

CAPITAL PROFILE REPORT

PROFILE NAME: **MILNER LIBRARY RENEWAL & UPGRADES**
 PROFILE NUMBER: **12-20-0055**
 DEPARTMENT: **Boards & Commissions**
 LEAD BRANCH: **Public Library**
 PROGRAM NAME:
 PARTNER: **Infrastructure Delivery**
 BUDGET CYCLE: **2009-2011**

FUNDED

PROFILE STAGE:	Approved
PROFILE TYPE:	Standalone
LEAD MANAGER:	Pilar Martinez
PARTNER MANAGER:	Pilar Martinez
ESTIMATED START:	January, 2012
ESTIMATED COMPLETION:	March, 2020

Service Category: **Recreation & Culture**

Major Initiative:

GROWTH	RENEWAL
25	75

PREVIOUSLY APPROVED:	84,447
BUDGET REQUEST:	-
TOTAL PROFILE BUDGET:	84,447

PROFILE DESCRIPTION

Based on the 2013 Schematic Design Report prepared by Teeple and ATB Architects, this project provides for the renovation and renewal of the Stanley A. Milner library to LEED Silver certification standards. Renewal work would include an all new state of the art building envelope and glazing system, high efficiency mechanical and electrical upgrades for the entire building and the emergency generator, interconnected ground floor and basement; upgraded landscaping as well as waterproofing repairs and deck replacement on the South Plaza; address seismic, exiting, and sprinkler code requirements; improved LRT connection; asbestos removal on ducts and air handler; and interior modernization on all floors. In addition it would provide increased and more functional customer space to the third floor and interconnectivity among all three floors with an accessible circulation system; a grand multifunctional new civic space; and all building code issues would be addressed.

PROFILE BACKGROUND

The Milner Exterior Upgrade Project was brought forward to City Council by the Edmonton Public Library Board as part of the 2012-2014 Capital Budget process. As a result of City Council budget deliberations, \$1.002 million in funding was provided for the schematic design of the project on the condition that an information report on the concept plans be provided to City Council through Community Services Committee. This report was provided to City Council on March 14th, 2012 and City Council directed the Library to provide funding options to be reviewed and developed for future consideration by City Council. Consideration was to be given to previous work undertaken in evaluating options for the building envelope renewal including work independently undertaken by Manasc Isaac Architects Ltd.

PROFILE JUSTIFICATION

Built as the City of Edmonton's Centennial Project in 1967 at a cost of \$4.5 million, the Stanley Milner Library has been offering library services to the population of Edmonton for the last 47 years. On average, approximately 1.3 million people visit the space on an annual basis. While interior renovations have taken place over time, including an addition to the front of the library constructed in 1999, the exterior and building code issues have largely remained untouched. An environmental study undertaken in 2010 revealed that the exterior walls are rated at less than R1. The building is literally leaking energy. It is very environmentally unfriendly, lacks appeal in appearance, and does not meet current Alberta Building Code Standards in many areas. This renewal project would bring the building up to today's building standards and contribute to increasing energy efficiency, resulting in savings in utility costs, and be aesthetically appealing and better meet customer needs.

STRATEGIC ALIGNMENT

This project aligns with City Council Priorities to improve Edmonton's livability by building vibrant communities, connecting Edmontonians to the services they need, and providing services that are accessible and available.

ALTERNATIVES CONSIDERED

City Council provided \$1,002,000 to develop a schematic design for the Stanley A. Milner Library and this project proposal is based on options provided in the Schematic Design Report. Two different options were considered: 1) a renovation of the exterior façade and some mechanical/equipment upgrades only; and 2) a re-visioning of both the interior public spaces and exterior of the building and complete mechanical/equipment upgrades, along with addressing building code deficiencies. In order to bring the building up to code and to ensure the public space meets the needs of our customers, the EPL Board recommends the re-visioning option and has committed to funding \$10.0 million of the incremental costs of the upgrades through donations/sponsorships. Whether or not this project is approved, \$13.9 million in renewal funding would still be required for the Milner Library in the 2015-2018 budget cycle. The \$13.9 million in renewal funding would be applied to this project if it goes forward.

COST BENEFITS

The key tangible benefits of this project are:

- Extends the useful life of the building
- Enables savings in energy costs \$175,000 annually
- Expands the space for library services

The key intangible benefits of this project are:

- Provides for a safe, healthy and comfortable environment for staff, tenants, and public.
- Reduces greenhouse gas emissions
- Significantly improves outside appearance

KEY RISKS & MITIGATING STRATEGY

Cost escalation is a key risk. EPL follows City project management guidelines for cost escalation and contingencies. The other risk is EPL not securing partnership funding. A feasibility study has established a reasonable fundraising target.

RESOURCES

This project would be tendered and the management of the project would be undertaken by the City of Edmonton Project Management and Maintenance Services Branch together with EPL Management.

CONCLUSIONS AND RECOMMENDATIONS

The Library Board supports the proposed Milner Library Renewal and Upgrades project for inclusion in the 2015-2018 Capital Budget submission.

