

Trustees of the M.N. Spear Memorial Library
May 11, 2022 7:30pm, on Zoom
Minutes

- Members present: Michele Regan-Ladd, Brad Foster, Tim Logan, Melanie DeSilva, Kate Cell
- Mary Anne Antonellis: Library Director
- Guests: Gail Huntress, Ajay Khashu, Amanda Alix, Anna Heard, April Stein, Carolyn Platt, Craig Martin, Diane Jacoby, Eric Stocker, George Arvanitis, Grace Bannish, Howell Lee, Jan Rowan, Joyce Braunhut, Jim Hemingway, Jim Walton, Joan Hanson, Jon Lawless, Ken Lindsay, Leslie Luchonok, Matt Franz, Matteo Pangallo, Melissa Makepeace-O'Neil, Meryl Mandel, Michael Vinskey, Molly Moss, Nate heard, Paul Lyons, Penelope Kim, Rebecca Torres, Rita Farrell, Roo Trimble, Susan Hanna, Sean Meyer, Serge Fedorovsky, Susan Millinger, Susie Mosher, Tom Siefert, Weezie & Dale Houle, Elaine Puleo

Kate Cell made an announcement that the meeting is being held via Zoom due to the pandemic.

- This meeting provides an opportunity for the public to ask questions about the proposed library project. The Trustees acknowledge, with gratitude, everyone who has been participating in this process over the past year. We have seen such dedication, creativity, enthusiasm, energy, and oversight, and all of these are valuable forms of community service. Trustees have heard input and have tried to find the right balance of size and function for a new library, while still specifying a building that will meet the town's needs for at least the next 20 years as required by the grant.
- Communication agreement for the meeting: Trustees ask that everyone in attendance agree to be kind, respectful, and patient, and assume that we all want what's best for our town even if we see that differently. Trustees ask that we use the chat function to post questions. Questions have been submitted also through the trustees email address and those will be answered first during the question and answer period. Questions will be read out loud. Questions are not to be answered or discussed in the chat. Everyone will be muted except for the person presenting, answering questions, or moderating. All but two attendees agreed to these communication agreements.
- Overview of the building program
 - Mary Anne Antonellis shared her screen and shared a powerpoint about the building program (see powerpoint)
 - Final building program is on the small library project website.
 - Questions about the building program:
 - Mike Vinskey: Part of the reason for a new library building is to be able to function during a pandemic. During COVID-19, the library appeared to flourish, increasing services even though the actual building was closed most of the time and when it was open capacity was limited. Why would you think during the next pandemic the library would be allowed to be open? What's to

say the next pandemic, social distancing won't be greater than 6 feet and the library capacity would again be limited, and why wouldn't services be provided just like in this pandemic? Answer from Mary Anne Antonellis: Monterey, MA is a small town like Shutesbury and they built a new, 4500 sq. ft. library in the past ten years and they were able to open in June, 2020 as soon as covid restrictions were lifted because they had room for people to safely be inside. and our library was not able to open until fall, 2020, then we quickly closed and did not re-open until later. We're still living in a pandemic. We're trying not to double up with staff people because if staff get each other sick there's no one to run the library, and we do not allow more than 5 people in the library at a time. Mary Anne has worked very hard during the pandemic, and has risen to the occasion, but has to do much of the work in her own home. The current level of services is dependent on using a staff person's home. Additional answer from Kate Cell: a new library will have a place for people to wash their hands. Even if with the next pandemic the social distance requirements were say 12 feet, we would still not be able have more than 5 people in the new library at a time. The services rely on the librarian using her own home which is not sustainable.

- Email question: The library currently offers 6-10 programs per week. Most are held off-site and some are held on-site. Why do these programs have to be held in a library? If the town had a community center would these programs all be held there? Answer from Mary Anne Antonellis: We don't have a community center. The library right now travels with programming which creates additional work and inefficiencies in staff time and travel. We do two story times per week. Story time providers are dependent on story time providers who bring materials in their cars. The library will function as a community center.
- Anna Heard: Is the space all on the same level, one story, no basement? Answer from Mary Anne Antonellis: Yes, we've specified a one-story building with no basement.
- Amanda Alix: Are environmental clean-up costs being considered part of the cost of the proposed library? Answer from Mary Anne Antonellis: Since the question is very long and detailed, we will read carefully and respond to Amanda by email.
- Overview of the cost estimate: Brad Foster
 - A spread sheet comparing cost estimates was reviewed (See Cost Estimate Comparison)
 - RLB estimate was commissioned first by the MBLC. Various parts of this estimate seemed high. Based on conversations with the MBLC and RLB various parts of estimate were removed or lowered.
 - A second estimate was provided by Fennessey.

