Save Our Escondido Library Coalition

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Escondido City Council Breaks 123 Year Tradition of Public Operation of Escondido Library, votes to Outsource Remaining Library

Council Votes to Export Tax Payer Funds out of state to LS&S corporation, hedge-fund

Escondido City Hall: For the second time, Mayor Sam Abed and the councilmen on the city council ignored the unanimous recommendation of Library Trustees and a petition from over 4,000 residents by voting to outsource the Escondido Public Library. Over 125 people demonstrated outside of City Hall and attended the City Council meeting yesterday afternoon in opposition to a proposed contract to outsource the city's sole remaining library to for-profit, venture-capital-owned library outsourcing company, LS&S. Dozens of citizens spoke during the public comment period, citing concerns ranging from the length of the contract to the lack of specific accountability measures. Nevertheless, the City Council voted 4 to 1 in favor of signing the contract, with Councilmember Olga Diaz being the sole dissenting vote.

Diaz stated, "We will mourn the loss of what we had forever".

Councilman Morasco abandoned his earlier opposition position and rejoined the rest of the Councilmen, locking the city into a 10-year contract with LS&S.

This is the first library in San Diego County to fall to the LS&S corporation.

This vote and the way it was promoted should be of concern to all residents of Escondido. Relevant documents were hidden from the decision-makers, overwhelming evidence produced of problems at other LS&S libraries was discounted, and the Council ignored their own advisors, the Escondido Library Board of Trustees, in pursuing this path.

Concerns citizens voiced about the contract at the meeting included:

- That allowing LS&S to manage the library with public funds without transparency is not supported by state law which states the Library Board of Trustees should manage the library.
- The 10-year length of the contract. Originally the public was told this would be a 5-year contract.
- LS&S staffing policies. One speaker read from comments of LS&S employees, who have complained about low and stagnant wages, poor benefits, and low morale. Another questioned how LS&S can make our library better using fewer, less qualified staff than we have now.
- Questions about the accuracy of the calculation of the supposed financial savings.
- Serious concerns about problems with staff and finances that emerged in Jackson County, OR, once LS&S (formerly LSSI) was bought out by a private equity firm.

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- Lack of specificity in the contract. One speaker, who said he worked as a specialist in contracting for 30 years, said he was alarmed by the lack of specific goals, objectives, roles, responsibilities, and tasks in the contract, and ways to measure if goals were met and tasks completed.
- The failure of the contract to include the usual indemnification of the city against legal action and termination clauses that are clear and protective of the city's interest.

"Even if some City Councilmembers are not opposed to the idea of outsourcing in general, this contract has so many problems and questions, it is their duty to think carefully and make sure our city isn't being taken advantage of," said Escondido resident Shelley Spisak. "It doesn't seem like they have done their due diligence as our elected representatives."

The flaws in the contract are significant. City Attorney McGuinness struggled to answer the most basic operational questions from Ms. Diaz such as how a complaint from a patron will be handled. The contract also uses tax dollars to pay a purchasing fee to LS&S and caps their expenses for energy to run the buildings. LS&S is also guaranteed a 3% increase each year of the contract, not to mention the considerable corporate profits which have been 30% of tax payer funds paid elsewhere.

<u>A letter from Ms. Cathy Shaw</u>, a current Board member in Jackson County Oregon, was rife with challenges her district was facing under LS&S, and warned "Think long and hard about this decision. Once made, the lack of transparency of the private equity firm will make a return to a community-held asset difficult to recreate. And if a decision of this magnitude is forced upon an unwilling and unreceptive community, the backlash may be swift and decisive."

As one speaker testified in speaking against the contract, "If you do support this, remember we all sit at the table of consequences."

"Having lived through this experience, this is now about more than just saving the library, it is about saving Escondido from this failed leadership," stated Laura Hunter, an organizer with Escondido Indivisible. "Our members will now look to the elections in 2018."

Litigation is also under consideration. Any readers interested in donating to the Library Defense Fund should email <u>saveescondidolibrary@gmail.com</u>.



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About Save Our Escondido Library Coalition: The coalition was formed by local Escondido community groups and residents in response to the City of Escondido's move to consider privatization of the Escondido Public Library. The coalition seeks to educate themselves and the public and to provide a conduit for Escondido residents to voice their concerns.







