Staff Report

To: Library Board of Trustees
From: Margaret Jakubcin, Library Director
Date: February 15, 2018
Subject: Sequim Expansion Project Conceptual Planning– Construction Approach

Recommendation. That the Board consider and discuss the information and recommendation provided, in connection with conceptual design of the proposed Sequim Branch Library expansion, and make a decision regarding construction approach options. The recommendation of the review Committee is that the Board select Option 2 to be carried forward to final conceptual design.

Background. SHKS Architects were hired by NOLS to conduct an array of pre-construction conceptual planning activities. Deliverables from this project include (among other things):

- public engagement presentations/activities to ascertain community needs, preferences, and vision for a future library
- development of a building program/needs assessment, incorporating staff and community input
- development of schematic designs
- a construction project budget estimate

Conceptual planning is slated to conclude in approximately April 2018. Outcomes from the conceptual planning project will be used to inform NOLS Board decisions regarding funding for an expanded Sequim Branch.

The scope of work for the conceptual design phase (Phase 2) specifically required SHKS to do preliminary conceptual layouts and cost estimates for *two* construction approach options, and to make that information available to NOLS mid-way through Phase 2. The intent of this requirement was to allow NOLS to make an informed decision about these alternatives, prior to selecting one option for full schematic design development and final cost estimating.

The two possible approaches (referred to as Option 1 and Option 2 in the attached drawings and documents) are:

Option 1- lightly remodel the existing building and add an expansion. Note that site plan development during Phase 2 has confirmed that some partial-demolition is required in this

scenario due to the shape, size, and site-placement of the current building, and the ways in which those factors impact site-access requirements.

Option 2- demolish the existing building and replace it with a new, larger library.

Policy considerations. NOLS has conducted extensive community engagement activities related to SQ expansion planning. Opinions expressed by community members during these events regarding re-use/replacement of the existing building varied widely. NOLS has acted with integrity and due diligence to explore these options, and has conducted a detailed assessment of the pertinent information. It is within the Board's authority to make this planning decision. It is advisable that a decision be made at this point in planning so that schematic design can be completed in a timely manner consistent with NOLS' target timeline for seeking funding.

Fiscal considerations. The scope of work for the Conceptual Design phase of this planning project assumed that a decision would be made at this point in conceptual planning and that only one construction approach would be fully developed for final schematic design and cost estimating purposes. This methodology was chosen for both practical and fiscal reasons. Should the Board wish to continue conceptual development of both options, or explore other options, the additional work would need to be negotiated with SHKS, and additional costs would be incurred.

As the Board is aware, Phase 1 (Feasibility Study) of the Sequim Library Expansion planning project identified the Library Capital Facilities Area (LCFA) bond as the most likely mechanism for funding a significant expansion to the Sequim Branch. The LCFA process has been discussed in detail in prior Board memos and meetings, as well as in a number of public forums. The LCFA process will be discussed again by the Board at the completion of Phase 2 (Conceptual Design) planning.

NOLS' working timeline for possibly referring an LCFA measure to voters targets the November 2018 election. Cost estimates referenced in this report reflect projected cost values for 2019-20 construction, a feasible construction timeline if funding plan is in place by late 2018 or early 2019. Should that timeline change, construction cost estimates would need to be updated as appropriate.

The Board is not being asked to take action regarding possible bond amounts or funding plans at this time, and those matters are not addressed in this staff report. As a matter of note, either construction approach option might be scaled or adjusted during completion of conceptual design, resulting in cost estimates that differ significantly from the estimates presented in this report.

The Phase 2 cost estimating, cost plan estimates, and cost considerations related to Option 1 and Option 2 are discussed in detail in **Analysis/Cost Considerations** below.

Discussion.

Overview of support materials. SHKS produced the following materials to aid NOLS in this decision making process:

- preliminary site plans and early drafts of schematic floor plans and conceptual view perspectives *(Appendices A and B)*
- cost plan estimates *(Appendix C)*
- Opportunities/Challenges assessment *(Appendix D)*

Prior to developing these materials, the architects consulted with the City of Sequim regarding site requirements. The site plans provided accurately reflect allowable uses and site requirements and constraints. Such elements as required parking spaces, location of parking on the east side of the building, driveway access, and fire service access are all factors that have impacts on site use and proposed building location and layout.

