation. Operation and management of the LIBRARY shall include, but shall not be limited to, the lending of books and other materials, the cataloging of the LIBRARY's collection, and the provision of personnel, resources, tools, programs and services consistent with the operation of a free public library. GOLETA agrees to operate the LIBRARY by providing free library services to the patrons of the LIBRARY. All of the collection materials in the LIBRARY, including those belonging to SOLVANG, shall be equally available to all of the inhabitants within the Black Gold Cooperative Library System (hereinafter referred to as "Black Gold"). A detailed Statement of Work is attached as Exhibit "A" to this AGREEMENT and incorporated herein by reference.

GOLETA'S performance under this AGREEMENT is contingent upon the continued existence of the COUNTY AGREEMENT and funding thereunder and this AGREEMENT shall be subject to termination as provided in Section 9 herein should the COUNTY AGREEMENT expire, be terminated or be modified in a manner as to materially affect, as determined by GOLETA'S City Council in its sole discretion, GOLETA'S obligations, commitments or costs or as to reduce the COUNTY'S funding obligations to GOLETA.

## **2. FUNDING AND PAYMENT**

Funding for the operation of the LIBRARY shall be provided by SOLVANG to GOLETA by way of the annual collection of a library management fee as calculated and collected by GOLETA, and as agreed upon annually by the PARTIES. SOLVANG shall compensate GOLETA for the provision of LIBRARY management services to SOLVANG, as detailed in Exhibit "B" (Payment Methodology) attached hereto and incorporated herein by reference. A management fee amount shall be determined annually by GOLETA, and its calculation shall be based on the cost model detailed in Exhibit "C" attached hereto and incorporated herein by reference. The estimated fee amount for the first year of services (July 1, 2025 - June 30, 2026) is detailed in Exhibit "D" (Proposed Operating Budget) attached hereto and incorporated herein by reference.

## **3. PREMISES**

GOLETA'S management services shall be provided in the LIBRARY located at 1745 Mission Drive, in the City of Solvang, State of California. Pursuant to Section 7 of the COUNTY AGREEMENT, GOLETA shall occupy and have exclusive use of the premises for the administration, management, and operation of said LIBRARY as provided herein for the term of this AGREEMENT and any extensions thereof. The continued use of the premises as SOLVANG'S Library is a matter between SOLVANG and the County and not part of this AGREEMENT.

## **4. TERM**

The term of this AGREEMENT shall be concurrent with the term of the COUNTY AGREEMENT and shall, only for the first year, commence upon the execution of this AGREEMENT by the PARTIES and end on June 30, 2026. THE PARTIES may mutually elect to extend this Agreement for five successive one (1) year terms subject to the approval of the GOLETA City Council. SOLVANG shall notify GOLETA of such election in writing no less than 180 calendar days prior to the termination date of this AGREEMENT. Within sixty (60) days after receipt of such notice from SOLVANG, GOLETA shall provide written notice of acceptance or rejection of such extension.

If this AGREEMENT is not extended or renewed, or if GOLETA fails to respond to SOLVANG's request for extension as provided in the preceding paragraph, and SOLVANG has no other arrangement for administration and operation of the LIBRARY, all terms and conditions of this AGREEMENT shall remain in full force and effect for a period not to exceed six (6) months after the end of the term of this AGREEMENT.

## **5. LIBRARY MATERIALS COLLECTION, FURNISHINGS AND EQUIPMENT**

### **A. Library Materials.**

All digital media and physical books, periodicals, audio/video materials, and other Library resources and tools (collectively known as "Materials") contained in the LIBRARY on the beginning date of this Agreement, are the property of SOLVANG. In addition, all Materials contained in the LIBRARY at the termination or expiration of this AGREEMENT are and shall remain the property of SOLVANG. As part of its operational responsibilities as set forth herein, GOLETA shall have the discretion and responsibility for selecting and purchasing all Materials for the LIBRARY's collection on behalf of SOLVANG, utilizing the funding described herein and donations specifically designated for collection materials. GOLETA shall also have the discretion to de-select and re-assign materials to best meet the needs of the community.

Some donated and previously purchased Materials, but which are no longer in circulation, may be sold or disposed of by GOLETA as appropriate. All funds received for the sale or disposal of any such materials shall benefit the LIBRARY and be used solely for LIBRARY purposes.