CONTINGENCY OF APPROVAL

Milner Library Renewal and Upgrades – Partner Funding
December 11, 2014 - City Council Meeting

That expenditure of funds, beyond the \$5 million allocated for design under Capital Profile Milner Library Renewal and Upgrades 12-20-0055, be subject to a report to Community Services Committee from the Edmonton Public Library, confirming that commitments for partner funding are on track.

Due By: Nov. 9, 2015 Community Services Committee

Contingency met: 01/03/2016 City Council Minutes Item 6.4:

"That Capital Profile Milner Library Renewal & Upgrades Capital Profile 12-20-0055 be amended to reflect that the contingency of approval has been met."

CHANGES TO APPROVED PROFILE

2016 Fall SCBA (CA#40): (2.3) Funding of \$4.5 million is required to cover costs to complete the scope of this profile. This funding is being reallocated to the Milner Library Renewal and Upgrades project from projects 03-20-0019 (Mill Woods Branch Relocation), 08-20-0028 (Highlands Branch Renewal), and 08-20-0030 (Calder Branch Relocation). This will address increased project costs for remediation and mechanical/electrical rehabilitation, and improving the underground LRT access. In addition, this reallocation will enable development of a schematic design for the South Centennial Plaza.

2016 Fall SCBA (CA#40): (2.3) A transfer of \$2 million in 2017 & 2018 from CM-75-0103 to 12-20-0055 to address increase in project costs due to additional remediation, mechanical/electrical rehabilitation, improving the underground LRT access, and schematic design of the South Centennial Plaza.

Nov 29/30, 2016 Council Minutes Item 6.2: 2. That the budgeted completion date for the Milner Library Renewal & Upgrades (12-20-0055) identified in Attachment 2 of the November 29, 2016, Financial and Corporate Services report CR_3330, be changed from December 31, 2018, to March 31, 2020.

Sept 12/13, 2017 Council Minutes Item 9.4. That the adjustments to capital profiles 12-20-0055, CM-75-0100, CM-75-0103, and 17-99-2001, as set out in Attachment 1 of the September 12, 2017, Integrated Infrastructure Services report CR_5128, be approved.

2017 Fall SCBA (CA#40): 2.7-01 Percentage For Art - 2017 \$160K and 2018 \$102K.

2019 Spring SCBA (#2.3-1): \$835K - Project costs are higher than planned mainly due to a higher overhead rate than was originally considered in the initial project estimate.

2019 Spring SCBA (CA#10): (2.7.11) Percentage for art budget to be transferred to operating from capital. Operating Funding Source and Expenditure Destination are prior EPL restricted reserve funds.

2019 Spring SCBA (#2.4-38): Adjustments due to source of funding changes. \$4.4m Pay-As-You-Go to be divided between Provincial and Federal Grants. In addition, a historical adjustment for partnership funding from 2018.

2020 Spring SCBA (#20-10, 3.5-7): Total partnership funding will be less than originally budgeted. The reduced funding will be offset with increased funding from the Pay-as-you-go Library Reserve, which contains previous years funding that has been carried forward to fund the Milner construction. Additionally, \$1.3M in municipal grants was received over the original budgeted amount that will be used to replace the funding shortfall. There will be no overall change in the project budget.

2021 Spring SCBA (#21-21, CFO-9): This is related to Milner Library utilities usage during the construction. It was agreed that EPL would pay for utilities for the portion of the building it occupied until the Interim Acceptance. 2020 utilities were funded through pay as you go library - operating (\$27K).

2021 Fall SCBA (#21-30, 3.6-4): This transfer is required to move \$500,000 of funding from the Milner Library Renewal & Upgrades standalone capital profile, to the Centennial Plaza Renewal standalone capital profile. This funding had originally been added to the Milner Library profile during the Fall 2016 Supplemental Capital Budget Adjustment to be spent on design for Centennial Plaza. The Centennial Plaza Redevelopment project now has it's own standalone profile and all project expenses and funding will be captured within it.

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PROFILE NAME: **Milner Library Renewal & Upgrades**
 PROFILE NUMBER: **12-20-0055**
 BRANCH: **Public Library**

FUNDED
 PROFILE TYPE: **Standalone**

CAPITAL BUDGET AND FUNDING SOURCES (000's)