Copies of Option 1 & 2 site and floorplan overviews are attached as Appendices A and B.

Schematic floor plans are currently in early draft form. The buildings they represent are sized to reflect the essential and desired design elements derived through staff and public input activities, and depict approximate *maximum* building sizes. They also reflect general locations and relationships between specific interior building program elements. It should be noted that at this point in design, many specific areas and uses have not yet been called out, and some indicated locations/relationships will likely be adjusted as final schematic design is completed. For example, space to support Friends of the Sequim Library (FOSL) book sale activities has been generally provided for in the building program for both options, but size and location of FOSL space has not yet been precisely determined, and is therefore not specifically called out in the current schematic design drafts. Likewise, exact sizes and locations of various program elements, such as youth areas, service desks, restrooms, etc. still require fine tuning. There will be continuing discussion with the architects and stakeholders regarding such matters during March, as conceptual planning for the selected construction approach is completed. The scope of work for Phase 2 schematic design takes design to approximately a 25% completion level (relative to final construction design), so there is also significant opportunity to further fine-tune during construction design, which would not occur until after funding has been secured.

Copies of Option 1 & 2 cost plan estimates are attached as Appendix C. A summary of pertinent cost figures is included in the table below (see **Analysis/Cost Considerations**).

Option 1 & 2 cost plans were prepared by SHKS Architect's cost management consultants, WT Partnership. The current cost plan estimates for the two options reflect construction of buildings that are sized (approximately) for maximum possible expansion projected to accommodate 30 year population growth. They incorporate all identified building program/needs assessment components. As described in **Analysis/Cost Considerations,** below, the size, shape, and placement of the existing building on the current site imposes

constraints on the maximum building size in a re-use option, and as a result, the square footages for the depicted Option 1 are 1,060 square feet smaller than those in Option 2.

Utilizing the above described design and planning materials, SHKS also developed an assessment of Opportunities/Challenges posed by each of the two construction approach options. This document was enhanced and expanded during the Committee review process, to clarify and incorporate a local pros and cons perspective. A copy of the final expanded Opportunities and Challenges document is attached as Appendix D.

Narrative discussion of all these materials is presented in **Analysis**, below.

Committee Review Process. An ad hoc committee was assembled to review and analyze the information provided by SHKS Architects, and articulate a recommendation regarding the construction options. The Committee included library management personnel (representing stakeholders from Administration, Facilities, IT, and Collection Management), the two NOLS Trustees who serve as Board of Trustees liaisons to the Sequim Project, and four community-at-large participants. Additional input was solicited from Sequim Branch staff, the stakeholders most familiar with operational flow and customer needs at the branch, and was incorporated into the Committee's review, analysis, and recommendation.

The Committee's analysis and recommendations are presented below.

Analysis.

Opportunities and Challenges. The attached Opportunities and Challenges document (Appendix D) summarizes the applicable pros/cons factors for both options. The factors the review Committee considered to be of major significance to this decision have been **bolded**. Parenthetical *(italicized)* comments have also been included where the Committee felt there were related factors or considerations of significance.

The following narrative discussion summarizes the review Committee's discussion and assessment of Challenges and Opportunities.

Cost considerations. One of the primary reasons for developing both construction approach options to a preliminary stage, was to responsibly explore whether there were significant cost advantages to one option over the other. The matter of a perceived cost advantage in a re-use/remodel scenario has been a question/concern/assumption that has arisen repeatedly throughout expansion planning Phases 1 and 2. The general assumption was that a re-use option would be significantly less costly, so NOLS felt it was important to consider this issue carefully, drawing on real and accurate information.

Preliminary cost estimates indicate that the cost differential between the two construction approaches is not as significant as might have been expected. The working construction cost per square foot estimate for Option 1 is $408.66 and the working construction cost per square foot estimate for Option 2 is $456.11. There are a number of potential additional costs and

other factors that may influence these basic numbers, including unanticipated costs and/or higher contingencies associated with remodeling an older building.

