



Date: **March 10, 2026**

Honorable Mayor and Council Members:

Author and title: Becky Bucar, Public Works Director/Town Engineer

Title: **Truckee Library (C2110) Budget Amendment and Funding Request for Phase 2 Design**

Jen Callaway, Town Manager

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**Recommended Action:** That Council 1) amend the Truckee Library CIP (C2110) budget as outlined in this staff report; and 2) authorize the transfer of \$447,158 in funding from the Town to the Truckee Library JPA for purposes of jointly funding the project's final design.

**Executive Summary:** The Town has been partnering with Nevada County, Placer County, and Friends of the Truckee Library (FOTL) towards the construction of a new Truckee Library facility for a number of years. The first phase of design is complete; Measure G, a parcel tax that will generate revenue for the project implementation, was passed by voters in 2025; FOTL has successfully progressed their capital campaign; and the next step in project development is to move forward with building permits and final construction documents. In order to fund this next stage of design, FOTL has requested that the Town provide one-third of the funding required, with equal amounts also being funded by FOTL and Nevada County. Staff is recommending that Council authorize the transfer of the additional funding to the Library Joint Powers Authority (JPA) as well as approve the budget amendment that is necessary to make this transfer possible.

### **Discussion:**

#### **Background**

One of Town Council's priorities is to "invest in key infrastructure and community connectivity to enhance the quality of life for everyone". Towards that end, supporting efforts to develop a new Truckee Library facility is an important project identified under this Council priority. While the Town does not provide library services, for several years the Town has participated in a collaborative, multi-jurisdictional effort led by the Town, Nevada County, and Placer County through the Truckee Library Joint Powers Authority, with strong support from FOTL as a key nonprofit partner. This public-private collaboration reflects a shared regional commitment to delivering efficient, high-impact public infrastructure that serves residents across county lines.

The project will replace the existing Truckee library, which was built in 1975 for a much smaller population and is now undersized and not fully ADA compliant. The new facility aims to provide accessible and modern library services to meet the needs of a growing and diverse community. Beyond traditional library services, the facility will function as a community emergency and resilience hub, with permanent backup power, communications capability, and clean indoor air during wildfire smoke events, Public Safety Power Shutoffs, winter storms, and other emergencies.

Through a selection process that included the Town, Nevada County, and FOTL, a consultant team (JKAE/Group 4) was selected to work on the first phase of the library design and the entitlement process. While the design contract with JKAE/Group 4 was held by the County, the cost of this work was funded

equally by the Town, Nevada County, and FOTL through a cost sharing agreement. This design phase (Phase 1) is now complete and the next steps is to finalize the project design to create a shovel-ready project. In addition, in November 2025, Measure G, a 30-year parcel tax, passed with 72.4% voter approval, which will provide critical funding towards the project.

**Phase 2 Design Funding Request**

The next phase of the Library design (Phase 2) is expected to cost \$1,534,180, which includes the Phase 2/final design contract with JKAE/Group 4, JPA operational expenses, and contingency. In order to fund this next phase of design, FOTL are requesting that the Town, Nevada County, and FOTL equally share costs, as outlined in the attached funding request letter from FOTL (Attachment 1). While one third of the Phase 2 design costs is equal to \$511,394, both the Town and Nevada County previously transferred \$150,000 each to the JPA to fund JPA operations and consultant services associated with placing a special tax measure (Measure G) on the November 2025 ballot, including election fees, bond counsel, special tax consultant services, polling, and administrative costs. This work was completed under budget and a balance of \$128,472 remains, thereby reducing the Town and County’s effective contribution amount. Applying half of the balance (\$64,236) towards each of the Town and Nevada County shares results in an additional JPA contribution amount of \$447,158 each (\$511,394 minus \$64,236 = \$447,158), as shown in the table below.

**Table 1: Summary of Phase 2 Cost Funding Plan**

<b>Phase 2 Costs</b>	<b>\$1,534,180</b>
<b>1/3 Share of Required Additional Funding (split between Town, Nevada County, and FOTL)</b>	<b>\$511,394</b>
<i>JPA Fund Balance (Available for Town and County's Share of Phase 2, half each)</i>	<i>\$128,472</i>
<i>Town's "Share" of JPA Fund Balance</i>	<i>\$64,236</i>
<b>Town's Funding Share for Phase 1</b>	<b>\$447,158</b>

As outlined in the FOTL letter, the Phase 2 design is a critical next step in moving the Library project forward and FOTL believes delays will not only result in lost momentum to the FOTL’s capital campaign (a critical piece of the project funding plan) but risks additional construction cost escalations. Given that the project aligns with Council priorities; the Town’s contributions will likely leverage additional grant funds and private contribution; and the core other partners are also contributing to this effort, staff is recommending that Council authorize that \$447,158 be transferred to the Truckee Library JPA over two fiscal years and added to the existing JPA fund balance for a total Town contribution of approximately \$511,394. This amount will equal Nevada County and FOTL’s Phase 2 design contributions. This transfer will require an amendment to the Truckee Library Budget (Support Development of New Truckee Library Facility, C2110) as discussed in the Fiscal Impact section below. Note that Phase 2 design costs are eligible for reimbursement from the Measure G bond proceeds, although the bond proceeds were originally intended to fund construction costs.