- The bids have various components. The direct building costs are very similar in both bids. The major difference between the bids is in soft costs. Soft costs cover professional fees, architectural services, engineering work, professional management of the project, and furniture, fixtures, and equipment.
- Eligible costs are parts of the project that are eligible for MBLC funding. MBLC will pay for 75% of the eligible costs. And the town pays for 25% of the eligible costs.
- Ineligible costs are parts of the project that are not eligible for MBLC funding.
- The Trustees reviewed the estimates and decided that the Fennessey estimate truly reflects the expected cost of the project.
 - Diane Jacoby: She has seen two different figures for the size of the outdoor porch. She's seen 900 sq. ft. and 700 sq. ft. Answer from Mary Anne Antonellis: It's always been 700 sq. ft. Diane, please let us know where you've seen 900 sq. ft. and we'll work to correct that.
 - Diane Jacoby: We've already seen a dramatic cost increase in this project. It's not unusual for construction projects to go over budget. Answer from Kate Cell: We have not seen a dramatic cost increase. What we saw was an error the MBLC made in communicating the RLC cost estimate to us initially. There is no revised cost estimate. There are two completely independent cost estimates based on the building program- one from RLB and one from Fennessey. We have enormous control over the costs of furniture, fixtures and equipment. There's room in the grant space itself to cover cost overrun of eligible costs. Note- the estimates are based on expected costs in 2023 and each estimate includes an escalator based on construction inflation so the possibility of cost overrun is built into the estimates. In other words, there are already built-in safeguards.
 - Amanda Alix: Quoting Kate Cell from Next Door, "From a general economic perspective, there are a few good reasons to borrow money, even when you have the cash. One is when the cost of borrowing is cheap because of low interest rates. This in turn keeps assets liquid and available for emergencies. Another reason applies when you're building something for the benefit of future generations, like in a new library. If you use up cash reserves you're placing the whole payment burden on the people who live in Shutesbury now, and not on any of the people who will move here during the term of the loan. They too will benefit from a new library and should contribute to its costs." According to Amanda a week later Kate changed her mind saying that the town should use some current reserves to reduce the amount borrowed. She wants to know why the change of heart. Answer from Kate Cell: There has been no change of heart. There's a difference between explaining that there's a good economic reason to do something and stating a

position in favor of that thing. She added to her comment a week later to say that she was in favor of a mix of cash reserves and borrowing because the thread picked up again a week later. Kate made clear she has never had a public position that all of the funds should be borrowed.

- Amanda Alix: Can the town guarantee that no more borrowing will be needed if this library project is approved by voters? Last month an MBLC building specialist was quoted in the Gazette as saying that current construction costs show square foot costs at about \$1000 and total building costs at about \$2500 a sq. ft. She also notes that a building of 5500 sq. ft. could cost \$8.25 million to \$8.7 million, almost the exact estimate provided by RLB. Both Deerfield and Amherst have seen escalating costs on their library projects. Might that be the case here too. Answer from Mary Anne Antonellis: Amherst's original cost estimate is from 2016- 6 years ago- and because of that, yes, they have seen increased costs. Had Amherst built when they were originally offered their grant funds, they would not be seeing these cost overruns. Deerfield does not have a new cost estimate. The Deerfield library director was misquoted in the newspaper. Answer from Jim Walton from the Finance Committee: Jim walked people through a spreadsheet to show where the finance committee has determined where the funds will come from for the library and other pending projects. We already have \$634,082 raised and put aside for the new library. That means we need to come up with \$1,810,871. What the Finance Committee is proposing for the Town Meeting Warrant article is to fund the library through \$250,000 from free cash, \$238,000 from Capital Stabilization, \$150,000 from Stabilization, and \$1,172,871 in a debt exclusion. We have current and pending projects which the Town has the money to fund. We follow state guidelines in terms of how much money we keep in each of our accounts and right now our totals are on the high end. The school roof will need to be done this year and we have the funds to cover it. We're waiting for the engineering study and then the project will be completed in the upcoming fiscal year. Even after funding the roof and the library, we will still be within the state guidelines for how much money we should have in our accounts. The Treasurer has looked at the debt exclusion numbers with the bank. With a 20-year loan at the current rates, the average tax rate per \$1000 in assessed home value will be \$.000425776. For the average assessed home value (\$269,000) the average tax increase per year initially (which will decrease over time) will be \$114.53. We don't need to borrow the entire amount. We can borrow a lower number and still maintain healthy account balances.
- Matteo Pangallo: With all of these projects, including the local library and the school roof, the Finance Committee is still talking

about spending less than half of free cash, stabilization and capital stabilization. Answer from Jim Walton: It's a little more than half. With these accounts you gradually build them up to use for projects precisely like these- roof and library. Especially for the library, they're like sunny day funds because we can spend down the funds while still remaining within state guidelines, and only have to pay for a fraction of the cost of the library because the grant will pay for most of it. The Finance Committee's estimates are conservative. They have plugged in a high number for the roof and are assuming no more fundraising for the library even though there certainly will be more fundraising. We have a low assessed value on the land and expect a new assessment to be higher. George Arvanitis added in the chat that the free cash total does not include the additions to free cash that will be made at the end of the fiscal year coming up. Tim Logan added: The Town had a consultant come in a couple of years ago to establish fiscal policies which were adopted and those policies included percentages for cash on hand, and with the allocations that are being proposed, the totals in the accounts continue to stay within these guidelines.

