

**Library Facility Needs Assessment Committee, (LFNAC)
April 6, 2010, 7pm, Shutesbury Elementary School
Meeting Minutes – DRAFT
Meeting with Finance Committee, Select Board, and Capital Planning Committee**

LFNAC Members Present: Karen Traub, Dale Houle, Weezie Houle, Lori Tuominen, Martha Field
LFNAC Members Absent: Michele Regan-Ladd
Guests: Mary Anne Antonellis, Mark Sullivan, Matthew Oudens, Conrad Ello, Becky Torres
Rob Bowen, Frank Citino, Martina Dooley-Caballo, Elaine Puleo (virtual), Leslie Bracebridge, April Steim, Al Springer, Rus Wilson, Mark Tuominen, Michele Sedor, Jane Urban, Gabe Voelker, Patrick Callahan, Gary Hirschfeld, George Arvanitis

OEA Comments in Red Bold Italics

Becky Torres welcomed everyone – Elaine Puleo joined us via virtual connection

1. OEA presentation of latest schematic designs

Lot O32 was identified as the new library site at a previous joint town committee meeting in fall 2009. To start tonight's discussion OEA reviewed analysis of site options with pros and cons for each site. The site behind town hall has cons of way-finding and visibility. Lot O32 site has more street frontage and visibility from the street. A preliminary library design then focused on Lot O32. Ideas about how to connect the site to the Town Center was discussed, such as a stone wall and trees back toward Town Center.

Reviewed how other libraries in the local area were visited; visiting helped to refine the library program.

LFNAC and OEA explored 10 different planning options, then reduced to 3 designs, then focused on 1 favored scheme. OEA and Mary Anne met with MBLC to get input for the last scheme. This last scheme is presented tonight. For Shutesbury a foundation element is that the library be a gathering place for the town.

Key features of this scheme were presented.

- Porch – a gathering place
- Site lines – clear sight-lines for all areas of the library by one person is necessary
- Community Room - 70 to 80 person capacity; off-hours use is possible with library closed off; room faces north so windows will be used to improve natural light.
- Energy Efficiency - double gable roof allows for increased use of PV arrays; the goal is to achieve net zero with 100% energy production on site; LEED gold certification probably can be attained with the design
- Visibility from the street – clear vision during the day; windows will provide light out to the street at night so passerby can see activity
- Wetland - discussed the limits of the wetland; placement of building on the site will not be within the wetlands limitations.
- Entrance road and parking - placement along the left side of the property to prevent issues with the wetlands and to create future access to the rear of the property. A natural screen will be built to protect neighbors from vehicle traffic.

OEA presented ***schematic images*** of the favored design and distributed proposed floor plan.

2. Circulation Statistics -

Mary Anne presented and discussed circulation statistics and the reasons for why Shutesbury needs a larger library. From FY2008 to FY2009, circulation increased by 11%. FY2009 to FY2010 (to date), circulation increased 25%. The number of visitors increased 10% from the past year. In every month, circulation and library visitors for FY2010 is above levels for the previous years. Comparing to other small libraries in western Massachusetts, the Spear Memorial Library is the 8th busiest among the other 50 libraries that are peers for Shutesbury.

3. Costs – presentation of estimates and options

OEA presented two cost models, summarized as follows:

I. Cost Model #1 (Base Building, not including Green Building Components)

<i>Construction Costs + Indirect, “soft” costs</i>	<i>\$2,749,132</i>
<i>MBLC Grant (60% of “eligible costs”, which total \$2,561,538)</i>	<i>(\$1,536,923)</i>
<i>MBLC Green Building Credit (Assumes a LEED Certified rating)</i>	<i>(\$30,738)</i>
<i><u>Land Value Credit</u></i>	<i><u>(75,000)</u></i>
<i>Remaining Cost Obligation to the Town:</i>	<i>\$1,106,471</i>

II. Cost Model #2 (Base Building, including Green Building Components)

<i>Construction Costs + Indirect, “soft” costs</i>	<i>\$3,108,304</i>
<i>MBLC Grant (60% of “eligible costs”, which total \$2,920,710)</i>	<i>(\$1,752,426)</i>
<i>MBLC Green Building Credit (assumes a LEED Gold rating)</i>	<i>(\$52,573)</i>
<i><u>Land Value Credit</u></i>	<i><u>(75,000)</u></i>
<i>Remaining Cost Obligation to the Town:</i>	<i>\$1,228,305</i>

The project is at a very early stage of design. *Consequently, these estimates are based on preliminary design assumptions as opposed to well-resolved, well-vetted information about building systems, materials and finishes. Both cost models* are conservative, and they include contingencies and price escalation estimates. Cost summaries were distributed to attendees *(for reference, these summaries are formally attached hereto)*. *Clarification was also provided for the MBLC offer to grant up to 60% of the project’s “eligible costs”, which include all project costs except for landscaping and paving, furnishings, skylights (if any), and costs associated with moving and/or temporary facilities during construction (if required).*

The project is at a very early stage of design, so costs are general before the specifics are decided. These cost estimates are conservative, and they include contingencies and price escalation estimates.