	Prior Years	2021	2022	2023	2024	2025	2026	2027	2028	2029	Beyond 2029	Total
APPROVED BUDGET	Approved Budget											
	Original Budget Approved	1,002	-	-	-	-	-	-	-	-	-	1,002
	2012 CBS Budget Adjustment	-990	-	-	-	-	-	-	-	-	-	-990
	2013 Cap Carry Forward	-	-	-	-	-	-	-	-	-	-	-
	2013 CBS Budget Adjustment	990	-	-	-	-	-	-	-	-	-	990
	2014 Cap Budget Request for Next Cycle	61,498	-	-	-	-	-	-	-	-	-	61,498
	2014 Cap Carry Forward	-	-	-	-	-	-	-	-	-	-	-
	2015 Cap Carry Forward	-	-	-	-	-	-	-	-	-	-	-
	2016 Cap Council	6,500	-	-	-	-	-	-	-	-	-	6,500
	2016 Cap Carry Forward	-	-	-	-	-	-	-	-	-	-	-
	2017 Cap Council	-261	-	-	-	-	-	-	-	-	-	-261
	2017 Cap Capital Budget Adj (one-off)	15,540	-	-	-	-	-	-	-	-	-	15,540
	2017 Cap Carry Forward	-	-	-	-	-	-	-	-	-	-	-
	2018 Cap Carry Forward	-	-	-	-	-	-	-	-	-	-	-
	2019 Cap Council	639	-	-	-	-	-	-	-	-	-	639
	2019 Cap Carry Forward	-	-	-	-	-	-	-	-	-	-	-
	2020 Cap Council	-	-	-	-	-	-	-	-	-	-	-
	2020 Cap Carry Forward	-1,414	1,414	-	-	-	-	-	-	-	-	-
	2021 Cap Administrative	-	30	-	-	-	-	-	-	-	-	30
	2021 Cap Council	-	-500	-	-	-	-	-	-	-	-	-500
Current Approved Budget	83,504	943	-	-	-	-	-	-	-	-	-	84,447
APPROVED FUNDING SOURCES	Approved Funding Sources											
	Developer Financing	200	-	-	-	-	-	-	-	-	-	200
	Munc Sustain. Initiative - MSI	16,420	-	-	-	-	-	-	-	-	-	16,420
	Other Grants - Federal	2,000	-	-	-	-	-	-	-	-	-	2,000
	Partnership Funding	4,680	-	-	-	-	-	-	-	-	-	4,680
	Pay-As-You-Go	2,600	-	-	-	-	-	-	-	-	-	2,600
	Pay-As-You-Go - Library	4,451	-	-	-	-	-	-	-	-	-	4,451
	Provincial Grant	3,313	-	-	-	-	-	-	-	-	-	3,313
	Tax-Supported Debt	49,840	943	-	-	-	-	-	-	-	-	50,784
Current Approved Funding Sources	83,504	943	-	-	-	-	-	-	-	-	-	84,447

BUDGET REQUEST	2021	2022	2023	2024	2025	2026	2027	2028	2029	Beyond 2029	Total
Budget Request	-	-	-	-	-	-	-	-	-	-	-

REVISED BUDGET (IF APPROVED)	Prior Years	2021	2022	2023	2024	2025	2026	2027	2028	2029	Beyond 2029	Total
Revised Budget (if Approved)	83,504	943	-	-	-	-	-	-	-	-	-	84,447
REQUESTED FUNDING SOURCE	Requested Funding Source											
	Developer Financing	200	-	-	-	-	-	-	-	-	-	200
	Munc Sustain. Initiative - MSI	16,420	-	-	-	-	-	-	-	-	-	16,420
	Other Grants - Federal	2,000	-	-	-	-	-	-	-	-	-	2,000
	Partnership Funding	4,680	-	-	-	-	-	-	-	-	-	4,680
	Pay-As-You-Go	2,600	-	-	-	-	-	-	-	-	-	2,600
	Pay-As-You-Go - Library	4,451	-	-	-	-	-	-	-	-	-	4,451
	Provincial Grant	3,313	-	-	-	-	-	-	-	-	-	3,313
	Tax-Supported Debt	49,840	943	-	-	-	-	-	-	-	-	50,784
Requested Funding Source	83,504	943	-	-	-	-	-	-	-	-	-	84,447

CAPITAL BUDGET BY ACTIVITY TYPE (000's)

REVISED BUDGET (IF APPROVED)	Activity Type	Prior Years	2021	2022	2023	2024	2025	2026	2027	2028	2029	Beyond 2029	Total
REVISED BUDGET (IF APPROVED)	Construction	75,902	943	-	-	-	-	-	-	-	-	-	76,845
	Design	6,579	-	-	-	-	-	-	-	-	-	-	6,579
	Equip FurnFixt	600	-	-	-	-	-	-	-	-	-	-	600

CAPITAL PROFILE REPORT

REVISED BUDGET (IF APPROVED)	Other Costs	423	-	-	-	-	-	-	-	-	-	-	-	-	-	-	423
	Percent for Art	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	83,504	943	-	-	-	-	-	-	-	-	-	-	-	-	-	-

OPERATING IMPACT OF CAPITAL

Type of Impact: Utilities

Branch:	2021				2022				2023				2024			
	Rev	Exp	Net	FTE	Rev	Exp	Net	FTE	Rev	Exp	Net	FTE	Rev	Exp	Net	FTE
Public Library	-	-4	-4	-	-	-5	-5	-	-	-5	-5	-	-	-	-	-
Total Operating Impact	-	-4	-4	-	-	-5	-5	-	-	-5	-5	-	-	-	-	-