The following table summarizes cost estimates for the programed buildings represented in the current Option 1 and Option 2 schematic models. Additional summary cost information is included as Appendix C. As noted elsewhere in this report, the square footages represented in these preliminary modeling designs reflect hypothetical *maximum* expansion scenarios for each option. Due to existing building/site constraints in Option 1, that building is approximately 1,060 square feet smaller than the Option 2 building. For the purpose of allowing a better apples-to-apples cost comparison, therefore, three additional sets of formulaic cost calculations were developed. These reflect estimates of comparative costs for *hypothetical* same-sized Option 1 and 2 buildings, sized at 15,000, 16,000 and 17,000 square feet.

There are a number of factors still to be explored that will ultimately inform a decision regarding the proposed expansion size of the Sequim Branch, associated costs, and the funding approach. The preliminary cost figures attached to this report have been provided, and should be viewed, only as relative and comparative cost information developed for the purpose of advising the decision currently under discussion.

SQ Expansion Cost Estimate Summaries - 01/24/18				
Option	**Sq. Footage**	**Constr Cost /Sq. Ft**	**Estimated Project Budget Total**	
Estimates for programmed/designed Options 1 & 2				***Cost Differential***
1	16,175	$408.66	$10,219,735	
2	17,235	$456.11	$11,719,244	*$1,499,509*
"Same Size" comparative estimates for different sized hypothetical buildings (calculated using cost per sq. ft. estimates)				
1	17,000	$408.66	$10,663,493	
2	17,000	$456.11	$11,579,903	*$916,410*
1	16,000	$408.66	$10,125,603	
2	16,000	$456.11	$10,987,106	*$861,503*
1	15,000	$408.66	$9,587,708	
2	15,000	$456.11	$10,394,281	*$806,573*

Issues and concerns related to construction costs, which the review Committee felt were particularly significant, included the following:

<u>Option 1 Cost Considerations</u>

- Site use assessment revealed that the size and placement of the current building had significant cost related implications for site layout, design, and construction. Chief amongst these was that partial demolition of the exterior berm-walls would be required in Option 1, in order to provide the required access on the long, narrow site. Costs associated with this partial demolition impacted the theoretical possible cost savings of Option 1.

- Possibility/likelihood that "hidden" costs involved in remodeling an older building would increase projected costs during construction. This issue could be proactively addressed by budgeting a higher owner construction contingency, which would further reduce the projected cost savings of Option 1. Current cost estimating for both options reflects a 10% construction contingency, but no owner contingency. SHKS' recommendation is that the owner contingency for both options should be at minimum 3-7%.
- There are long term operational costs related to maintaining old and new infrastructure on different replacement/maintenance life-cycles.
- Deferring costs of replacing infrastructure in the old building would have long term operational/capital maintenance budget consequences. (Conversely deferring these to long term maintenance issues might somewhat reduce initial building cost).
- There are long term operational costs associated with effectively managing a facility with numerous design compromises (staff oversight/sight lines, mechanical, IT, etc.).

Option 2 Cost Considerations

- The primary cost consideration in Option 2 is the higher estimated cost-per-square foot.
- Costs of new construction are easier to predict, with lower potential for "hidden" cost increase factors.

Having reviewed the cost figures and discussed the opportunities and challenges related to cost, the Committee agreed that the potential for cost savings with Option 1 was not so substantial that cost alone should be the determining factor in deciding which construction approach would best meet the needs of the community and operational needs of the Library.

Design and Operational Considerations.

Option 1: In order to realize cost savings through re-use/expansion of the existing building, any changes to the existing infrastructure must be kept to a minimum. This was, therefore, a basic premise in developing Option 1. This constraint results in a number of less-than-optimum design and operational compromises. The Committee identified the following as the most serious compromise in Option 1:

- The inadvisability of doing any major remodeling of the existing infrastructure results in the Option 1 entry and meeting room complex being located on the south side in the center of the expanded facility (that is, between the new and old components). This would require library patrons, including after-hours community meeting room users, to walk a significant distance from parking in order to enter the building. ADA spaces, are also, of necessity, a considerable distance from the main entry.