Cost summaries were distributed to attendees. In summary, total project cost is \$2.75 million. With MBLC grant for 60%, MBLC Green Building Incentive contribution and land value credit, the remaining town cost obligation is \$1.09 million. This can be further offset with fundraising by the Friends of the Library.

OEA reviewed the costs associated with Green Building Elements and the offsetting increase in MBLC contribution.

4. Town Financing -

Discussed information from Gabe Voelker, Town Treasurer, discussed how a building project will affect town finances and how the town can finance a building. There are two options: one is to bond, the other option is to seek support from the United States Department of Agriculture (USDA).

For bonding options, a projected debt schedule was distributed; the debt for the elementary school is about to end and the debt of the library would be replacing the elementary school debt which ends in 2013. Gabe distributed estimate payment charts for a \$1.3 million loan with a bond issuance at 4.25% for 20 years. The town would need to get a bond rating and this would cost \$30,000. There would be a year of borrowing during construction and then the town would move into a repayment plan with the first payment starting in 2015 for \$125,000. All figures are dependent upon interest rates. With bonding the town would be required to conduct an annual audit which would cost approximately \$10,000 per year; currently the town is audited every three years. Funding the library will require a vote for debt exclusion.

A USDA application process for a loan should be started about one year ahead of time; this would happen after a MBLC grant is awarded. The budget must be finalized when application is sent to USDA. The interest rate is 4% over 20 years, the cost of USDA borrowing is about \$546,000 vs. \$586,000 for a bond issuance. Early payment options are possible but interest costs are not decreased. USDA will hold annual inspections and ensure that the building is ADA compliant for the life of the loan. Interest rate will be fixed for the USDA and refinancing is possible. USDA does not require a bond rating but they will review the town financials. USDA has limits as to what building items can be included in the loan.

For fundraising, encourage Friends to donate to landscaping and furnishing rather than the building because the latter can be funded by a bond or with USDA loan. Try to fundraise for items that are not part of borrowing; focus on the ineligible costs as determined by the MBLC, too.

5. Next Steps

This project needs to be taken to Town Meeting for approval of a warrant article crafted by the Library Trustees with consent of LFNAC. This means that townspeople need to understand what parts will be paid for by an MBLC grant and town loan options for people to make a decision about the library. There needs to be careful deliberation about how this project is presented. What would these town committees recommend for bringing this project to town meeting?

Comments and Questions from the Finance Committee, Select Board Members and the General Audience:

Patrick Callahan:

Town depts. will get 0% increase and town employees will get 1.5% pay increase next year - that will be the budget presented at Town Meeting in May. The message will be that there is no money and what the town will/will not be getting from the state. All towns are facing this budget limitation. The other part is to get town approval for a long term capital project. The time to plan ahead is now because the town doesn't have money. The town needs to be

looking 10 years out; we need to plan. It is a good time to plan. Present this to the community as something that is valuable to the community; it benefits the town and is for the town people. To do this project we need to meet state requirements but do not emphasize this. Take opportunity to plan.

Does using this town property block the lot from other uses? No, there can be other uses for the property along with the library.

There needs to be full transparency and open disclosure about the costs and numbers.

Communicate to the community in a one-page document.

The town will be voting to put in the MBLC application; the decision to spend the money can be made later.

The possibility of attaching money for the project to the town meeting vote was raised. Pros and cons were discussed. If there is town approval for financing for the grant, the MBLC application will be stronger because an extra 5 points would be earned in this very competitive grant round. MBLC will be awarding about 6 to 8 grants with about 50 applications expected.

To vote on the money, the town would be requesting to hold a ballot vote on debt exclusion. Putting the money vote on a special town meeting in the fall (October) is one option. The Special Town Meeting option would give towns people the opportunity to ask questions about the concept. When asked, the Town Treasurer did not recommend attaching money to the proposed town warrant article. There was a general consensus not to attach money to the Town Meeting vote on May 1, 2010. The Town Meeting would be used to educate the community about the library project.

Open town forum with LFNAC will be held on April 26th to show the renderings.

LFNAC should Display the presentation schemes and floor plan at the library, elementary school and the Town Hall ***in advance of Town Meeting on May 1st***. Town needs to be shown the schematics and the designs; there will be more town input after this process.

History room – location is in direct light and there is a need for historic documents; is this okay? There will be follow-up at the design phase if Shutesbury is awarded an MBLC grant.

Vaulted ceilings - will the heat be lost? With ceiling fans will circulate air and help with heating; some of the heating will be radiant. Will there be acoustic issues? Any large rooms would have this issue; the Community Room may be the most difficult while there will be less of an issue in the book area.

Does the design allow for growth in holdings of the library? Current designs include projects for 20 years of growth

Is this the last time for input in design? No, this is a preliminary design which will be put forward in the MBLC grant and there will be time and opportunities for design input if the town is awarded the grant. One area town redesigned the entire scheme after they were awarded an MBLC grant and that was fine.

6. Minutes

- a. March 24, 2010 – approval postponed
- b. March 31, 2010 – approval postponed

7. Next meeting dates – **April 13, 2010, 7PM**, joint Library Trustees & LFNAC meeting, Town Hall
April 26, 2010, 7PM, ice cream social and public forum, Town Hall