



CAPITOLA LIBRARY ADVISORY COMMITTEE SPECIAL MEETING AGENDA

THURSDAY, JANUARY 26, 2017

2:00 PM

CITY HALL COMMUNITY ROOM
420 CAPITOLA AVENUE, CAPITOLA, CA 95010

1. **ROLL CALL**

2. **ADDITIONAL MATERIALS**

Additional information submitted to the City after distribution of the agenda packet.

3. **CHANGES TO AGENDA**

4. **ORAL COMMUNICATION**

Oral Communications allows time for members of the Public to address the Committee on any item not on the Agenda. Presentations will be limited to three minutes per speaker. Individuals may not speak more than once during Oral Communication. All speakers must address the entire Committee and will not be permitted to engage in dialogue. A MAXIMUM of 30 MINUTES is set aside for Oral Communications at this time.

5. **COMMITTEE / STAFF COMMENTS**

Library Advisory Members / Staff may comment on matters of a general nature or identify issues for staff response or future committee consideration.

6. **GENERAL BUSINESS**

General Business items are intended to provide an opportunity for public discussion of each item listed. The following procedure is followed for each Business item: 1) Staff explanation; 2) Committee questions; 3) Public comment; 4) Committee deliberation; 5) Decision.

A. Library Program and Budget Review

RECOMMENDED ACTION: Review the attached City Council Agenda Report on the Library Program and Budget Review and provide a recommendation.

7. **ADJOURNMENT**

Adjourned to a Regular Meeting of the Library Advisory Committee to be held on Tuesday, February 14, 2017, at 3:30 p.m. at the Community Room located at 420 Capitola Avenue, Capitola.

Note: The Capitola Library Advisory Committee meets on the Tuesday every other month at 3:30 p.m. in the Community Room located at 420 Capitola Avenue, Capitola.

CAPITOLA LIBRARY ADVISORY COMMITTEE SPECIAL MEETING AGENDA
January 26, 2017

Agenda and Agenda Packet Materials: The Capitola Library Advisory Committee Agenda is available on the City's website: www.cityofcapitola.org on Friday prior to the Tuesday meeting. If you need additional information please contact the City Clerk at (831) 475-7300.

Any person seeking to challenge a Committee decision made as a result of a proceeding in which, by law, a hearing is required to be given, evidence is required to be taken, and the discretion in the determination of facts is vested in the Committee, shall be required to commence that court action within ninety (90) days following the date on which the decision becomes final as provided in Code of Civil Procedure §1094.6. Please refer to code of Civil Procedure §1094.6 to determine how to calculate when a decision becomes "final." Please be advised that in most instances the decision become "final" upon the Committee's announcement of its decision at the completion of the public hearing. Failure to comply with this 90-day rule will preclude any person from challenging the Committee decision in court.

Americans with Disabilities Act: Disability-related aids or services are available to enable persons with a disability to participate in this meeting consistent with the Federal Americans with Disabilities Act of 1990. Assisted listening devices are available for individuals with hearing impairments at the meeting in the Committee Chambers. Should you require special accommodations to participate in the meeting due to a disability, please contact the City Clerk's office at least 24-hours in advance of the meeting at 831-475-7300. In an effort to accommodate individuals with environmental sensitivities, attendees are requested to refrain from wearing perfumes and other scented products.



CAPITOLA LIBRARY ADVISORY COMMITTEE AGENDA REPORT

MEETING OF JANUARY 26, 2017

FROM: Public Works Department

SUBJECT: Library Program and Budget Review

RECOMMENDED ACTION: Review the attached City Council Agenda Report on the Library Program and Budget Review and provide a recommendation.

BACKGROUND: At its January 26, 2017, meeting the City Council will be considering an item and providing direction on the building size and budget for the new library. Attached is the agenda staff report on the item.

DISCUSSION: The Library Advisory Commission should review and discuss this material so that a recommendation from the committee can be taken to the Council by staff.

ATTACHMENTS:

1. Library Budget Options SAR

Report Prepared By: Steve Jesberg
Public Works Director

Reviewed and Forwarded by:

Jamie Goldstein, City Manager

1/20/2017



CAPITOLA CITY COUNCIL AGENDA REPORT

MEETING OF JANUARY 26, 2017

FROM: Public Works Department

SUBJECT: Consider Report on the Library Project and Provide Direction on Budget Options

RECOMMENDED ACTION: Receive update on library design and public outreach process, consider report on estimated project costs, and provide direction on project scope and budget.

