



City of Takoma Park

Library Renovation Project

Funding, Cost Estimates and Next Steps

Presented by:

Suzanne Ludlow

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A Review of Library Renovation Project Costs, Funding Sources and Action Steps

- **Timeline**
- **Funding Sources**
- **Costs**
- **Council Options**
- **Next Steps**



Timeline: Library Project

Initial Options

In 2015, architect Greg Lukmire proposed several options for Library renovation and modest expansion; construction costs ranged from \$1.4M with no expansion to \$2.6M for 4,500 additional sq ft from existing 9,314 sq ft

Library Bond

In 2017, the City Council borrowed \$7M to help pay the costs for renovating and expanding the Library

Bond Bill

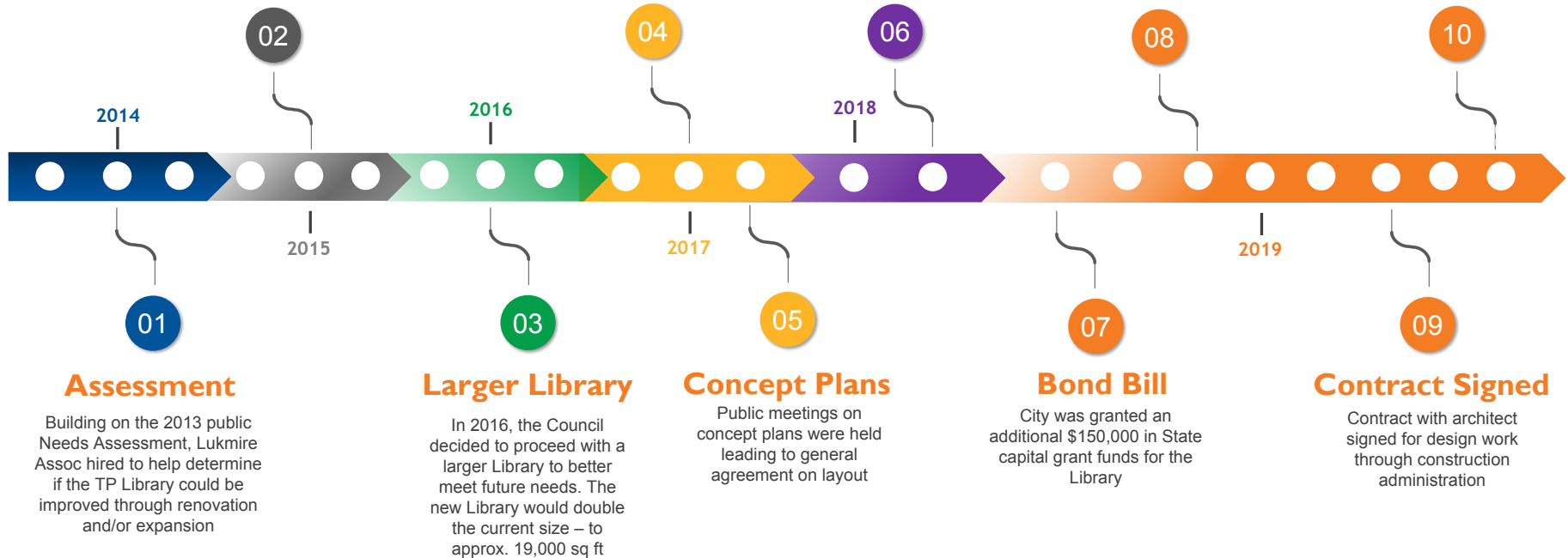
City was granted \$150,000 in State capital grant funds for the Library

Flood Plain Study

Work was done to determine the flood plain in the area of the Library and to begin to consider implications on its design

To-Date

Council authorized expenditure of up to \$300,000 for design work pending outcome of flood study



Funding Sources

There are three major funding sources for the Library Renovation Project. Each source has restrictions regarding how it may be used.