### **B. Furnishings and Equipment.**

All furnishings and equipment contained in and designated for use solely in the LIBRARY, including but not limited to book shelves, desks, tables, chairs, study carrels, RFID equipment and software, telecommunication and computer equipment and systems, office machines, and appliances, are and shall continue to be the property of SOLVANG. Any future additions to the LIBRARY's furnishings and equipment purchased with funds provided for or by SOLVANG, including reserve funds, shall be the property of SOLVANG. In the event that any furnishings, equipment or supplies are purchased for use in the LIBRARY by another entity, such furnishings, equipment or supplies shall be deemed the property of SOLVANG. This provision shall apply to all security system equipment and upgrades purchased by GOLETA for the LIBRARY, including self-check machines, new security gates, and any other equipment purchased for the purpose of facilitating the conversion of the LIBRARY's RFID based security system.

## **6. MAINTENANCE OF RECORDS**

GOLETA shall keep reasonably itemized and detailed records and reports pertaining to the management of the LIBRARY as required by law or grants in accordance with generally accepted accounting principles, and shall be available to SOLVANG for inspection after reasonable prior notice to GOLETA. Records shall be retained in accordance with GOLETA'S record retention schedule and shall be conveyed to SOLVANG upon expiration or termination of this AGREEMENT.

## **7. FRIENDS OF THE LIBRARY**

A. THE PARTIES recognize the important role a Friends of the Library ("Friends") organization plays in assisting the LIBRARY in its provision of quality service to the community. THE PARTIES recognize that the funds raised and provided by the Friends are important to the ongoing operation of the LIBRARY and as such, serve a public purpose. Any incidental public support provided to the Friends through this AGREEMENT is an appropriate expense in support of this public purpose.

B. Unless otherwise specifically stated or designated by the donor, all donations made to or at the LIBRARY shall be deemed to be made to the LIBRARY.

## **8. EMERGENCY**

In the event of a catastrophic, unplanned and/or reasonably unforeseeable event or emergency which (a) results in the closure or inability of the library to open for more than one week, (b) results in a significant loss of library materials, and/or (c) which significantly impairs the ability of the LIBRARY to maintain the current level of library service, THE PARTIES shall meet as soon as possible to determine and mutually agree upon how and in what manner to proceed with LIBRARY operations.

## **9. TERMINATION**

A. Without Cause.

At any time during the term of this AGREEMENT or any extension thereof, either of the PARTIES to this AGREEMENT may, on six (6) months' prior written notice to the other party, terminate this AGREEMENT without cause.

Notwithstanding the foregoing, GOLETA may terminate this AGREEMENT should the COUNTY AGREEMENT expire, be terminated, notice of termination be given by the COUNTY or be modified in a manner as to materially affect, as determined by GOLETA'S City Council in its sole discretion, GOLETA'S obligations, commitments or costs or as to reduce the COUNTY'S funding obligations to GOLETA. Termination in that circumstance shall be effective immediately upon written notice to SOLVANG or at some other time specified in the notice.

B. For Default.

### **Default by GOLETA:**

Except as otherwise set forth in other provisions of this AGREEMENT, this AGREEMENT shall not be subject to termination for any default of GOLETA, but SOLVANG may enforce the AGREEMENT or any provision therein as otherwise allowed by law. If GOLETA fails to cure a default that SOLVANG is permitted to cure, then SOLVANG may in its sole discretion perform such cure. In the event that

SOLVANG elects to cure the default, GOLETA shall reimburse SOLVANG for all costs incurred by SOLVANG in performing the cure, as well as for all damages proximately caused to SOLVANG because of the default.

SOLVANG shall have such other rights or remedies as may be provided by law or equity. The use of each such right and remedy shall be cumulative, and shall not preclude SOLVANG from pursuing other rights and remedies that may exist now or in the future.

#### Default by SOLVANG

Except as otherwise set forth in other provisions of this AGREEMENT, this AGREEMENT shall not be subject to termination for any default of SOLVANG, but GOLETA may enforce the AGREEMENT or any provision therein as otherwise allowed by law. If SOLVANG does not cure a default that GOLETA is permitted to cure, then GOLETA may in its sole discretion perform such cure. In the event that GOLETA elects to cure the default, SOLVANG shall reimburse GOLETA for all costs incurred by GOLETA in performing the cure, as well as for all damages proximately caused to GOLETA because of the default.

