

June 6, 2017; 1:55 p.m.

The Spokane County Library District Board of Trustees will hold a special meeting on Friday, June 9, 2017, at 9:15 a.m., in the Argonne Library Public Meeting Room, located at 4322 N. Argonne Rd., Spokane.

In compliance with Open Public Meetings Act requirements for special meetings (RCW 42.30.080), discussion will be limited to the items on the published agenda. No other business will be conducted.

- The meeting location is barrier-free.
- If you require accommodation to participate in this meeting, please call Spokane County Library District Administrative Offices, 509-893-8200, in advance of the meeting.



www.scd.org
Administrative Offices
509.893.8200
fax 509.893.8472

Airway Heights Library
509.893.8250

Argonne Library
509.893.8260

Cheney Library
509.893.8280

Deer Park Library
509.893.8300

Fairfield Library
509.893.8320

Medical Lake Library
509.893.8330

Moran Prairie Library
509.893.8340

North Spokane Library
509.893.8350

Otis Orchards Library
509.893.8390

Spokane Valley Library
509.893.8400

MISSION

We build community by connecting people to educational, economic, and recreational opportunities.

Board of Trustees Special Meeting

June 9, 2017 9:15 a.m. Argonne Library Public Meeting Room

Note:

In compliance with Open Public Meetings Act requirements for special meetings (RCW 42.30.080), discussion will be limited to the items on the published agenda.

AGENDA

- I. **CALL TO ORDER**

- II. **2017 BUDGET – AMEND THE LIBRARY DISTRICT’S FINAL 2017 CAPITAL PROJECT FUND BUDGET (RESOLUTION 17-03): APPROVAL RECOMMENDATION. [9:15 A.M-9:30 A.M.]**

- III. **EXECUTIVE SESSION [9:30 A.M-2:00 P.M.]
EVALUATE QUALIFICATIONS OF APPLICANTS FOR PUBLIC EMPLOYMENT (RCW 42.30.110(1)(G))**

- IV. **PUBLIC COMMENT**

- V. **ADJOURNMENT**

[Estimated meeting length: Four hours and 45 minutes, plus public comment.]

This meeting location is barrier-free. If you require accommodation to participate in this meeting, please notify Spokane County Library District Administrative Offices (509/893-8200) at least 24 hours prior.

06/05/17

2017 Capital Project Fund Budget Amendment

Background

In 2016, the Board approved a proposal to remodel the North Spokane Library based on initial estimates of \$425,000 to complete the project. A payment of approximately \$26,000 in architectural design fees was paid in 2016.

In December 2016, the Board approved Resolution 16-11, to establish the 2017 Budget, which included a Capital Project Fund budget of \$400,000 for the North Spokane remodel.

At its regular meeting on January 17, 2017, the Board authorized the Executive Director to enter into a lease agreement with the Spokane Valley Mall to establish The BookEnd. Initial startup costs for equipment and tenant improvements were estimated at \$40,000. These costs would be covered by the General Fund ending balance anticipated for 2016.

Also at the January meeting, the Board awarded the construction contract for the North Spokane remodel in the amount of \$241,099 before sales tax. The following week a special meeting was held and the Board awarded the North Spokane carpet purchase and installation contract in the amount of \$53,450 before sales tax. Per the table below, the total of these bids resulted in an increase of \$45,000 above the initial estimate, and the estimated project budget was increased from \$425,000 to \$470,000.

North Spokane Remodel Project			
Initial Estimated Construction Cost			
Heavy Remodel	1,562	\$ 50.00	78,100
Medium Remodel	2,970	\$ 25.00	74,250
Refresh (Carpeting, paint, wall coverings...	10,664	\$ 10.00	106,640
	15,196		258,990
Sales tax			22,532
Soft Costs & Contingency			75,478
Furnishings			68,000
			425,000
Revised Estimate Based on Actual Construction Cost Bids			
Construction contract actual bid amount			241,099
Carpet purchase and installation actual bid amount			53,450
			294,549
Sales tax			25,626
Soft Costs & Contingency			79,825
Furnishings			70,000
			470,000

At the February 13 regular meeting, Resolution 17-02 was approved to authorize the transfer of the 2016 end of year fund balance from the General Fund to the Capital Project Fund (details listed below). Within this transfer, funds for The BookEnd startup costs and North Spokane renovation project increase were identified. However, a formal Capital Project Fund amendment was not submitted for approval.

