

# Memorandum



**To:** Mayor and Town Council  
**From:** Ryan Spitzer  
**Date:** 8/7/2020  
**Re:** New Town Hall and Library

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## **Overview:**

The Town is still on track to begin slab and foundation construction of the new Town Hall and Library building mid to late September. In preparation for this and to show Council the building before we go out for bids Creech and Associates will provide Council with a presentation of the building and surrounding infrastructure.

The Library System is taking this project for board approval on August 17<sup>th</sup>, 2020. After the Library Board approves it the County will hopefully be able to review the project and MOU at their September 1<sup>st</sup>, 2020 meeting. After their review hopefully they will be able to sign an MOU with the Town. My goal is to get the MOU signed by the County prior to construction beginning.

## **Financing**

Currently the Town has \$21 million programmed in the pro forma for the construction and FFE up fit for the new building. This number will change as we move closer to bidding the project out. We are anticipating an interest rate of about 2.5%. \$16.5 million of this is for construction hard costs. Part of the \$16.5 million (approximately \$600,000) is for DD contingency. As we move closer to bidding this number should be reduced. The remaining \$4.5 million is for the moving of Telecommunications, soft costs and FFE for town hall. The breakdown of this is \$3.5 million for telecommunications transition, \$500,000 for owner contingency during construction, and \$500,000 for furniture and fixtures for Town Hall. The Town can potentially pay for FFE out of next year's budget if desired. This would decrease our debt.

The \$16.5 million is broken down as follows:

|                         |           |                   |
|-------------------------|-----------|-------------------|
| SITWORK                 | \$        | 3,207,739         |
| BUILDING SHELL          | \$        | 7,291,768         |
| LOBBY UPFIT & COR       | \$        | 911,095           |
| LIBRARY UPFIT           | \$        | 2,545,576         |
| TELECOM WING UPF        | \$        | 821,550           |
| TOWN & CHAMBER<br>UPFIT | \$        | 1,682,100         |
| <b>TOTAL</b>            | <b>\$</b> | <b>16,459,829</b> |

Of this number the Library system and the Town will split the cost of Site work, Building Shell, and lobby up fit and core. The Library will be solely responsible for library up fit and library FFE. The Town will be responsible for telecom expenses, chamber and town hall up fit, and town hall FFE.

**Supporting Material:**

Creech and Associates Presentation  
Projection of General Fund Balance