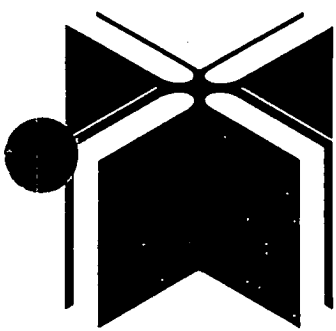


7



March 23, 1990

**Sacramento Public Library
and Information Service**

1010-8th Street
Sacramento, CA 95814-3576
916-440-5926

BUDGET & FINANCE COMMITTEE
SACRAMENTO, CALIFORNIA

HONORABLE MEMBERS IN SESSION

SUBJECT: CENTRAL LIBRARY INTERIOR CIP

SUMMARY

The Library requests that the Budget and Finance Committee recommend approval of the attached resolution authorizing the transfer of \$234,000 from the Library operating budget to the Central Interior CIP.

BACKGROUND

In its report before the Joint Budget & Finance/Transportation & Community Development Committee on March 6, 1990 (Attachment 1) the Library listed several items in the interior construction of the Central Library Expansion which would require financing in Fiscal 1989-90. In review with SHRA and Facility Management the most pressing of the items previously listed are:

1. Facility Upgrades	\$ 150,000
2. Furniture/Equipment	<u>84,000</u>
Total	\$ 234,000

FACILITY UPGRADES (Table 1) - Upgrades lighting fixtures throughout the library for greater energy efficiency resulting in significant energy cost savings over the life of the library. Adds electrical boxes for greater flexibility of space utilization. Improves roof material for longer life and greater weather protection. Upgrades elevator design plus other minor library design changes. Each of the listed changes require funding in 1989-90 in order to either prevent delays in construction or avoid substantial increase in cost to retrofit the item.

FURNITURE/EQUIPMENT (Table 1) - The Library administration center currently uses the Sacramento County communications center for internal and external communications lines. This arrangement has proven to be cost effective and will prove even more so in the future. This item is the cost of laying the communications cable from Sacramento County communications center located at 700 I Street, to the communications room of the Central Library Expansion. Other costs include security and shelving requirements not included in the original plans. Delay in funding these items will require costly retrofit after the building is turned over to the City.

March 23, 1990
Budget and Finance Committee
Page 2

FINANCIAL DATA

With the restoration of the 1989-90 budget cuts and other salary savings within the Library, the Library has sufficient funds available to transfer to the Central Interior CIP to cover the expenditures previously listed. This eliminates the need for any funding request against general fund contingencies.

POLICY CONSIDERATIONS

This request identifies a source of funds and requests transfer of said funds to complete items in an approved project.

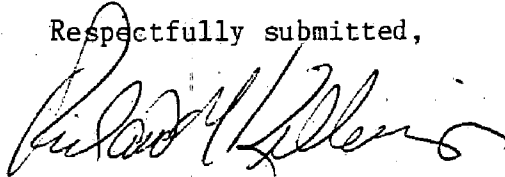
MBE/WBE EFFORTS

This transfer affects existing contracts which have already met MBE/WBE requirements.

RECOMMENDATION

The Library requests Budget & Finance Committee recommend approval of the attached resolution authorizing transfer of \$234,000 from the Library operating budget to the Central Library Interior CIP.

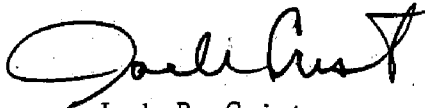
Respectfully submitted,



Richard M. Killian
Library Director

RMK:RH:vse
90-111
Attachment

RECOMMENDATION APPROVED:

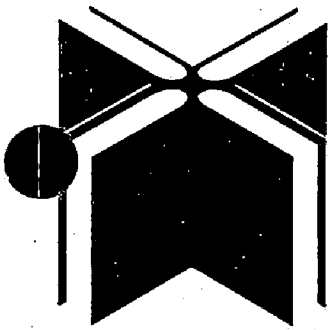


Jack R. Crist
Deputy City Manager

All Districts

TABLE 1

FACILITY UPGRADES	(EST. COST)
1. ELEVATOR UPGRADES	\$ 18,000
2. ELECTRICAL BOXES	23,900
3. SHELF BACKING	7,500
4. GARAGE SIGN	5,100
5. LIGHTING CHANGE	86,000
6. CAP SHEET ROOF	10,000
7. ROOF WALKING PADS	3,000
8. DESIGN FEES	10,000
9. CONTROL REVISIONS	1,000
10. WALL BUMPER GUARD BACKING	2,300
11. FIRE ALARM SYSTEM TO MULTI PLEX	7,500
12. DELETE WINDOW WASHING EQUIPMENT	<u>(25,000)</u>
SUBTOTAL	\$ 149,300
FURNITURE/EQUIPMENT	
1. GROOVE CUTS FOR COMPACT SHELVES	\$ 12,000
2. COMMUNICATION CABLE	28,000
3. 3M THEFT DETECTION EQUIPMENT	<u>44,000</u>
SUBTOTAL	\$ 84,000
TOTAL	233,300



Sacramento Public Library
and Information Service

1010-8th Street
Sacramento, CA 95814-3576
916-440-5926

March 28, 1990

CITY COUNCIL
SACRAMENTO, CALIFORNIA

HONORABLE MEMBERS IN SESSION

SUBJECT: CENTRAL LIBRARY INTERIOR CIP

SUMMARY

The Library requests City Council approval of the attached resolution authorizing the transfer of \$234,000 from the Library operating budget to the Central Interior CIP. This request was heard before Budget & Finance committee on March 27, 1990.

BACKGROUND

In its report before the Joint Budget & Finance/Transportation & Community Development Committee on March 6, 1990 (Attachment 1) the Library listed several items in the interior construction of the Central Library Expansion which would require financing in Fiscal 1989-90. In review with SHRA and Facility Management the most pressing of the items previously listed are:

1. Facility Upgrades	\$ 150,000
2. Furniture/Equipment	<u>84,000</u>
Total	\$ 234,000

FACILITY UPGRADES (Table 1) - Upgrades lighting fixtures throughout the library for greater energy efficiency resulting in significant energy cost savings over the life of the library. Adds electrical boxes for greater flexibility of space utilization. Improves roof material for longer life and greater weather protection. Upgrades elevator design plus other minor design changes. Each of the listed changes require funding in 1989-90 in order to either prevent delays in construction or avoid a substantially increased cost to retrofit the item.

FURNITURE/EQUIPMENT - The Library administration center currently uses the Sacramento County communications center for internal and external communications lines. This arrangement has proven to be cost effective and will prove even more so in the future. This item is the cost of laying the communications cable from Sacramento County communications center located at 700 I Street, to the communications room of the Central Library Expansion. Other costs include security and shelving requirements not included in the original plans. Delay in funding these items will require costly retrofit after the building is turned over to the City.

March 28, 1990
City Council
Page 2

FINANCIAL DATA

With the restoration of the 1989-90 budget cuts the Library has sufficient funds available to transfer to the Central Interior CIP to cover the expenditures previously listed. This eliminates the need for any funding request against general fund contingencies.

POLICY CONSIDERATIONS

This request identifies a source of funds and requests transfer of said funds to complete items in an approved project.

MBE/WBE EFFORTS

This transfer affects existing contracts which have already met MBE/WBE requirements.

RECOMMENDATION

The Library requests City Council approval of the attached resolution authorizing transfer of \$234,000 from the Library operating budget to the Central Interior CIP.

Respectfully submitted,

Richard M. Killian
Library Director

RMK:RH:vse
90-111

Attachment

RECOMMENDATION APPROVED:

Walter J. Slipe
City Manager

April 10, 1990
All Districts

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION AUTHORIZING TRANSFER OF FUNDS FROM THE OPERATING BUDGET OF THE LIBRARY DEPARTMENT TO THE CENTRAL LIBRARY INTERIOR CAPITAL IMPROVEMENT PROJECT (CIP) IN THE AMOUNT OF \$234,000.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

That the City Manager is hereby authorized to transfer funds in the amount of \$234,000 from the operating budget of the Library Department to the Central Library Interior CIP.