GOLETA shall have such other rights or remedies as may be provided by law or equity. The use of each such right and remedy shall be cumulative, and shall not preclude GOLETA from pursuing other rights and remedies that may exist now or in the future.

### **10. ASSIGNMENT**

GOLETA shall not assign this AGREEMENT or any part thereof or any monies payable hereunder without the prior written consent of SOLVANG. Any attempt to assign without such written consent shall be void.

### **11. INSURANCE**

GOLETA is insured through its membership in the California Joint Powers Insurance Authority ("CJPIA"). The CJPIA Memorandum of Coverage includes coverages that satisfy the following requirements:

A. GENERAL AND AUTOMOBILE LIABILITY INSURANCE: The general liability insurance shall include personal injury liability coverage, shall afford coverage for all operations of GOLETA at the LIBRARY, and shall include contractual liability for the AGREEMENT between SOLVANG and GOLETA. The automobile liability insurance shall cover all owned, non-owned and hired motor vehicles which are operated on behalf of GOLETA pursuant to GOLETA's activities hereunder. SOLVANG and its offers, employees and agents shall be named as "Additional Insured" on any policy. The limit of liability of said policy or policies for general and automobile liability insurance shall not be less than \$5,000,000 per occurrence combined single limit for bodily injury and property damage. Personal injury coverage should also be in the amount of not less

than \$1,000,000 per occurrence and aggregate. Said policy or policies shall contain a provision that such insurance as is afforded by this policy shall be primary and contributory to the full limits stated in the declarations, and if THE PARTIES have other valid and collectible insurance for a loss covered by this policy, that other insurance shall be excess only.

**B. WORKERS' COMPENSATION INSURANCE:** Statutory Workers' Compensation and Employer's Liability Insurance shall cover all GOLETA staff while performing any work incidental to the performance of this AGREEMENT. The policy shall provide that no cancellation, major change in coverage, or expiration shall be effective or occur until at least thirty (30) calendar days after receipt of such notice by SOLVANG.

During the term of this AGREEMENT, SOLVANG shall maintain All-Risk Property Insurance covering the contents of the LIBRARY and against loss or damage by fire, lightning, vandalism, malicious mischief and such perils ordinarily defined as "extended coverage." Such insurance shall be in an amount not less than the full insurable replacement value of the LIBRARY.

## **12. INDEMNITY**

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the parties pursuant to Government Code Section 895.6, the parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead all parties agree that pursuant to Government Code Section 895.4, GOLETA shall fully defend, indemnify and hold SOLVANG, its officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of the acts or omissions of GOLETA, its officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this Agreement and SOLVANG shall fully defend, indemnify and hold GOLETA, its officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by Government Code Section 810.8) occurring by reason of the acts or omissions of SOLVANG. No party, nor any officer, board member, employee or agent thereof shall be responsible for any damage, claim, expense, cost, or liability occurring by reason of the acts or omissions of other parties hereto, their officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such other parties under this AGREEMENT. The indemnity provided by each party pursuant to this Section shall survive the expiration or termination of this AGREEMENT.

## **13. DESIGNATED REPRESENTATIVE**

JoAnne Plummer, Director of Neighborhood Services, is the representative of GOLETA and will administer this AGREEMENT for and on behalf of GOLETA. Randy

Murphy, Solvang City Manager, is the representative for SOLVANG and will administer this AGREEMENT on behalf of SOLVANG. Changes in designated representatives shall be made only after advance written notice to the other party.

**14. INDEPENDENT CONTRACTOR**

The PARTIES, in the performance of this Agreement, will be acting in their individual governmental capacities and not as agents, employees, partners, joint ventures, or associates of one another. The parties intend that an independent contractor relationship will be created by this AGREEMENT. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

**15. ENTIRE AGREEMENT AND AMENDMENT**

In conjunction with the matters considered herein, this AGREEMENT contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This AGREEMENT may be altered, amended or modified only by an instrument in writing, executed by the parties to this AGREEMENT and by no other means. Each party waives their future right to claim, contest or assert that this AGREEMENT was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

**16. COMPLIANCE WITH LAW**

The PARTIES shall comply with all county, state and federal ordinances and statutes now in force or which may hereafter be in force with regard to this AGREEMENT.