BACKGROUND: The design and planning of the Capitola Library is underway. On January 11, 2017, a workshop was held, attended by approximately 35 members of the public. The project architect, Noll and Tam, presented the preliminary schematic designs for the site and building and received positive feedback from a majority of those in attendance.

As this work is being completed, the project team has also been updating the project cost estimates including design costs, permitting costs, and construction estimates. The primary funding sources for the library project are \$8 million of Measure S funds and \$2.6 million of Successor Agency funds. The level of funding provided through Measure S was based on a 2011 needs assessment of the entire County library system. The Successor Agency funding was developed in the early 2000s as part of an agreement with the County over adding the Rispin property to the Redevelopment Agency. Staff anticipates another \$550,000 can be brought into the project through fundraising and other outside sources, bringing the total funding level at this time to \$11.15 million.

Unfortunately, project costs have escalated since the 2011 estimate was prepared. In 2011 a base value of \$525 per square foot was used for building construction and \$30 per square foot for site improvements. Based on recently bid projects, the current estimates are \$680 and \$50 for building and site costs respectively.

The 2011 Needs Assessment identified a 12,800-square-foot library for Capitola. Based on this square footage, the current project cost estimate is in excess of \$14 million.

Unrelated to the budget review, the architectural team and County library staff have been reviewing the 2011 Needs Assessment to determine if it meets today's needs and current library design trends. This needs assessment update slightly reduced the total project size to 11,700 square feet. Attachment 1 shows the original and revised programs. Library staff have indicated that a properly designed, modern, 11,700-square-foot library would meet today's program demands and also provide flexibility to adapt in the future.

DISCUSSION: Given the budget constraints and updated needs assessment, the design team and staff are looking for direction from the City Council on finalizing the building size and project budget. The project architect has indicated that it would not be advisable to proceed any further

Library Project Cost Update
January 26, 2017

with the schematic design until the budget and building size are established. To avoid project delays that could further raise costs, it is important the Council provide direction at this meeting.

Following are three options for the Council's consideration. Attachment 2 breaks down the costs for these options.

Option 1 - Use the Updated Needs Assessment

This project would build a 11,700-square-foot library at a cost of \$13 million and meet the program demands while reducing the estimated cost by \$1 million. Library staff have indicated that all anticipated programs and services could be met with a library of this size.

Option 2 - Use 2011 Needs Assessment

This project would build a 12,800-square-foot library at a cost of \$14 million, which is the largest library under consideration and would provide the best options and flexibility for current and future programs.

Option 3. Work within existing budget

This project would build a 9,250-square-foot library at a cost of \$11.15 million. While big enough to meet the demands of Capitola residents, our library is part of a larger library system, and more than half of its users are from adjacent communities. As a result, based on the needs assessment and direction from library staff, a library this size would reduce overall service levels from the originally planned library. However, an 8,100-square-foot library would meet the terms of the contract with Santa Cruz County, and would essentially double the size of the existing facility.

There are other options to build a library between 9,250 and 12,700 square feet. At a rough estimate level, each 1,000 square feet adds approximately \$1 million to the project cost.

FISCAL IMPACT: The framework for funding all potential library options vary.

Option 1 can be funded using existing Fund Balances in Internal Service Funds, Facilities Reserve Fund and deferring some CIP projects over the next two budget cycles.

Option 2 can be funded partially by the same sources as Option 1, but would require an additional \$1 million, which would likely require the issuance of debt or refinancing existing debt.

Option 3 can likely be funded through already identified sources and should not require any additional City funds.

All the potential funding options rely upon receiving donations from the Friends of the Capitola Library along with additional funds from the Library JPA. Options 1 and 2 further rely full repayment of the outstanding loan between the City and the Successor Agency and utilizing the projected fund balance in the Pension Obligation Bond Fund at 2017 POB closeout.

The attachment includes a tentative financing plan for all options.

On January 20, the City received a letter from CalPERS projecting the impacts of its Board's recent decision to lower the discount rate. The decreased discount rate impacts the annual normal cost contributions along with the Unfunded Actuarial Liability payment. Based on CalPERS projections, staff projects an additional \$1 million in retirement contributions above the figures used in the long-range financial plan by 2020/21.

Mall redevelopment also presents a potential revenue risk in the next several years. The sales tax generated from the current mall might temporarily decrease during redevelopment causing a

Library Project Cost Update
January 26, 2017

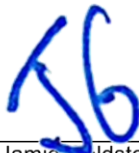
short-term need for reserve funding. The potential impact, and long-term benefits, will not be known until such time as plans are presented for consideration.