North Spokane remodel project	<i>Transfer to Cap Proj Fund</i>	40,000
Mall location initial furnishing and equipment investment	<i>Transfer to Cap Proj Fund</i>	40,000
General increase in capital project fund balance	<i>Transfer to Cap Proj Fund</i>	<u>312,908</u>
		<u>392,908</u>

The North Spokane remodel is now complete and The BookEnd is open. Final costs of both projects are summarized below. The total tenant improvement and equipment costs for The BookEnd are just shy of \$49,000. Total cost of the North Spokane project, including all furnishings and equipment, is approximately \$471,000.

Spokane County Library District Capital Project Fund Proposed 2017 Budget Amendment					
	Project Final Cost	Less: Amt Paid in 2016	Final 2017 Total	Final Budget: Res 16-11	Budget Revision Needed
EXPENSES					
Capital Improvements: North Spokane	470,900	(26,550)	444,350		
Tenant Improvements and Equipment: BookEnd	48,900	0	48,900		
			<u>493,250</u>		
Rounded up			500,000	400,000	<u>100,000</u>

In summary, the initial estimate for the North Spokane project was \$46,000 below the final cost. It became apparent that the initial estimate was too low when the construction bids, excluding the carpet, came in higher than anticipated. The BookEnd startup costs were slightly higher than anticipated by \$9,000. The transfer from the General Fund to the Capital Project Fund earlier this year is sufficient to address these project cost increases. With both projects complete, it is time to amend the 2017 Capital Project Fund to make final project payments.

Recommended Action: Motion to approve Resolution 17-03 to amend the 2017 Capital Project Fund budget, to increase the total authorized expenditure from \$400,000 to \$500,000 to fund the North Spokane remodel project and The BookEnd startup.

RESOLUTION NO. 17-03

A RESOLUTION OF THE BOARD OF TRUSTEES OF SPOKANE COUNTY LIBRARY DISTRICT, SPOKANE COUNTY, WASHINGTON, AMENDING THE LIBRARY DISTRICT'S FINAL 2017 CAPITAL PROJECT FUND BUDGET, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO.

**SPOKANE COUNTY LIBRARY DISTRICT
Spokane, Washington**

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF SPOKANE COUNTY LIBRARY DISTRICT, SPOKANE COUNTY, WASHINGTON, as follows:

WHEREAS, Spokane County Library District, Spokane County, Washington (the "District") is a rural library district duly organized and existing under and by virtue of the Constitution and the laws of the State of Washington;

WHEREAS, RCW 27.12.210 (5) provides the Board of Trustees (the "Board") with exclusive control of the finances of the District;

WHEREAS, the Board adopted the expenditure budget for 2017 through Resolution 16-11 for the Capital Project Fund in the amount of \$400,000 on December 20, 2016;

WHEREAS, the Board adopted Resolution 17-02 authorizing the transfer of funds from the General Fund to the Capital Project Fund, portions of which were to fund the initial capital investment for The BookEnd and the increase in the total cost of the North Spokane remodel project;

WHEREAS, the total cost of the North Spokane remodel project was approximately \$471,000, an amount \$46,000 higher than the original estimate;

WHEREAS, the total cost of the tenant improvements and initial capital equipment for The BookEnd was approximately \$49,000;

WHEREAS, the Board has determined it is necessary to amend the District's 2017 Capital Project Fund budget to reflect these changes;

NOW THEREFORE, IT IS HEREBY FOUND, DETERMINED AND ORDERED as follows:

Section 1: ADOPTION OF THE AMENDED 2017 CAPITAL PROJECT FUND BUDGET.

The Board hereby authorizes and directs that the Capital Project Fund total expenditures budget for 2017 to be increased from \$400,000 to \$500,000.

Section 2: EFFECTIVE DATE

This resolution shall be effective immediately upon its adoption and approval.

ADOPTED by the Board of Trustees of Spokane County Library District, Spokane County, Washington, at a regular meeting thereof, held this 9th day of June 2017.

SPOKANE COUNTY LIBRARY DISTRICT
Spokane County, Washington

John Craig, Chair
Board of Trustees

ATTEST

Nancy Ledeboer
Secretary to the Board of Trustees