**17. CALIFORNIA LAW**

This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

**18. HAZARDOUS MATERIALS**

**A. Warranties and Representations**

SOLVANG warrants that hazardous substances have not been released upon the LIBRARY property; that SOLVANG has no knowledge of any release of hazardous substances on the LIBRARY property; that it has no knowledge or reason to believe that

there are hazardous substances on the LIBRARY property; and that it shall comply with all law concerning the use, release, storage and disposal of hazardous substances.

B. Notice

Each party shall immediately notify the other upon discovery that hazardous substances have been released on the LIBRARY property.

C. Indemnity

1. SOLVANG's *Obligation*.

SOLVANG shall indemnify, defend and hold harmless GOLETA, its agents, officers and employees from and against any and all liability, expenses (including defense costs and legal fees), and claims for damages of any nature whatsoever (including, but not limited to, bodily injury, death or property damage) arising from or connected with the presence of hazardous substances on the LIBRARY property, excepting only liability for hazardous substances placed on the LIBRARY property by GOLETA.

2. GOLETA's *Obligation*.

GOLETA shall indemnify, defend and hold harmless SOLVANG, its agents, officers and employees from and against any and all liability, expenses (including defense costs and legal fees), and claims for damages of any nature whatsoever (including, but not limited to, bodily injury, death or property damage) arising from or connected with the introduction of hazardous substances onto the LIBRARY property by GOLETA.

3. *Survival of Obligation*.

The indemnity provided by each party pursuant to this Section shall survive the expiration or termination of this AGREEMENT.

D. Indoor Air Pollution Notification

Each party shall immediately notify the other upon discovery of any indoor air pollution problem at the LIBRARY. SOLVANG shall correct any such problem at its sole expense.

**19. NON-DISCRIMINATION**

GOLETA shall not in the management, operation, rental, use, or maintenance of the premises discriminate against any person or group based on race, religion, color, medical condition, sex, sexual orientation or gender identity, national origin, or political affiliation.

## **20. MEDIATION**

If any dispute, controversy or claim arises under this AGREEMENT, the parties shall negotiate in good faith to settle the matter. If the parties are unable to resolve the matter within a reasonable time, the parties shall submit the matter to mediation by a trained mediator approved by both parties, the cost of which shall be shared equally by the parties. The place of mediation shall be Santa Barbara, California. Nothing in this Section shall preclude any party from seeking injunctive relief or other equitable remedies (whether prior to or during such mediation) if necessary to protect the interests of such party.

## **21. NOTICES**

Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail, postage prepaid, and addressed as follows:

TO GOLETA:                      Attention: Robert Nisbet, City Manager  
   City of Goleta  
   130 Cremona Drive, Suite B  
   Goleta, CA 93117

TO SOLVANG:                      Attention: Randy Murphy, City Manager  
   City of Solvang  
   1644 Oak Street  
   Solvang, CA 93463

## **22. COUNTERPARTS AND ELECTRONIC/FACSIMILE SIGNATURES**

This Agreement may be executed in several counterparts, which may be facsimile or electronic copies. Each counterpart is fully effective as an original and together constitutes one and the same instrument.

## **23. AUTHORITY**

Each of the PARTIES represents and warrants that its City Council approved this AGREEMENT and authorized its respective City Manager to execute the same.

**In concurrence and witness whereof**, this AGREEMENT has been executed by the PARTIES effective on the date and year first above written.

**CITY OF GOLETA**

\_\_\_\_\_  
Robert Nisbet, City Manager

**ATTEST**

\_\_\_\_\_  
Deborah Lopez, City Clerk

**APPROVED AS TO FORM**

\_\_\_\_\_  
Isaac Rosen, City Attorney

Signed by:  
  
\_\_\_\_\_  
4365248AE5424CE...  
Scott Shapses, Assistant City Attorney

**CITY OF SOLVANG**

\_\_\_\_\_  
Randy Murphy, City Manager

**ATTEST**

\_\_\_\_\_  
Annamarie Porter, City Clerk

**APPROVED AS TO FORM**

\_\_\_\_\_  
Chelsea O'Sullivan, City Attorney

## **Exhibit A Statement of Work**

### **1. DELIVERY OF SERVICES.**

GOLETA, through its Library Department, shall deliver general library management services to the City of SOLVANG according to the terms and conditions set forth herein.