ATTACHMENTS:

1. Program Needs Assessment Analysis
2. Budget Option Analysis
3. Tentative Library Financing Plan

Report Prepared By: Steve Jesberg
Public Works Director

Reviewed and Forwarded by:



Jamie Goldstein, City Manager

1/20/2017

Capitola Library
Space Needs Assessment and Building Program
101/19/17

Facility Space Requirements

May 2011 Program		
Space	Square Feet	Subtotal
1.1 Public Entrance/Lobby	54	
1.2 Public Restrooms	IN GSF	
1.3 Community Meeting Room	1,022	
1.4 Meeting Room Storage /AV Equipment	108	
1.5 Friends of the Library Book Sale	40	
1.6 Book Donations Sorting Space	120	
1.7 Community Information	30	1,374
2.1 Self Checkout and Reserves Pickup	120	
2.2 New Books Browsing Area	298	
2.3 Media Browsing Area	278	
2.4 Service Desk	170	866
3.1 Adult Public Access Computers	409	
3.2 Reference Collection	176	
3.3 Adult Circulating Fiction Books	599	
3.4 Adult Circulating Nonfiction Books	552	
3.5 International Languages Collection	72	
3.6 Quiet Reading and Study	250	
3.7 Magazine + Newspaper Browsing	132	
3.8 Adult Seating	720	
3.9 Capitola History	140	
3.10 Group Study/Tutoring Rooms (3 or 4)	200	
3.11 blank		
3.12 Teen Area	505	
3.13 Electronic Homework Center	345	4,100
4.1 Children's New Books + Media	293	
4.2 Children's Public Access Computers	129	
4.3 Children's Circulating Books	587	
4.4 Family Space/Children's Programming Area	506	
4.5 Easy Books and Readers	454	
4.6 Storytelling and Programming Storage	64	
4.7 Parents and Teachers Collection	10	
4.8 Family Restroom	IN GSF	2,043
5.1 Library Office	75	
5.2 Staff Workroom	239	
5.3 Sorting and Returns	356	
5.4 Mail and Deliveries	104	
5.5 Supplies and Equipment Storage	70	
5.6 Computer/Telecom/Server Room	86	
5.7 Staff Entrance/Lockers/Coat Closet	44	
5.8 Staff Lounge	178	
5.9 Staff Restrooms	IN GSF	
5.10 Custodial / Maintenance Services	95	1,247
Library Net Assignable Square Feet:	9,630	9,630
Library Gross Square Feet @ 75% Efficiency:		12,840
Rounded		12,800
Estimated Cost		\$14 million

Proposed Revised Program			
Space	Square Feet	Difference	Subtotal
1.1 Public Entrance/Lobby	54		
1.2 Public Restrooms	IN GSF		
1.3 Community Meeting Room	1,000	-22	
1.4 Meeting Room Storage /AV Equipment	100	-8	
1.5 Friends of the Library Book Sale		-40	
1.6 Book Donations Sorting Space	120		
1.7 Community Information	30		1,304
2.1 Self Checkout and Reserves Pickup	120		
2.2 New Books Browsing Area	298		
2.3 Media Browsing Area	150	-128	
2.4 Service Desk	170		738
3.1 Adult Public Access Computers	200	-209	
3.2 Reference Collection		-176	
3.3 Adult Circulating Fiction Books	599		
3.4 Adult Circulating Nonfiction Books	552		
3.5 International Languages Collection		-72	
3.6 Quiet Reading and Study	250		
3.7 Magazine + Newspaper Browsing	132		
3.8 Adult Seating	720		
3.9 Capitola History		-140	
3.10 Group Study/Tutoring Rooms (3 or 4)	400	200	
3.11 blank			
3.12 Teen Area	500	-5	
3.13 Electronic Homework Center	345		3,698
4.1 Children's New Books + Media	293		
4.2 Children's Public Access Computers	129		
4.3 Children's Circulating Books	587		
4.4 Family Space/Children's Programming Area	506		
4.5 Easy Books and Readers	454		
4.6 Storytelling and Programming Storage	64		
4.7 Parents and Teachers Collection	10		
4.8 Family Restroom	IN GSF		2,043
5.1 Library Office	75		
5.2 Staff Workroom	239		
5.3 Sorting and Returns	200	-156	
5.4 Mail and Deliveries	60	-44	
5.5 Supplies and Equipment Storage	70		
5.6 Computer/Telecom/Server Room	86		
5.7 Staff Entrance/Lockers/Coat Closet	44		
5.8 Staff Lounge	178		
5.9 Staff Restrooms	IN GSF		
5.10 Custodial / Maintenance Services	95		1,047
Library Net Assignable Square Feet:	8,830	-800	8,830
Library Gross Square Feet @ 75% Efficiency:			11,711
Estimated Cost			11,700
			\$13 million

