

**CITY OF MANHATTAN BEACH  
MINUTES OF THE LIBRARY COMMISSION**

July 11, 2011  
6:30 p.m.  
Manhattan Beach City Hall

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**ROLL CALL**

Present: Commissioner Cooperman, Commissioner Hook,  
Commissioner Adams, Commissioner Rhees, and  
Commissioner Clemons.

Absent: None.

Others Present: Councilmember David Lesser, Councilmember Wayne Powell, City  
Manager David Carmany, Director of Public Works Jim Arndt,  
Recreation Services Manager Mark Leyman, Chief Deputy Los  
Angeles County Libraries Fred Hungerford, Assistant Director of  
Administrative Services Yolanda De Ramus, Assistant Deputy  
Director of Project Management David Howard, Los Angeles County  
Library Regional Administrator Steven Klein, Manhattan Beach  
Library Manager Don Gould, and Recording Secretary Mary  
Kirchwehm

**APPROVAL OF MINUTES**

The Commissioners reported that the first sentence of the June 13, 2011 minutes should be amended to read as follows:

“The Library Commission had not received any further information since being told that the library renovation project was put on hold.”

The minutes of the June 13, 2011 Joint City Council and Library Commission Meeting were approved as amended.

**CEREMONIAL**

None

## AUDIENCE PARTICIPATION

None

## GENERAL BUSINESS

### 11/0711-1 – Selection of Library Commission Officers

MOTION: Commissioner Cooperman moved to nominate Commissioner Hook as Chair of the Library Commission. The motion was seconded by Commissioner Clemons. Commissioner Adams moved to nominate Commissioner Cooperman as Vice Chair. The motion was seconded by Commissioner Hook.

Ayes: Clemons, Rhees, Adams, Hook, Cooperman,

Noes: None.

Abstain: None.

Absent: None.

### 11/0711-2 – Review of Library Expansion Project Costs

Councilmember Lesser reported that there have been some productive developments since the last meeting and there are currently significant discussions regarding the scope of the project. He conveyed that once the Subcommittee achieves a preliminary understanding, they would like to discuss how to utilize the Commission in the most effectual manner.

Public Works Director Jim Arndt presented the financing operations in order to provide a better understanding of the project. Although the project began as a \$15 million dollar project, it is now estimated to be a \$22.5 million dollar project. Public Works Director Arndt explained that part of the ability to fund this project will be the interest rate on the money to be borrowed. The County provided four financing scenarios with various interest rates ranging from 4.25% to 5%. Using the handout titled *Manhattan Beach Library Debt Service and Operating Surplus Summary*, Public Works Director Arndt explained a financing scenario working with the interest rate of 4.25%.

Public Works Director Arndt explained that the project cost is \$22.5 million dollars and that the City currently has over \$5 million dollars saved and will continue to add to that amount with the surplus funds (the City will be generating a surplus of over \$1.5 million dollars a year), until the City will actually have to borrow the money in approximately four to five years. At that time, the City expects to have accrued \$12 million dollars, and therefore, the remainder \$10 million dollars is what the City will need to borrow.

The next step would move to the design phase of the contract at which point it would be turned over to the County to manage. The City and Commissioners will be involved.

Mr. David Howard reported that the County has been working closely with the City for some time, and the next time they meet they will have more detail and a written document. He explained that the County and City are in a joint partnership, and it is the County's intent to achieve the best product for the City's library. Mr. Howard reported the intent is that City Council will award the design contract to Johnson Favaro. Once that is done, that contract would be assigned to the County and then will go to the Board of Supervisors to accept. The County would then manage the contract. The design process would then proceed. This would involve a lot of input and discussion to ensure the design is responsive and staying within cost constraints. Simultaneously, the

entitlement process would begin. This process would involve the Planning Department and possibly the Coastal Department, Fire Department, etc. The design and entitlement process can last approximately 12 months or longer depending on the input that is received. It is the County's plan to deliver this project using the *Design Build Construction Contracting Method*. This method will help to contain cost, reduce risk of litigation and select the best contractors based on qualification not just cost. This method attracts higher quality contractors. The County has had great success with projects completing ahead of schedule and under budget

Mr. Howard reported that construction will last approximately 12-16 months and that they will begin moving out of the library and demolition during the latter part of 2012. This will result in the library being closed for approximately 12+ months. He estimates that the new library will be finished in earlier part of 2014.

Several Commissioners expressed concern over fees that appear excessive or duplicative. Mr. Howard explained that these figures are conservative and that some of the items are required by law. In addition, he reported that by the County's collective experience some of these services add value to the project and can save money in the long run. He also explained that the County is committed to finding savings where applicable and is interested in providing the best service and product to the City.

Mr. Howard reported that he has overseen or been involved in several library projects such as the libraries at Topanga Canyon, Acton, La Crescenta, and East Los Angeles. He also stated that upon completion, the La Crescenta and Acton libraries were slightly below budget and East Los Angeles was very close to budget. Mr. Howard reported that should this project complete under budget, the money will remain with this library for future use. The money does not go back to the County.

Commissioner Cooperman inquired when it would be known if an Environmental Impact Report (EIR) would be necessary. Mr. Howard reported that the County's Legal Department will be meeting with the City's Planning Department in the next few weeks to make an assessment. If no significant risks are identified, they will then follow with a Negative Declaration.

Commissioner Rhees inquired if a 10% overage was built into the budget. Mr. Howard reported that the budget is conservative and that contingency was built in throughout the budget.

Commissioner Adams inquired who would be responsible if the project exceeds the budget. Mr. Hungerford reported that they have been informed by their finance team of what is available. If necessary, there are ways to scale back on the project, change finishes, adjust furniture or equipment to stay within budget.

Mr. Hungerford discussed the temporary services that will be available during construction. He explained that it is the goal of the County to keep temporary services at a minimal level. The cost savings would be applied to construction costs. They are looking at providing a stationary book mobile or operating out of a room within a City facility either 20 or 40 hours a week. This would include a library assistant and part time staff. Everything customers want would be brought in and there would be a convenient

place to pick up and return items. The Children's Story Time would continue; however a site still needs to be identified. By doing this, another \$1 million a year can go towards the project and the County is counting on this projection to go towards the project. Mr. Hungerford reported that they have used this model a number of times when they have had to close libraries, and it has worked successfully. He also suggested utilizing nearby libraries such as Hermosa and Lawndale. The online request system and daily deliver service for items on hold will continue to be delivered here.

Commissioner Rhees inquired if this project is moving forward. City Manager Dave Carmany reported that it will be an item on the Agenda for the first City Council meeting in August. Commissioner Hook inquired what the item would be for that meeting. City Manager Carmany reported that the timing of the project, the financing scenarios and the budget will be the item.

City Manager Carmany reported that County counsel and the City Attorney have been discussing a Memorandum of Understanding (MOU) for the next phase and IF it can be finished in time for City Council to consider in August, it will be presented to them. Also, the contract with Johnson Favaro would require a vote.

11/0711-3 – Discussion of Project Financing Costs

This item was discussed with the previous item.

**COMMISSION ITEMS**

Monthly meetings will continue unless notified otherwise.

**STAFF ITEMS**

None

Next library commission meeting is scheduled for August 8, 2011 at 6:30 p.m.

**ADJOURNMENT**

The meeting was adjourned at 7:42 p.m.