

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Quality of Life Services

AGENDA DATE: December 21, 2004

CONTACT PERSON/PHONE: Deborah G. Hamlyn, Quality of Life Services 541-4686

DISTRICT(S) AFFECTED: Citywide

SUBJECT:

That \$800,000 of available proceeds from the Tax Increment Finance Fund of the abolished Tax Increment Finance District No. 1 be authorized for budget transfer to the Main Library Expansion Project of the 2004 Quality of Life Bond Election; that such amount be allocated to the Project as follows: \$250,000 for Additional Project Contingency, \$300,000 for Furniture, and \$250,000 for Computer/Network Equipment; and that the City Manager be authorized to sign on behalf of the City of El Paso all documents required to effectuate such transfer and expenditure.

BACKGROUND / DISCUSSION:

Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?

The transfer of \$800,000 in Tax Increment Financing funds will provide the Main Library to be complete in a timely fashion.

PRIOR COUNCIL ACTION:

Has the Council previously considered this item or a closely related one?

No

AMOUNT AND SOURCE OF FUNDING:

How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?

Tax Increment Financing –yes, it has been budgeted from account # 72509501/507001 to account # 72509501/407001. Yes, it requires a budget transfer however, will no go to City Council.

BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

Recommended approval by BOAC and El Paso Public Library Association

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD:

(Example: if RCA is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____

DATE: _____

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That \$800,000 of available proceeds from the Tax Increment Finance Fund of the abolished Tax Increment Finance District No. 1 be authorized for budget transfer to the Main Library Expansion Project of the 2004 Quality of Life Bond Election; that such amount be allocated to the Project as follows: \$250,000 for Additional Project Contingency, \$300,000 for Furniture, and \$250,000 for Computer/Network Equipment; and that the City Manager be authorized to sign on behalf of the City of El Paso all documents required to effectuate such transfer and expenditure.

ADOPTED this 21st day of December, 2004.

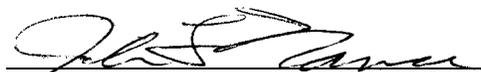
CITY OF EL PASO:

Joe Wardy, Mayor

ATTEST:

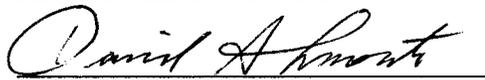
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



John F. Nance
Assistant City Attorney

APPROVED AS TO CONTENT:



David R. Almonte, Director
Office of Management & Budget

APPROVED AS TO CONTENT:



Carol Brey-Casiano, Director
El Paso Public Library



MEMORANDUM

TO: Mayor Joe Wardy
City Council Representatives
Joyce Wilson, City Manager

FROM: Deborah G. Hamlyn, Deputy City Manager
Quality of Life Services

SUBJECT: Main Library and TIF Funding

DATE: December 10, 2004

Several issues have recently come to the forefront regarding the Main Library Expansion – a 2004 Quality of Life Project. This project is being managed by our consultants P+3 and is scheduled for completion November, 2005 with an opening planned for January, 2006.

Facts:

1. When the project was originally scoped there were no line items costs for furnishings, equipment and asbestos abatement.
2. Subsequent to the 2000 Bond Election when these facts became evident, the Library Board initiated a campaign to raise funds for this purpose and to date have netted approximately \$50,000. In addition, the Engineering Department was able to allocate \$210,000 for furniture within the project budget (This falls significantly short of the \$800,000 estimate from the furniture consultants).
3. The contractor recently discovered a major asbestos problem throughout the library. After several weeks of consultation between the City, P+3 and the contractor, the City was provided with 5 options. It has been determined that Option 2 is the safest, economical and most expedient solution to this problem. This option would require closure of the library for 16 weeks – including removal of all staff and books. Once work is completed, the library would partially open with a small staff. This solution comes at a cost of \$244,723 with no construction delays. All other options were more costly and included construction delays (See Attachment 1 for Main Library Phasing).