Area increases
Area decreases

Attachment: Library Budget Options SAR (1731 : Lilibrary Program and Budget Review)

City of Capitola - New Library

Project Budget Analysis

<div><div>Original Budget</div><div>Option 1 Updated Budget for 11,700 sf</div><div>Option 2 Updated Budget for 12,800 sf</div><div>Option 3 Updated Budget for 9,120 sf (to meet budget)</div></div>												
1. Construction												
TOTAL	\$	7,545,000	71.09%	\$	9,656,000	73.41%	\$	10,413,846	73.79%	\$	7,860,600	70.41%
2. Contingency												
TOTAL	\$	800,000	7.54%	\$	1,000,000	7.60%	\$	1,200,000	8.50%	\$	950,000	8.51%
3. Architectural and Engineering Fees												
TOTAL	\$	1,075,000	10.13%	\$	1,295,000	9.84%	\$	1,295,000	9.18%	\$	1,150,000	10.30%
4. Permits /Special Inspections												
TOTAL	\$	130,000	1.22%	\$	130,000	0.99%	\$	130,000	0.92%	\$	130,000	1.16%
5. PM and Other Fees												
TOTAL	\$	329,000	3.10%	\$	338,400	2.57%	\$	338,400	2.40%	\$	338,400	3.03%
6. Miscellaneous												
TOTAL	\$	35,000	0.33%	\$	35,000	0.27%	\$	35,000	0.25%	\$	35,000	0.31%
7. Total Costs (items 1 through 6 above)												
TOTAL	\$	9,914,000	93.40%	\$	12,454,400	94.68%	\$	13,412,246	95.04%	\$	10,464,000	93.73%
8. Furniture, Fixtures and Equipment												
TOTAL	\$	700,000	6.60%	\$	700,000	5.32%	\$	700,000	4.96%	\$	700,000	6.27%
9. Total Project Cost												
TOTAL	\$	10,614,000	100.00%	\$	13,154,400	100.00%	\$	14,112,246	100.00%	\$	11,164,000	100.00%

Difference from Original Budget (Total Project Costs)

\$0

\$2,540,400

\$3,498,246

\$550,000

Anticipated Supplemental Funding

\$550,000

\$550,000

\$550,000

Additional Funding Needed

\$1,990,400

\$2,948,246

\$0

Building / Site Analysis

Square Feet (Building)	13,000	11,700	12,800	9,120
Building (New Construction)	\$ 6,800,000	\$ 7,956,000	\$ 8,713,846	\$ 6,200,600
Per Square Cost (Building)	\$ 523.08	\$ 680.00	\$ 680.77	\$ 679.89
Square Feet (Site)	30,000	30,000	30,000	30,000
Site Work	\$ 470,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Per Square Cost (Site)	\$ 15.67	\$ 50.00	\$ 50.00	\$ 50.00
Construction Cost (Building + Site)	\$7,270,000	\$9,456,000	\$10,213,846	\$ 7,700,600

Tentative Financing Plan
(in millions)

	Option 1 - 11,700	Option 2 - 12,700	Option 3 -9,250
Existing Funding	\$ 10.60	\$ 10.60	\$ 10.60
Cost Estimate	\$ 13.15	\$ 14.15	\$ 11.15
Delta	\$ (2.55)	\$ (3.55)	\$ (0.55)

New Sources

Friends of the Capitola Library Donations	\$ 0.35	\$ 0.35	\$ 0.35
JPA/Library Fund	\$ 0.20	\$ 0.20	\$ 0.20
General Fund			
Pension Obligation Bond Closeout	\$ 0.45	\$ 0.45	\$ -
Successor Agency Loan Repayment Funds	\$ 0.40	\$ 0.40	\$ -
Other GF*	\$ 1.15	\$ 2.15	\$ -
General Fund Subtotal	\$ 2.00	\$ 3.00	\$ -
Total Sources	\$ 13.15	\$ 14.15	\$ 11.15

***Other GF [Over 2 Budget Cycles]**

Measure D 1/2 Year for Capital	\$ 0.30
ISF Fund Balance	\$ 0.20
Facilities Reserve Balance	\$ 0.20
Deferred CIP Projects	\$ 0.45
Total	\$ 1.15
Debt Financing	\$ 1.00
Total	\$ 2.15