### **2. GENERAL LIBRARY MANAGEMENT SERVICES.**

GOLETA agrees to provide general library management services for SOLVANG, which include administration, management, and operations of library services, and will provide personnel and other resources, tools, programs and services, including lending books and other materials, cataloging the library's collection and other related activities consistent with the operation of a free public library. Other than as specified in Section 5 of this AGREEMENT, GOLETA must not employ any personnel, purchase or rent supplies, equipment or services, or incur any expenses in the name of SOLVANG.

### **3. LEVEL OF SERVICE AND STAFFING LEVELS.**

A. **LEVEL OF SERVICE AND STAFFING LEVELS RECOMMENDATION:** The level of service and staffing levels for general library management services, along with its proposed operational budget for the following fiscal year to SOLVANG will be recommended by GOLETA on or before March 1 of each year with service level adjustments (if needed) occurring July 1 of the following year. GOLETA will provide SOLVANG with a list of its proposed staffing levels for the library for review. Staffing levels shall not be reduced by GOLETA without the approval of SOLVANG, including proposed reductions due to any furloughs or other work-schedule reductions, staffing and scheduling of GOLETA employees. Where proposed reductions in staffing levels are the result of mid-year budgeting changes by GOLETA or an unexpected reduction in funding from the County of Santa Barbara, SOLVANG shall have the option of providing additional financial support to maintain staffing levels previously agreed to between the PARTIES as set forth herein.

B. **LEVEL OF SERVICE ENHANCEMENT:** SOLVANG may request GOLETA to provide an enhanced level of regular library-related services, including without limitation, additional staffing and/or hours of operation, one-time or periodic services. SOLVANG will provide GOLETA with this request in writing and GOLETA must provide a written response within 30 days, including a proposed budget detailing the cost of such enhanced services and a list of any added or different type of personnel necessitated by such requested changes. Any enhancements in operations, staffing levels, or hours of operations must be agreed to by the PARTIES. For any enhanced level of regular library-related services, GOLETA will charge the applicable management fee commensurate with costs estimated to be incurred for the enhanced services. Proposed changes shall be presented as needed to the City of Solvang City Council, Goleta Library Advisory Commission, and County Library Advisory Committee for input, as

described in the Agreement for Operations between GOLETA and the County of Santa Barbara.

C. LIBRARY STAFFING: All persons required for the performance of GOLETA'S responsibilities under this AGREEMENT must be selected and employed by GOLETA, and must at all times be and remain agents or employees of GOLETA. No persons employed or retained by GOLETA for performance of its duties under this AGREEMENT shall at any time be deemed or considered to be the agents or employees of SOLVANG.

GOLETA shall be responsible for the selection, supervision, training, discipline, and scheduling of all LIBRARY staff. The operating and personnel procedures of the Library Department of GOLETA will at all times apply to GOLETA'S operation of the LIBRARY.

Prior to any change to a Branch Supervisor to the LIBRARY, GOLETA shall, through its City Librarian, meet and discuss with SOLVANG, the proposed appointment or transfer. SOLVANG shall have the right to request different personnel than those proposed; however, the ultimate decision regarding appointment or transfer resides with GOLETA. The PARTIES recognize that GOLETA has the sole responsibility and authority for making personnel decisions relating to its employees.

D. HOURS OF OPERATION: The LIBRARY's hours of operation are:

Sundays and Mondays: Closed

Tuesdays: 10:00 a.m. – 5:00 p.m.

Wednesdays and Thursdays: 10:00 a.m. – 7:00 p.m.

Fridays: 10:00 a.m. – 5:00 p.m.

The LIBRARY's planned holiday closures each year are:

New Year's Day

Martin Luther King Jr. Day

President's Day

Memorial Day

Juneteenth

Independence Day

Labor Day

Veteran's Day

Thanksgiving

Day After Thanksgiving

Christmas Eve

Christmas Day

New Year's Eve

Any proposed changes to the LIBRARY'S normal operating hours, including changes to normally scheduled holiday closures, shall be communicated by GOLETA to SOLVANG

with reasonable advance notice, and subject to approval from BUELLTON. GOLETA shall not effect changes to the LIBRARY's normal operating hours without written approval from SOLVANG.