4. Contingency Budget Summary – Main Library

Description	CO Amount	Projected Cost
Contingency - February 2004		\$ 530,581
Approved Construction Changes		
CO #01 New Chiller	\$ 70,000	
CO #02 A/C Units for Communications Room	\$ 4,014	
CO #03 Debris removal of existing slab	\$ 55,609	
CO #04 Relocate Buzzer	\$ 218	
CO #05 Telephone cable relocation	\$ 9,840	
CO #06 Delay Overhead	\$ 24,500	
CO #07 Museum		
CO #08 Book Mark	\$ 18,446	
	<u> </u>	
Total Change Orders		\$ 182,627
		<u> </u>
Remaining Contingency - Budget Report 11/10/04		\$ 347,954
Pending Construction Changes		
Unforeseen Temporary Electrical Connections	\$ 14,296	
Contingency Hold for Construction Issues	\$ 75,000	
	<u> </u>	
Subtotal		\$ 89,296
		<u> </u>
Remaining Contingency - Budget Report 11/10/04		\$ 258,658
Asbestos		
Expenditure for Asbestos		\$ 244,723
		<u> </u>
Remaining Contingency		\$ 13,935
		<u> </u>

5. In light of the small amount remaining in contingency (\$13,936) and the fact that we are only 30 % complete it is our recommendation that \$800,000 be obtained from the Tax Increment Fund. Currently, the total amount in the TIF fund is \$1,855,686.22.

\$250,000 – additional project contingency
 \$300,000 – furniture
\$250,000 – computer/network equipment
 \$800,000 TOTAL

Although this request may appear to be high, it is our recommendation that it will complete the project and provide an outstanding facility for the community. As was previously described in a lengthy memorandum of November 23, 2004 by Sylvia Firth, Assistant City Attorney, the main library is an eligible project described in TIF 1 and funds may be used for this purpose if so determined by Mayor & City Council.

El Paso

The El Paso Public Library Association Board of Directors was briefed on Thursday, December 9, 2004 and signed a "Letter of Support" for this purpose (See Attachment 2). BOAC was briefed on Wednesday, December 8, 2004 and signed a "Statement of Support" for this purpose as well (See Attachment 3).

Most recently it has come to our attention that there may be some available funds from part of the El Paso Electric Company rate case settlement that could be used for "energy efficiency" purposes. We are in the process of identifying approximately \$150,000 of energy efficiency expenditures that are being made to the Main Library that could potentially be reimbursed for this purpose from the "EPEC Fund". If that results in occurring we will inform you and return the unexpended TIF funds to that account.

I would respectfully request that you support this budget transfer when it comes before City Council on Tuesday, December 21, 2004. I have scheduled meetings with each of you next week to answer any questions you may have concerning this matter.

cc: Pat Aauto, Deputy City Manager
William Studer, Deputy City Manager
Carol Brey-Casiano, Library Director
Sylvia Firth, Assistant City Attorney
John Nance, Assistant City Attorney

Main Library Phasing

PHASE I--MOBILIZATION, 12-3-04 to 1-17-05

We agree that Staff Mobilization from approx. 12-3-04 to 1-17-05 should work fine, provided Building Maintenance can assist. I will contact Jeff Belles about this. We agreed that we do not have sufficient time to move all books out during that period, and need clarification as to whether the books can stay on the shelves or not. Earlier, the asbestos abatement company said this should be possible.

We will meet with all Main Library managers, and some Branch managers, this Friday, December 3, to identify locations where staff are going. We tentatively discussed the following:

PHASE II--ABATEMENT, 1-18-05 to 4-11-05

Public Service Staff will go to other Branches during the abatement period.

Technical Services staff (approximately 15-20 people) could go to a library location during the abatement/construction period, from Jan. 18 through August 15, 2005. We need to check with the branches to see who has sufficient space.

