

**Ames Public Library Board of Trustees
Minutes of the Special Meeting
August 10, 2011**

The Ames Public Library (APL) Board of Trustees met in special session on Wednesday, August 10, 2011, in the Dale H. Ross Board Room at 515 Douglas Avenue with Bradley, Budd, Campbell, Luckett, Manus, Meier, Rawlins, Schill, and Stow in attendance. Assistant Library Director Lynne Carey and Assistant City Manager Sheila Lundt were also present.

Call to Order: Board President Luckett called the meeting to order at 7:00 p.m.

Discussion about placing bond referendum for Library Renewal Project on an upcoming ballot:

Assistant Library Director Carey said the initial reason for calling this meeting was to give the trustees an opportunity to discuss the date of the referendum and the amount of the bond they would like to ask the City Council to request, so that they would be ready to make a resolution next week. However, in communication with the Finance Director and City Attorney, Assistant City Manager Lundt learned that if the trustees were considering a vote in November, information had to be sent this week to bond counsel so he would have enough time to prepare his reports for the City Council. Therefore, the Library Board is being asked to adopt two resolutions tonight that will allow staff to engage bond counsel and give him a chance to get started. The hope is that the attorney will be far enough along next week that he can simply "plug in the numbers" on Friday, after the Board makes a decision on the amount of the bond.

Lundt stated that if this action were not taken tonight, the matter could not be addressed by City Council until September 13. She felt that would put too much pressure on the Council members and potentially limit their opportunity to ask questions. Lundt explained that the Council's request to add a referendum to the ballot has to be received by the County Auditor on September 23. The City Clerk will actually drive to Nevada and hand-deliver the request on the 22nd, so that there will be at least one day for the Auditor to make sure all requirements have been properly met.

Lundt explained that the City's bond counsel is Robert (Bob) Josten, a Des Moines attorney. His job includes reviewing the plans for the project and determining percentage of the money will be used for demolition, additional square footage, remodeling, etc. She said Mr. Josten will work every detail into a formula and analyze the bond in his report to the City Council. He will also prepare a resolution for the City Council to approve. The Council's resolution and the ballot language must be very carefully worded, so it is important that he be sent as much information as possible as soon as possible. Lundt expressed some concern about the time constraint.

Trustee Budd asked if Mr. Josten would be able to work off of preliminary plans, noting that the library only has a schematic design at this point. Lundt said she hoped that there would be enough detail for him to work with. Trustee Bradley asked if the vote would have to be delayed if the attorney did not have enough detail. Lundt said that Council action would have to be delayed until September 13. The problem that creates is that if the Council members were uncomfortable or felt they hadn't been given enough time to consider the matter, the referendum would have to wait until March, which is the next opportunity for a special election.

Luckett asked Lundt to send bond counsel the board's regrets for being tardy and to express their appreciation for his assistance.

Moved by Manus, seconded by Bradley, to adopt a resolution directing staff to send background information on the Library Renewal Project to bond counsel as soon as possible.

Vote on Motion: 8-0. Motion approved unanimously.

Meier asked why the resolution expressing the trustees' intent to expand and renovate the building was necessary, since the project has been under consideration for such a long time. Lundt said that the *Municipal Code* gives the Library Board control over the library building, so the Library Board needs to formally express its intent to proceed with the project. The Council won't take action without having detailed information from the bond attorney and he needs time to research and prepare his materials. Although the amount of the bond and the date of the referendum have not yet been set, this resolution will clearly state the Board's intent.

Moved by Campbell, seconded by Schill, to adopt a resolution affirming the Board of Trustees' intent to renovate and expand the library building.

Vote on Motion: 8-0. Motion approved unanimously.

Meier asked how soon materials would be sent to Mr. Josten. Lundt replied that they would be sent tomorrow, so there will be time to get feedback and send him any additional information he may need for his report to the Council. She said the council packets need to be ready by 3 p.m. on Friday so that the Council members and citizens have time to read the material over the weekend. She said she expected that Mr. Josten would attend the Library Board's meeting on Thursday.

Budd asked when the question could come back to the voters if the measure were to fail in November. Lundt said that there is a length of time that has to elapse before the same project can be proposed again, but she was not sure whether it was six months or a year.

Luckett engaged the trustees in conversation about the mix between the amount of the bond issue and the donations that are anticipated. He emphasized that the total cost of the proposed renovation and expansion will stay the same – \$20 million. The original proportions proposed by the consultants were for a \$15 million bond issue and \$5 million in donations. The Board of Trustees has pledged \$1 million to the fund, leaving \$4 million to be raised from private sources.

Luckett said he is getting the impression that the public is generally in favor of a new library and there seems to be enthusiasm for it. However, contributions are not coming in as quickly as had been hoped. The recession and recent financial occurrences have led people to hunker down and be less free with their money. Initially, the board was also unaware that the hospital would be conducting a campaign, and that is presenting some competition for donations. This project cannot be scaled back anymore. In fact, that action has already been taken – the initial conversations were about a 94,000 square foot facility on a different site. Now, the plan is to stay on the existing site, using the land that was previously purchased, and the architects have brought the building down to the smallest size that meets the objectives of the project. He suggested the trustees consider raising the amount that they ask the City Council to approve for a bond. (A chart showing the estimated impact of bonds ranging from \$15 million to \$18 million and for periods of 15 or 20 years was distributed.)

Stow asked Lundt if the wording for the bond could be “up to” a certain amount. She replied in the affirmative – the phrase “not to exceed” a certain amount is usually used. If fundraising turns out to be more successful than it first appears and \$6 million is raised, the Council could choose to issue a \$14 million bond. Alternatively, the Council does not have to issue the bonds at all. If

conditions were to change because a fire occurred in the building, for example, it might not want to proceed with the same project.

When asked who would determine whether the bond has a 15- or 20-year term, Lundt said it would be the City Council. Bonds for a building are generally longer than some other projects, as they are closely related to the life of the structure. She said that the City's AAA rating was recently reconfirmed by the rating agencies, but the interest rates shown on the page of estimates were a "best guess" at this point. The Finance Director cannot give better estimates until bond counsel can test the market.

Discussion about the different bond amounts and general campaign strategies followed. Rawlins asked if the City Council would wait to issue bonds until APL had demonstrated that its fundraising goal had been achieved. Lundt said she expected that the City Council would ask how the fundraising is going, but she doesn't know how much they will expect to have already been collected. She added that the council presentation will have to be loaded with information so that the council members and the public know that several proposals have been discussed and thoroughly considered. They need to be told exactly what is being proposed and they will need to sense that the library board is convinced this is the best project to move forward with.

**Adjournment: Moved by Manus, seconded by Bradley, to adjourn at 8:18 p.m.
Approved unanimously.**

The next meeting will be on Thursday, August 18, 2011, at 7:00 p.m., in the City Council Chambers, 515 Clark Avenue.

Karen Thompson, Administrative Assistant

Sherry Meier, Secretary of the Board