#### **4. GRANT ADMINISTRATION AND PROGRAMS**

The administrative function will also include the ability and authority for GOLETA to apply, administer and implement grant opportunities for the benefit of SOLVANG with the expressed written permission of the Designated Representative of SOLVANG. If the additional level of service is tied to a grant program, SOLVANG will be invoiced for actual, additional costs above the grant award for the applicable time period unless GOLETA and SOLVANG agree otherwise. This assumes that any grant funds are received directly by GOLETA, SOLVANG may request and GOLETA may provide cost estimates prior to implementation of a grant and/or program. SOLVANG understands that actual, additional costs may vary slightly (high or low) from original estimates.

Any supplemental, material expenses related to ongoing programs will be recommended by GOLETA to SOLVANG in advance of purchase. SOLVANG understands and accepts that if a supplemental item related to an ongoing program is not approved by GOLETA, SOLVANG may exercise the option to refrain from further work on the grant or program. GOLETA will apply departmental and or city-wide overhead to a grant cost when the provisions of the grant allow for the accounting of overhead expense. SOLVANG understands and accepts that the net cost of grant overhead may become an expense to SOLVANG when other provisions are not agreed upon in writing by both parties in advance of the implementation of the grant. SOLVANG understands and accepts any ongoing fiscal, staffing, and/or programmatic obligations incurred in the acceptance of a grant. An example of such obligation may include a grant requirement to retain a staffing position for a time period beyond the original grant award period.

#### **5. FACILITY UPKEEP, MAINTENANCE AND REPAIR**

The following are EXCLUDED from this AGREEMENT and the responsibility of the entity indicated:

- A. Maintenance and repair of the inside of the LIBRARY building and adjacent patio. (SOLVANG)
- B. Custodial services and supplies needed for the operation of the LIBRARY and LIBRARY restrooms, provided for in the operational budget. (GOLETA)
- C. Utilities and solid waste collection. (SOLVANG).

## **6. INFORMATION TECHNOLOGY SUPPORT**

GOLETA agrees to provide Information Technology (IT) support services to the LIBRARY for all telecommunications equipment, computers and internet, printers, copy machines, and other IT-related equipment and services. Contracted staff from Acorn Technology Corporation will be utilized for these services. Estimated costs are provided in Exhibit D, Proposed Operating Budget for Fiscal Year 2025-26.

GOLETA agrees to administer the LIBRARY's telephone account and payments on SOLVANG'S behalf. This service will be subject to the management fee charges described in Exhibit C.

## **7. EXCLUDED EXPENSES**

The following are EXCLUDED from this AGREEMENT and the responsibility of the entity indicated:

### **A. Utilities and solid waste collection. (SOLVANG)**

GOLETA shall not be responsible for funding, or fronting funds, to cover any overall budget deficits the LIBRARY may experience as a result of total expenses exceeding total available revenues. Refer to Exhibit D to view the LIBRARY's Proposed Operating Budget for Fiscal Year 2025-26.

## **Exhibit B Payment Methodology**

### **1. GENERAL COMPENSATION**

#### **A. Reimbursable Expenses.**

Subject to the terms of this AGREEMENT, SOLVANG shall pay to GOLETA the costs incurred by GOLETA in providing the services contracted for or otherwise authorized under the terms of this AGREEMENT, including:

- i. Salaries and benefits of all GOLETA employees engaged therein for positions defined in Exhibit D-1: Library Staffing.
- ii. Direct supervision
- iii. Clerical support
- iv. Direct services and supplies
- v. Department-applied overhead as identified in the management fee calculation
- vi. Management services
- vii. Any actual, additional costs associated with supplemental library operation services, and,
- viii. Any other mutually agreed upon expense that arises during the term of the AGREEMENT. Examples include SOLVANG'S request to participate in a CITY bid process, or sharing a purchasing contract for the purpose of quantity discount to the benefit of both parties.

### **2. ANNUAL COMPENSATION**

- A. Proposed operational budget's for Fiscal Year 2025/2026 and Fiscal Year 2026/2027 have been reviewed and approved and are included in Exhibit D. Should the term of this AGREEMENT be extended, beginning Fiscal Year 2027/2028 the city of SOLVANG will increase their contribution by three percent (3%) from the previous year.