Administrative, Business Office, (10-12 staff should relocate from Jan. 18 through November 21, 2005, as there is no need for them to return to Main during this period. It appears that we can get up to 10 staffers on the 3rd floor - still not final.

TTPLS staff moving to a library location

We are concerned about access to Library system servers during the abatement period particularly after what just occurred on Saturday---still working out this detail with Tony Montoya--- All Internet and Library services, at all locations, are dependent on these servers.

PHASE III-- Construction, 1st and 2nd subbasements 4-12-05 to 8-15-05

A limited number of public service staff will move back to Main Library, to provide service from the 1st and 2nd floors.

Technical Services and Public Service staff located in the 1st and 2nd sub-basements will move back 8-16-05 to 8-29-05.

PHASE IV--Construction, 1st and 2nd floors 8-29-05 to 11-21-05

Library service will be offered from the 1st sub-basement, or the new expansion when it is available for occupation.

Administrative, Tech Services, TTPLS & Business Office staff will move back when feasible (earlier if possible) but by 11-21-05.

EL PASO PUBLIC LIBRARY ASSOCIATION

501 North Oregon Street
El Paso, Texas 79901

December 9, 2004

Mayor and City Council
2 Civic Center Plaza
El Paso, Texas 79901

RE: Tax Increment Finance (TIF) Funds

Honorable Mayor and Council:

At the December 9, 2004 meeting of the El Paso Public Library Association Board, we took action recommending the utilization of \$800,000 of the \$1.8 million balance in Tax Increment Finance (TIF) funds for the Main Library Expansion project. These funds will offset the shortfall the project faces, now that the project contingency is slated for asbestos abatement and other unforeseen circumstances. The Library Board supports use of TIF funds to ensure the Main Library, as part of the flagship group of projects for the 2000 bond election, is adequately equipped and that the construction process can proceed.

Our Board is committed to a successful Main Library project, and these funds--designated in part for the downtown Library--will make that happen. We thank you for your unwavering commitment to quality of life in El Paso and look forward to working with you to a successful completion of all 2000 Quality of Life Bond Projects.

Sincerely,



Mary Jo Lee, President, Board of Directors
El Paso Public Library Association

cc: Joyce Wilson, City Manager
Deborah Hamlyn, Deputy City Manager-Quality of Life Services

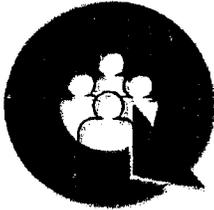
04Dec9-Bdltr-TIF Funds

Mary Jo Lee
President

Patricia Wickham
Vice President

Carlos Armendariz
Secretary

Carl Penn
Treasurer



El Paso
Quality of Life
Bond Program

Bond Overview Advisory Committee

December 8, 2004

Mayor and Council
2 Civic Center Plaza
El Paso, TX 79901

Honorable Mayor and Council:

At our December 8, 2004 Bond Overview Advisory Committee (BOAC) meeting, City staff updated the Committee on the progress of the Main Library Expansion project and the funding shortfall the project faces. Staff's recommendation is to utilize \$800,000 of the \$1.8 million balance in Tax Increment Finance (TIF) funds. As you know, the BOAC is charged with overview of all Quality of Life projects and is therefore committed to ensuring the projects are completed and that they meet El Pasoans' current and future needs. Therefore, the BOAC supports use of TIF funds to ensure the Main Library, as one of the flagship Cleveland Square projects, is adequately equipped and that the construction process can proceed.

Our committee urges you to invest these monies on this pivotal component of the City's Library system. We thank you for your unwavering commitment to quality of life in El Paso and look forward to working with you to a successful completion of all 2000 Quality of Life Bond Projects.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gus Haddad', is written over a horizontal line.

Gus Haddad, Chair
Bond Overview Advisory Committee

Cc: Joyce Wilson, City Manager
Patricia D. Adauto, Deputy City Manager for Building & Planning Services
Debbie Hamlyn, Deputy City Manager for Quality of Life Services