MAYOR

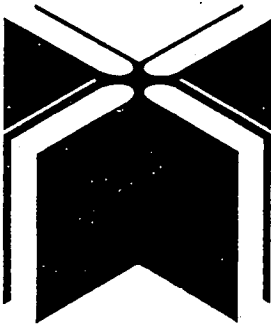
ATTEST:

CITY CLERK

90-111vse

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____



Sacramento Public Library
and Information Service

1010 8th Street
Sacramento, CA 95814-3576
916-440-5926

March 1, 1990

JOINT TRANSPORTATION, BUDGET & FINANCE COMMITTEE
SACRAMENTO, CALIFORNIA

HONORABLE MEMBERS IN SESSION

SUBJECT: UPDATE ON CURRENT ESTIMATE BY LIBRARY STAFF FOR
START-UP COSTS ASSOCIATED WITH THE CENTRAL LIBRARY

SUMMARY

This report on start-up and operating costs of the Central Library Expansion is provided in conjunction with the Sacramento Housing and Redevelopment Agency update on the status of the construction budget. These reports are submitted together to provide a comprehensive overview of potential capital and operating costs associated with the Central Library Expansion.

For the purposes of this report, start-up costs are defined as City expenditures to be made before July 1, 1991, the scheduled opening date of the Central Library Expansion. The start-up expenditures are currently estimated at \$11.6 million, with debt proceeds and private contributions of \$6.4 million, for a net impact on the general fund of \$5.2 million. Estimates in the 1989/90 Budget projected \$9.84 million in expenditures, with offsetting proceeds of \$4.47 million for a net expenditure of \$5.37 million.

The difference of \$1.74 million in gross expenditures is primarily due to the addition of the privately funded Sacramento Room construction costs (\$1.0 million) and an increase in furniture cost estimates. These increases are offset by private donations and bond proceeds. The additional bond proceeds result in higher debt service costs of \$115,000.

Costs for 1990-91 and beyond are those identified by the Library staff. The Budget Division has not reviewed these estimates in detail nor in comparison with other spending priorities for the 1990-91 fiscal year.

BACKGROUND

This Committee requested an overview of all current expenditure projections for operating and capital costs associated with the Central Library Expansion. This report provides current City projections and a comparison with projections previously provided to Council in the 1989-90 Budget. (Table 1)

The costs provided are current estimates of what is needed by the City to prepare the Library for opening day July 1, 1991. This report does not include SHRA construction costs. Estimates projected after opening day are primarily staff costs and debt service payments.

TABLE 1

START UP COST ESTIMATES FOR CENTRAL LIBRARY
MARCH 1990 THROUGH JUNE 1991 (16 MONTHS)

(DOLLARS IN 000'S)

	APRIL 1989 PRELIM	MARCH 1990 CURRENT	FAVORABLE (UNFAVORABLE)
OPERATING EXPENDITURES	3,447	2,542	905
DEBT SERVICE			
Library Building	1,000	1,000	0
Furniture/Equipment	320	435	(115)
Construction Additions	79	79	0
SUBTOTAL DEBT SERVICE	1,399	1,514	(115)
CAPITAL EXPENDITURES			
Facility Upgrades	0	150	(150)
Sacramento Room	0	1,026	(1,026)
Construction Additions	836 *	836	0
Computer Upgrades (CLSI)	754	530	224
Furniture/Equipment	3,400	4,970	(1,570)
SUBTOTAL CAPITAL	4,990	7,512	(2,522)
TOTAL EXPENDITURES	9,836	11,568	(1,732)
REVENUE			
Contribution from the County (CLSI)	230	0	(230)
Private Contribution	0	883	883
Bond Proceeds			
Construction Additions	836 *	836	0
Furniture/Equipment	3,400	4,629	1,229
SHRA Contribution	0	27	27
TOTAL REVENUE	4,466	6,375	1,909
TOTAL (NET COST TO GENERAL FUND)	5,370 **	5,193	177

* Already funded in 1989 COP

** Total is \$1 million more than amount shown in exhibit A since the debt service on the Library building was shown in a different part of the budget.

Central Library Costs

Page 2

SHRA plans to turn over the facility on or about December 1, 1990. Approximately seven months are required to install tenant improvements, furniture and books, and the new computer system - to name just a few of the tasks required to prepare the Library for opening day. Some staff must be hired during this period to help with start-up operations.