In the event that SOLVANG desires to increase the then-existing type or level of staffing provided under the terms of this AGREEMENT, in addition to other procedures set forth in this AGREEMENT, SOLVANG will make a written request to GOLETA in December of each year for changes to be applied to the succeeding fiscal year. SOLVANG'S request shall detail the specific type and level of staffing SOLVANG desires, with SOLVANG acknowledging that the costs of such services may impact the total, negotiated agreement for the relevant fiscal year. GOLETA shall review said annual request within thirty (30) days of GOLETA's receipt thereof and acknowledge acceptance, partial acceptance, or rejection by letter to SOLVANG'S Designated Representative. Upon notice from GOLETA of acceptance or partial acceptance of said request, and the cost of providing the type or level of

staffing therein agreed upon, the PARTIES shall prepare and execute a written amendment to this AGREEMENT as to the terms and conditions set forth in said annual request and acceptance; all other terms set forth in this AGREEMENT shall continue in full force and effect. In the event GOLETA rejects all or any portion of said annual request, the then-existing type and level of staffing shall remain in full force and effect, as modified by the acceptable portions of said annual request, until such time that the PARTIES reach agreement as to the rejected portions of said annual request. An increase in level of service recommended by GOLETA, or decrease requested by SOLVANG, is subject to the procedures set forth in Paragraph 2 of Exhibit A and not this Paragraph.

#### B. Payment Process.

The total estimated cost for the applicable fiscal year will be invoiced annually to SOLVANG for full payment on or before the 25<sup>th</sup> of July for the annual payment. The purpose of this annual payment in the first month of the fiscal year, is to ensure total funding available for operations, and in addition, to benefit both parties administratively. SOLVANG'S payment shall be made by check or electronic transfer. A check shall be made payable to order of "City of Goleta" and mailed to the GOLETA address 130 Cremona Drive, Suite B, Goleta, CA 93117. If such payment is not delivered to GOLETA office within thirty days of the respective due date, GOLETA is entitled to recover interest thereon. Said interest shall be assessed using the GOLETA'S pooled interest rate in effect at the time; it shall commence thirty (30) days after the date of the invoice and continue until such time as the payment is delivered to GOLETA'S office described on said invoice.

### 3. **ADDITIONAL LIBRARY MANAGEMENT SERVICES**

#### A. Annual Agreement

SOLVANG costs for annual Library Management Services are defined in Exhibit A, Section 2.

#### B. Estimates

SOLVANG may request an estimated cost from GOLETA as described in paragraph 2(A) for budget preparation and planning purposes for the fiscal year or in advance of a planned event. SOLVANG understands and accepts that such an estimate in no way represents any minimum or maximum charge to SOLVANG.

#### C. Cost Tracking & Invoicing

The actual costs related to providing additional or special Library Management services will be tracked through GOLETA'S Financial System (currently Incode 10), and reviewed prior to preparing a summary invoice. GOLETA will send an invoice within 90 days of conclusion of the work performed. A detailed listing of these charges will be kept on file at the GOLETA office and made available to SOLVANG

upon written request. These records will be maintained for a period of one year after the day of the original invoice.

#### D. Payment Process

SOLVANG payment for additional or supplemental Library Management Services is due to GOLETA within thirty (30) days of the date of the invoice. Payment will be made payable to: "City of Goleta" and mailed to: City of Goleta, Attention: Finance, 130 Cremona Drive, Suite B, Goleta, CA 93117. If such payment is not delivered to the GOLETA office within thirty days after the date of the invoice, GOLETA is entitled to recover interest thereon. Said interest shall be assessed using GOLETA's pooled interest rate in effect at the time; it shall commence thirty (30 days) after the date of the invoice and continue until such time as the payment is delivered to the GOLETA office described on said invoice.

## **Exhibit C Cost Model**

The cost model determines the overall cost of providing Library Management Services to SOLVANG, including the estimated management fee of support staff. The cost model is inclusive of budget line items to operate the branch library, and includes accounts related to staff salary and benefits, services and supplies, and capital outlay. In addition to the cost estimates, GOLETA'S cost model includes a management fee that is representative of the administrative overhead from support staff of providing library management services. The annual proposed operating budget represents the total cost for the library management operations for the following fiscal year.