- Jim Hemingway, Finance Committee- comment: The original plan was to use \$225,000 from capital stabilization for the dump truck but then the Finance Committee decided borrow it instead. It's only fair that that \$225,000 be added to the amount being borrowed for the library because if it were not for the library project that money would not have to be borrowed.
- Eric Stocker, Selectboard- comment: George made an excellent point that cash is always returned to the budget at the end of the fiscal year. Also, there's a chance we'll get a grant from the state. We also have ARPA funds that could be used for the school roof. Answer from Jim Walton- the Finance Committee did plug in some ARPA funding for the roof.
- Mike Vinskey: The library is currently open 28 hours per week. Will this increase if a new library is built? Answered by Mary Anne Antonellis: Maybe a little bit. Most libraries of our size are open around 28 hours per week. That's a crystal ball question. We're not planning to add more staff. But if the library director's time isn't monopolized by all of the extra time wasted because of the inefficiencies caused by a small space, there's a chance there could be additional hours the library could be open without adding any staff time.
- Mike Vinskey: How much did it cost to contract with Fennessey and where did this money come from? Answered by Mary Anne Antonellis: About \$1350 paid for by library state aid.
- Mike Vinskey: At the April 27th Finance Committee meeting, the library director explained the design process for the library which includes that by July 1 the MBLC will release about \$300,000 to design the building and establish firm costs. Mary

Anne said that if the cost is too high, the town could walk away at that point. Is this true and if this occurs, who would make the decision, what would the process be, and what would it take to walk away? Answered by Mary Anne Antonellis: Yes, that is an option. We will have a building design and will have more information at that point. We can't speculate on what the cost estimate will be once the building is designed, but in the meantime we will continue to fundraise and apply for grants. Keep in mind that the current cost estimate has escalators and contingencies built in, and it's a cost estimate for construction starting in 2023 so it's already higher than if we were building it now. We as a town will continue having this conversation.

- Anna Heard: Why are more of the direct costs ineligible in the Fennessey estimate? Answered by Brad Foster: The two estimates are not totally the same and Fennessey had a slightly more detailed breakdown and it included a few things that RLB had left out.
- Matteo Pangallo: Do we know when the land was assessed? If it wasn't in the last year, it's probably worth more now. Answer by Kate Cell: It was assessed as part of the application process so relatively recently, but it may still be low. But we have no way of knowing that right now as it's difficult to get an appraisal at the moment. The MBLC does consider the value of the land as part of the Town's contribution.
- Amanda Alix: Are clean-up costs for lot 032 being figured into the cost of the library? Answered by Kate Cell: No. What will the remediation cost? Answered by Becky Torres: The area in question- B9- is over 500 feet from the library site. Water testing between the library site and B9 shows no contamination. The Army Corp of Engineers had an underground tank on B9. The Town is moving forward with exploratory work and to hold them responsible if additional clean-up needs to occur. The initial expense to the town to pursue this is about \$10,000 much of which is already on hand in the budget. This is not a library cost at all. This has no relationship to the library. Answer by Mary Anne Antonellis- B9 is more than 500 feet from the library site. It's about 1000 feet and gasoline doesn't travel more than 400 feet. See the environmental reports on the Small Library Project website. Amanda Alix added: She attributes it to the library because if we hadn't discovered it maybe we would not have to deal with it. Because of the library plans, the tests had to be done, so the cost of remediation should be considered part of the cost of the library. The Army Corp of Engineers may not be held responsible, because the DEP says the town is responsible. Answered by Becky Torres: I've been working with and speaking with DEP about this, and the Army Corp of Engineers will be held responsible if it is determined that remediation is required. The Town did not own the property

when it was contaminated and the law says it goes back to who owned the property when it was contaminated and they are held responsible for it. Jim Hemingway added: The Town is responsible for this. The Army Corp of Engineers is unlikely to be available to clean this up within 5 years even if they are responsible. Answer from Becky Torres: I've had the direct correspondence and the direct conversations. This is in process and we are in a different position than we were with the fire station where the Town was responsible.

- Matteo Pangallo: Glad to see appropriate stack space is planned for the new library. Is the entire collection correctly housed in the existing library? Are any library materials currently housed in non-archival spaces and are we putting at risk any existing materials? Answer by Mary Anne Antonellis: Not really. There's a small collection of very old books in the Town Hall.
- Leslie Luchonik: What was the vote on this by the Finance Committee? Answer by Jim Walton: 5-2.
- AJ: Does the cash reserves final balance reflect full funding the roof project? Answer by Jim Walton: Yes.

Documents discussed:

- Overview of Building Program Power Point Presentation
- Overview of Cost Estimates excel spreadsheet
- Finance committee spreadsheet shared

Next meeting: Monday, May 16, 2022

Respectfully submitted by Melanie DeSilva, Secretary, Library Board of Trustees