Library Infrastructure Bond

- \$7 million bond - funds borrowed in 2015 to be used for the Library project (design, construction, etc.); if the Library project does not move forward it could be used for other construction at the Community Center site

State Capital Grants (“Bond Bills”)

- Two \$150,000 capital grants for Library construction only; must have an equal match of City funds

Cable Capital Grant Funds

- The City has approximately \$3.2 million in funds from Cable franchise payments that can only be used for capital expenditures related to recording/broadcasting CityTV programs, wiring to support cable and public safety communications, and the facilities in which these activities take place or are processed; many Library activities have a nexus to this: programming, computers and media resources
- Some funds need to remain in the account for ongoing capital needs of CityTV; at this point I am comfortable spending up to about \$2.5 million



Construction Costs

The Library project costs first provided in March 2019 and then refined by the independent cost estimator last month are not quite apples to apples comparisons. The more that design work continues, the more specificity we have on individual items.

Description	March 2019	February 2020
Site Work / Pkg Lot	\$250,000	\$679,508
New Construction/Addition	\$6,877,500	\$5,835,698
Renovation/Rec Dept*	\$405,000	\$553,402
Escalation & Contingency		\$1,270,582
Construction Total	\$7,532,500	\$8,339,190
Soft Costs**	\$1,506,500	\$1,500,000
Estimated Total Project	\$9,039,000	\$9,839,190

* Renovation/Rec Dept includes the Recreation Dept space, most of the octagon area and the adjacent bathrooms. Reorientation and renovation of the Rec Dept may be about 1/3 of the space.



Construction Costs

As construction design work proceeded, it became clear that work in the area of the octagon (current computer rooms) requires more site and foundation work than was estimated in the earlier concept. And, the March 2019 estimate included some funds in the New Construction/Addition category that the February 2020 estimate separated out. All of the estimates include the high level of “green” features that are required by the City’s contract for the Library.

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**** Soft costs include design fees of \$800,000, furnishings, moving costs, permits, as well as construction manager and other City internal costs.**



Options Regarding Costs

At the February 26 Council meeting, there were questions about possible ways to reduce or limit costs. *It is always wise to identify **areas that may be cut, delayed or changed to reduce costs** if needed.*

At this time, we do not have enough specificity to know the cost of deleting or delaying project components. We can, however, ask the architect and cost estimator to identify the components and their estimated costs and we can ask for “add alternates” in the construction bid package. Elements that the Council may wish to consider:

- Cost of eliminating or delaying the portion of the lounge and computer area that extends over the parking lot – would need some time to cost out
- Cost of eliminating or delaying the reorientation and renovation of the Recreation Department space
- Cost of reducing the footprint of the general library space (the architect notes that reducing the size by more than about 1000 sq ft would negatively impact operations)

Note that any component that is delayed will cost more later, due to mobilization costs



Options Regarding Costs

Another way to reduce costs is to **reduce the quality of materials or finishes**. The design goal at this point is to have materials and finishes that are attractive and durable for heavy public use. Finishes must also be easy to maintain and meet our “green” standards. This is not a “gold-plated” library. As the design of spaces becomes more refined, there may be options in certain locations to use finishes or materials that are less expensive but continue to provide the durability needed and those options will be shared with Council.

Another option for Council is to have a construction cost cap established. The architect would then design the library in a way not to exceed the maximum allowable cost. Discussions with Council about any changes to the plans due to the cost cap would be held, just as they would without a stated cap.



Architectural Contract

The full contract with RRMM Lukmire Associates is for just under \$800,000. The Council’s authorization for expenditures from Ordinance 2019-26 is for \$300,000 “to get to a point where specific information on construction cost estimates would be able to be obtained [after the flood study work is refined].” For more design work to be done – including further-refined cost estimates – more funds need to be authorized. The funds for the full design contract are in the budget for this fiscal year.

Staff recommends scheduling consideration of an ordinance authorizing the use of funds for the remaining design work.

Part of the work of the architect is to refine designs so that more precise cost estimates can be done. Some of the soft costs need to be provided by City staff, including the cost of the construction manager and the cost of moving and temporary operations. If the Council intends to move forward with the Library design work at this time, staff will work to get precise figures for these parts of the soft costs number.



Next Steps

- **Schedule an ordinance authorizing the remaining design funds**
- **Have a public process to get input on exterior design options**
- **Have staff proceed with retaining a construction manager and confirming a temporary location for the Library; share cost information with Council**
- **At the time of the ordinance authorizing the remaining design funds, or at a later point, identify any cost control changes the Council may wish to make**



Questions?

Contact Information

Suzanne Ludlow, City Manager

email: SuzanneL@takomaparkmd.gov