### **1. Proposed Operating Budget**

On or before March 1 of each year of this AGREEMENT, GOLETA will provide SOLVANG with a copy of its proposed operating budget for SOLVANG library for the following fiscal year. Any changes to the LIBRARY budget during the current fiscal year of this AGREEMENT, including any unanticipated reductions or increases, which would affect services or hours open to the public, will be communicated to SOLVANG as soon as possible. SOLVANG shall have the exclusive authority to accept or reject any changes or reductions in service levels or service hours requested by GOLETA. Where proposed reductions in service are the result of mid-year budgeting changes by GOLETA or an unexpected reduction in funding from the County of Santa Barbara, SOLVANG shall have the option of providing additional financial support to maintain service levels previously agreed to between the PARTIES as set forth herein.

### **2. Salary and Benefits**

This is the actual hourly cost of salary and benefits paid to the Library employee's classification for Library Management Services based on staffing levels approved. Subject to future increases due to benefit and salary changes.

### **3. Services and Supplies**

This category is the estimated direct cost of services and supplies to support the SOLVANG library. The line item accounts are consistent with GOLETA'S chart of accounts and were originally estimated based on information received at the time. This section of costs accounts for expenditures that can be directly charged against the library and clearly identified. Major costs include Black Gold Fees, IT services, courier delivery services, and GOLETA's management fee. Subject to future changes, due to changes in cost of contracts fees, or unanticipated direct costs.

#### **4. Capital Equipment/Outlay.**

This category is the estimated direct cost of book acquisitions (including processing fees) or other future capital outlay.

#### **5. Management Fee.**

The management fee is the estimated cost of support and administration provided by GOLETA support department staff. It includes support from General Government, Finance, Human Resources and Goleta Library. The management fee is calculated using a time and materials survey cost model that incorporates the hourly labor and benefit rate of GOLETA staff that would be directly supporting the SOLVANG library. The model identifies direct tasks performed by staff and other direct costs provided to the library branches with reasonable assumptions. The cost model will increase 3% annually and will never exceed the maximum allowance of the total budget per the County Agreement for Library Services.

#### **6. Annual Reporting.**

Upon completion of the fiscal year, any remaining funds from the City of SOLVANG will be deposited into a Fund Balance. The purpose of the Fund Balance will build a six-month operation reserve to be utilized to cover any expenses related to the SOLVANG Library in the following scenarios:

- A. The program experiences unbudgeted expenses that are agreed upon in writing by both SOLVANG and GOLETA, and/or
- B. There is an unforeseen change to the Per Capita funding from the County of Santa Barabara, and/or
- C. The City of SOLVANG decide to take on Library Services and terminate the contract, there would be sufficient funding to close down the operations for transition, and/or
- D. The City of SOLVANG elect to request a reimbursement of the funds for other Library related business.

Annually, the City of GOLETA's representatives will provide SOLVANG with a report on expenses and fund balance. This report will be in writing, but SOLVANG may request a formal presentation to their City Council. This presentation can occur no sooner than October of the year following the fiscal year operations.

**Exhibit D**  
**Proposed Operating Budget for Fiscal Year 2025-26 and 2026-27**  
**(July 1, 2025 - June 30, 2026)**  
**(July 1, 2026 - June 30, 2027)**

<b>REVENUE</b>		
<b>Category</b>	<b>2025-26 Total Budget</b>	<b>2026-27 Total Budget</b>
City Contribution	\$ 284,855.00	\$ 293,400.65
County Per Capita	\$ 191,448.16	\$ 197,191.60
Revenue - Donations, ect	\$ 12,700.00	\$ 12,700.00
<b>Grand Total</b>	<b>\$ 489,003.16</b>	<b>\$ 503,292.25</b>
<b>EXPENDITURES</b>		
<b>Category</b>	<b>2025-26 Total Budget</b>	<b>2026-27 Total Budget</b>
Admin Charges	\$ 47,880.00	\$ 50,274.00
Books & Subscriptions	\$ 35,000.00	\$ 35,000.00
Capital (Computers, ect.)	\$ 5,000.00	\$ 5,000.00
Operating	\$ 118,950.00	\$ 119,450.00
Salaries	\$ 270,100.00	\$ 280,000.00
<b>Grand Total</b>	<b>\$ 476,930.00</b>	<b>\$ 489,724.00</b>
<b>Revenue</b>	\$ 489,003.16	\$ 503,292.25
<b>Expense</b>	\$ 476,930.00	\$ 489,724.00
Program: 2300 - Solvang Library Surplus (Deficit):	\$ 12,073.16	\$ 13,568.25