



GALLAGHER

## MEMORANDUM

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From: Von Gallagher, Gallagher Construction Services, 214.837.2562, Von@gallaghertx.com

RE: **City of Farmers Branch Library Information**

The intentions of this memorandum is to briefly update the City of Farmers Branch on the updated opinion of costs at this time. This was most recently done in 2016 and many factors have changed since that time, mainly continued construction inflation. Construction inflation has been on a rise of approximately 1% a month or 12% a year. This is the variable that we utilize when attempting to project the costs of future projects. While this is not an exacting process, this has proven true to be a successful prediction of inflation in the current market. The information is as follows:

### **Renovation of the Existing Manske Library:**

June 2016 Budget – \$7,920,000

June 2019 Budget – \$11,700,000

The scope of work is listed in the attachment to identify the work to be completed. An evaluation of the facility was performed. Actual costs from Library Additions and Renovations in Coppell was utilized to verify costs.

NOTE: Nothing is included within this estimate to account for any work required from FEMA due to flood plane elevations or any other type of work required by FEMA.

### **New Library in Lieu of Renovations:**

At this time the City is utilizing a potential \$20M budget for the potential construction of a new 30,000 square feet to 35,000 square feet library in lieu of renovations as described above. This appears to be a sufficient budget for a facility of this size and complexity. As an example, the City of Cedar Hill passed a bond for a new library in November 2018 that is approximately 46,000 square feet and has a budget of \$20M. While this is obviously larger, inflation and the site amenities need for Farmers Branch need to be accounted for. Based on these factors, \$20M appears to be a sufficient budget for a library. However, like any project, costs must be controlled during the design phase to keep the project within the budget constraints or no budget is large enough.

### **Facility Cost Index:**

Many times a Facility Cost Index is utilized to evaluate the feasibility of renovation costs. This is assessed on a case by case basis however, typically once renovation costs exceed 50% of a replacement costs then renovations become less of an option from a long term feasibility standpoint. In this case, the FCI is 58% which would constitute high considerations for replacement in lieu of renovations. While renovations are acceptable in many cases, the reality is that the facility will still be of an older age requiring additional maintenance as well as it will be retrofitted, not initially design for, the newer and more efficient functions of a library facility due to the numerous changes in function, technology, information systems, etc.

### **Conclusion:**

Based on the Facility Cost Index of 58% and the unknown status of any needed/required FEMA provisions that pertain to an existing facility, the \$20M budget for a new 30,000 square feet to 35,000 square feet facility appears to be the most viable option. However, it is of the utmost importance to continue to analyze costs, track inflation, and prevent scope creep during the design process to ensure that the budget and needs may be maximized for the long term success of the facility.

# City of Farmers Branch Library

## Facility Needs:

### Renovations – 35,000 SF

1. Main Entry Exterior Façade Update
2. ADA Compliance (Entire Facility)
3. New HVAC System
4. New Roof
5. North Foundation Repairs
6. Technology Upgrades
7. Fixture, Furniture, & Equipment Upgrades
8. Additional Parking
9. Temporary Relocation During Construction (Includes moving)

### New Facility- 35,000 SF

1. 2-Story Open Modern Design
2. Community Theater
3. Rooftop Solar
4. 2-Level Parking
5. Technology
6. Fixture, Furniture, & Equipment
7. Demolition of Existing Facility

### **FACILITY CONDITION INDEX (\*based on 2019 cost)**

Total Estimated Additions and Renovations Costs	\$11,700,000*
Total Estimate Replacement Cost	\$20,000,000*
<b>FCI (Facility Condition Index)</b>	<b>58%</b>

### **FCI Ranking**

Excellent	0%-20%
Very Good	21%-30%
Good	31%-40%
Average	41%-50%
Poor	51%-60%
Very Poor	61%+