Comparison of Current Operating Cost Estimates to Earlier Estimates

The costs associated with opening the Central Library Expansion are operating expenses for salaries, utilities, maintenance, supplies, and debt payments as well as one time expenditures for furniture, equipment, tenant improvement, and facility upgrades. These costs have been anticipated by Library Staff with the exception of some facility upgrades. Table 2 compares estimates in the 1989-90 Budget with the current estimates.

A description of each category is provided along with any significant change between the original and current estimate.

Operating Expenditures

Ongoing operating expenses include salaries, utilities, maintenance, and supplies.

The projected operating cost for the Central Library Expansion in 1990-91 is approximately \$2.54 million, based on July 1, 1991 opening:

New Staff: \$1,570,000

77.50 FTE Public Service Staff
14.25 FTE Administrative Support Staff
8.25 FTE Galleria Staff
100.00 FTE Total

Services and Supplies:

Utilities/Maintenance 296,000
Books 402,000
Other 275,000

TOTAL \$2,542,000

The current estimate is \$905,000 lower than the original because staff will be hired at a slower pace than originally planned.

Debt Service Payments

The Central Library Expansion has or will require debt financing for the City portion of the building and furniture and equipment. The debt service payments on the furniture and equipment have increased \$115,000 from original estimates due to an increase in the amount of furniture and equipment that will be financed.

Capital Expenditures

The start-up capital includes one-time expenditures for furniture, equipment, tenant improvements (some of these projected costs were presented to Council during consideration of the interior design contract on February 20, 1990), and facility upgrades. These costs total \$7.5 million including the privately funded Sacramento Room (\$1.0 million).

Budget Division Staff will review the furniture and equipment requested during the 1990-91 CIP Budget Process. The current estimate is \$1.6 million higher than the original estimate, due primarily to the addition of project contingencies (\$900,000) and design costs (\$200,000).

The Library will recommend that Sacramento Room costs be funded by private donations with the exception of the design costs. Library staff will request that the City facilitate construction financing of the room during the pledge period. This has been done previously with the Crocker remodeling. Fund raising efforts for this room are currently on target. Although this has always been a known cost, it was omitted from previous estimates since it will be funded by private donations.

Library staff is working with the County to advance costs associated with the computer acquisition. The City purchased the previous system and received periodic payments from the County. The current plan is for the County to pay for acquisition of the computer which will then be reimbursed by the City to the County.

Construction Additions (\$836,000) were financed in the 1989 COP and involve change orders to the construction contract jointly funded with SHRA. The cost remains unchanged from the original estimate.

The last expense is unanticipated facility upgrades which total \$150,000. These items were not included in the construction documents, but are deemed necessary by Library and Facilities Management staff. These items (Exhibit B) were not part of the original construction contract administered by SHRA.

TABLE 2

LIBRARY START UP COST ESTIMATES
COMPARISON OF CURRENT ESTIMATE TO APRIL 1989 ESTIMATE

(DOLLARS IN 000's)

CURRENT ESTIMATE FROM LIBRARY
(MARCH 1990)

	1989-90	1990-91	1991-92	1992-93	1993-94
OPERATING COSTS		2,542	3,928	3,928	3,928
DEBT SERVICE					
Library Building	1,000	1,000	1,000	1,000	1,000
Furniture/Equipment		435	870	870	870
Construction Additions		79	157	157	157
CAPITAL EXPENDITURES					
Facility Upgrades	150				
Sacramento Room	143	883			
Construction Additions	836				
Computer Upgrades (CLSI)		530	270	292	315
Furniture/Equipment	341	4,629			
TOTAL	2,470	10,098	6,225	6,247	6,270
RESOURCES					
Private Fundraising		883 *			
Bond Proceeds					
Construction Additions	836				
Furniture/Equipment		4,629			
SHRA Contribution	27				
TOTAL	863	5,512	0	0	0
NET EXPENDITURES	1,607	4,586	6,225	6,247	6,270
(REVENUES - EXPENDITURES)					
OVER/(UNDER) 1989 PROJECT	607	(784)	(38)	(35)	(656)
EXPENDITURES NOT INCLUDED BASE BUDGET (UNFUNDED)	607	3,586	5,225	5,247	5,270

* REVENUES WILL BE RECEIVED DURING A THREE YEAR PLEDGE PERIOD

Central Library Costs

Page 4

Estimate of Start-Up and Ongoing Cost by Fiscal Year

In review, the costs associated with the start up of the Central Library Expansion have been anticipated by Library Staff with the exception of some facility upgrades.