It is worth noting that the Town, Nevada County, and FOTL have all made significant financial and in-kind staff contributions to the Library project, and significant additional support has been provided by other partner public agencies, such as:

- Placer County is a non-voting member of the Library JPA.
- The Truckee Donner Recreation and Park District and the Truckee Donner Public Utility District entered into a lease option agreement with the Library JPA to provide a centrally located site for the future library at a nominal cost.

- The Truckee Tahoe Airport District approved a \$2 million library construction funding contribution on January 28th, 2026.

The Friends of the Truckee Library Board approved funding 1/3 of the cost of Phase 2 design on February 5, 2026 and the Nevada County Board of Supervisors will be considering the funding request at their March 10, 2026 Board meeting. Staff will be able to confirm whether the funding request was approved by the Nevada County Board of Supervisors at the March 10, 2026 Council meeting.

**Priority:**

<input type="checkbox"/> Enhanced Communication	<input type="checkbox"/> Climate and Greenhouse Gas Reduction	<input type="checkbox"/> Housing
<input checked="" type="checkbox"/> Infrastructure Investment	<input checked="" type="checkbox"/> Emergency and Wildfire Preparedness	<input type="checkbox"/> Core Service

**Fiscal Impact:**

The \$447,1587 transfer staff is recommending that Council approve reflects the Town’s proposed share of the Phase 2 design costs (\$511,394) minus the Town’s share of the remaining JPA fund balance (\$64,236). Staff is proposing to transfer the \$447,158 to the JPA for the Phase 2 design over the course of two Fiscal Years (one third in FY 25/26 and two thirds in FY 26/27). In order to fund the transfer to the Library JPA, staff is also recommending a budget amendment.

The current adopted budget, proposed budget, and proposed increase is shown in Table 2 below.

All increases are proposed to be funded with General Fund, as shown in Table 3. The quarterly financial update is being presented as a separate item on March 10, 2026 agenda and staff will present the actual results from FY 24/25 as part of that item. The FY 25/26 operating budget estimated an ending undesignated General Fund balance of \$32.6 million and the actual undesignated fund balance was \$35.1 million. Staff propose to use these savings (primarily the result of revenues coming in higher than estimated) to fund the additional contributions to the library project.

**Table 2: Proposed Budget Amendment Amounts**

	Cumulative Thru 24/25	FY 25/26	FY 26/27	Total
<b>Adopted (Existing) Budget</b>				
Planning and Design	\$402,631	\$330,000	\$0	\$732,631
<b>Proposed Budget</b>				
Planning and Design	\$402,631	\$480,000	\$297,158	\$1,179,789
<b>Difference (Proposed minus Existing/Adopted)</b>				
Planning and Design	\$0	\$150,000	\$297,158	\$447,158

**Table 3: Proposed Amended Budget**

	<b>Cumulative Thru 24/25</b>	<b>FY 25/26</b>	<b>FY 26/27</b>	<b>Total</b>
<b>Expenditures</b>				
Planning and Design	\$402,631	\$480,000	\$297,158	\$1,179,789
<b>Total</b>	\$402,631	\$480,000	\$297,158	\$1,179,789
<b>Funding Sources</b>				
General Fund	\$46,354	\$480,000	\$297,158	\$823,512
American Rescue Act Plan	\$278,841	\$0	\$0	\$278,841
Nevada County Grant	\$77,436	\$0	\$0	\$77,436
<b>Total</b>	\$402,631	\$480,000	\$297,158	\$1,179,789

While it has not been charged to this CIP, staff time has been tracked since FY 22/23 to quantify the Town's overall resource commitment. Since FY 22/23, approximately 845 staff hours have been charged to the project, which excludes time spent by the Town Manager and Assistant Town Manager (as the Town's JPA representatives) and the Town Clerk (as the JPA Clerk). The addition of the Town Manager, Assistant Town Manager, and Town Clerk hours spent related to the JPA would result in approximately 1,000 staff hours being spent on the project to date.

**Public Communication:** None outside the monthly Library JPA meetings and the regular communications between the core Truckee Library Team members (Town of Truckee, Nevada County, Placer County, and FOTL).

**Attachments:**

**Attachment 1 – Funding request letter from the Friends of the Truckee Library**