The Committee felt that the required south-side entry issue is of such serious importance as to nearly rule out Option 1 entirely on this factor alone, but noted additional Option 1 design and operational issues as well:

- Requires a complicated loading/delivery access location;
- Eliminates the option of a drive by book drop;
- Necessitates an agreement with the north side neighbor to support the City-required second fire exit;
- Imposes size and location constraints on staff work rooms and book handling areas;
- Reduces ability to design flexibly for future uses;
- Limits ability to update the "old" library to meet modern expectations for essential library components such as power/data access, etc.;
- Places tighter limits on possible future expansion;
- Other factors as noted in Opportunities/Challenges list.

Option 2: There being no existing infrastructure constraints in Option 2, there is substantially greater opportunity to arrange site layout and interior floorplan to meet identified community and operational needs and expectations. These include such exterior benefits as:

- Library user book drop near parking / opportunity for drive by book drop;
- ADA spaces near entrance;
- Passenger drop off near entrance;
- Main entry direct from parking lot;
- Meeting rooms close to parking lot;
- Convenient delivery area.

Interior design plusses include such features as:

- Minimal constraints on size and location of library areas;
- Convenient meeting room location and ability to close off easily for afterhours access;
- Good sightlines (positive impacts on operations, security, aesthetics, and customer service);
- More efficient and functional layouts;
- Increased ability to design flexibly, in order to meet changing and future service models more effectively and efficiently.

Architectural and construction considerations.

Option 1 & 2: In both options library service will be made available to the community during construction at an alternate location. There is some slight possibility that Option 1 might allow service to continue on site during part of construction, however it would need to be relocated at some point. The Committee felt that since an alternative temporary library location would need to be secured in either option, the speculative possibility of remaining on site longer in Option 1 could not be considered a significant benefit. The estimated construction time for both options is approximately 12 months.

Option 1. A primary benefit to Option 1 is that it has the potential to retain the "embodied energy" of the existing structure through re-use of the existing building. This concern has been

articulated by the community on various occasions, and some of the committee members had strong preferences regarding the environmentally responsible aspects of a re-use option. After discussion, however, the Committee agreed that the inefficiencies and compromises resulting from the design and operational limitations inherent in Option 1 would, over time, make the re-use option a less fiscally responsible approach for the Library to take.

The following additional observations were made:

- The Committee respectfully acknowledged the sentimental attachment that some community members feel for the current building. They noted however that the required demolition and replacement of the north/south outer walls would substantially alter the unique architectural qualities of the current building, unavoidably reducing the ability to retain the current architectural character of the building. It was suggested that some architectural or sentimental component of the current building might be specifically incorporated into final construction design of a new building to help address sentimental interest.
- Natural lighting and windows allowing inside/outside views have been a strongly and frequently requested feature for a future Sequim library. It would not be possible to add windows in the re-used portion of the library without adding cost, and also increasing the likelihood of uncovering hidden costs during construction.

Option 2 presents a blank canvas opportunity to create a new visual identity for the library, and to design coherently organized spaces and layouts. In this way Option 2 supports more comfortable use and efficient operation. Additional observations about Option 2 included:

- Easier to integrate features of increasing importance to modern libraries, such as IT infrastructure and security components, throughout the entire building.
- Increased ability to build flexibly to support changing nature of library service and technology, well into the future;
- Opportunity to design an operationally efficient building;
- Opportunity to construct a modern library that reflects community character and civic pride.
- Other factors as noted in the Opportunities/Challenges document.

Committee Recommendation. After due consideration and discussion of all the information available, the unanimous consensus of the review committee is that Option 2 (replacement of the existing building with a new building) will better meets the needs and expectations of the community and support more efficient Library operations, and represents a more responsible and forward thinking approach to an expanded Sequim Branch Library.

Alternatives considered. The Board may request additional information, including further development of either or both Options, prior to making a decision.

The working timeline for this project has the Board making a decision regarding funding approach in approximately May 2018, in order to maintain the option of placing a ballot

measure before voters in November of 2018. Undue delay in making this interim decision may impact that timeline.

Attachments:

Appendix A: Option 1 site and floor plans
Appendix B: Option 2 site and floor plans
Appendix C: Conceptual design cost estimate summaries for Option 1 & 2
Appendix D: Opportunities/Challenges assessments for Option 1 & 2