In the 1989/90 Budget an estimate of the total ongoing costs of the Central Library were provided for 1990-91 through 1993-94. (Exhibit A) Staff has updated these estimates and provides a year-by-year breakdown and comparison in Table 2.

The most significant change in the projections to earlier estimates is the timing of the expenditures. It became apparent that all the design and acquisition costs could not wait until 1990-91 to meet a July 1, 1991 opening. The most critical of these expenditures was the interior design contract, approved by Council on February 20, 1990.

Staff is working on a way to finance expenditures moved ahead into the 1989/90 budget from the original 1990/91 budget:

Facility Upgrades	\$150,000
Sacramento Room Design	143,000
Furniture Design (To Complete Funding)	190,000
Furniture/Equipment	<u>124,000</u>
	\$607,000

In the 1989-90 Approved Budget, Central Library Expansion costs were displayed as possible new programs for 1990-91 (Exhibit A). Since the Council only adopts an annual expenditure program, these costs were not reviewed in detail.

FINANCIAL DATA

The costs included in the report are Library Department estimates. All of the costs for 1990-91 will be reviewed by Committee over the next few months in the context of the 1990-91 CIP and Operating Budget Hearings. The mid-year needs identified above will be addressed in the next couple of months. If the mid-year cuts are restored, the Library will be able to address most of these needs.

POLICY CONSIDERATIONS

This report is for information only. Most of the costs identified in this report are estimates. During the upcoming budget process each element of the Central Library Expansion will be reviewed in detail, and the City Manager will recommend specific staffing and funding levels for the 1990-91 Fiscal Year.

In addition, staff will recommend to Council that the City fund design of the Sacramento Room FY 1989-90. Also, the Library will request that the City advance construction costs to the Library Foundation so that construction can be completed before the opening of the Library. The Library Foundation will repay construction costs to the City as funds are received. This interim financing proposal will create some risk for the City General Fund in the event that pledge revenues do not meet current targets.

MBE/WBE

Not Applicable.

RECOMMENDATION

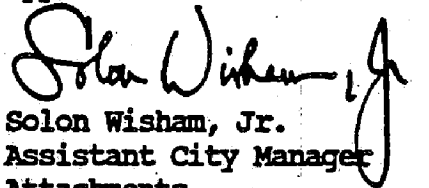
This report is provided as information only. Staff will provide specific recommendations on funding the start-up costs in the upcoming budget hearings.

Respectfully Submitted



Richard M. Killian
Library Director

Approved for Committee Information



Solon Wisham, Jr.
Assistant City Manager
Attachments

March 6, 1990
All Districts

Contact Person: Richard M. Killian
Sacramento Public Library
(916) 440-5926

ROPOSED BUDGET

GENERAL FUND ADJUSTMENTS

New Programs: 1990 - 1994 (\$ in 000)				
	1990-91	1991-92	1992-93	1993-94
Central Library	4,370	5,263	5,282	5,926 *
Sim Community Center	159	234	259	262
Belle Coolidge Library		267	377	386
Clunie Community Center		173	307	389
Meadowview Community Center			278	363
Space for Additional Staff	175	349	349	349
Natomas Parkland				
Phase I	76	151	151	151
Phase II			211	472
Animal Control			141	282
Total New Programs	4,780	6,437	7,497	8,792

* An additional \$1 million for debt service on the Library Building Construction was included in another section of the budget.

CENTRAL LIBRARY PROJECT

Potential contract changes
Function Upgrades

Item Description	Estimated Cost
Elevator Upgrades	18,000
Electrical Boxes	23,900
Shelf Backing	7,500
Garage Sign	5,100
Total	54,500

Maintenance Upgrades

Item Description	Estimated Cost
Lighting Change	86,000
Cap Sheet Roof	10,000
Roof Walking Pads	3,000
Design Fees	10,000
Control Revisions	1,000
Wall Bumper Guard Backing	2,300
FA System to Multi Plex	7,500
Delete Window Washing Equip (25,000)	
Total	94,800