

Scenic Regional Library
Board Minutes – September 14, 2021

Scenic Regional Library Board of Trustees met virtually via Zoom on September 14, 2021 at 7:00 pm for a Special Library Board Meeting. Board President Karen Holtmeyer presided at the meeting. Board members attending the meeting were Joy Dufrain, John Barry, Martha Lindsley, Robert Niebruegge, John Cheatham, Laura Hengstenberg, Paula Sutton, Kathleen Ham, and Michele Fehlings. Board members Linda Andrae, Susan Richardson, and Carla Robertson were absent. Library Director Steven Campbell, Assistant Library Director Megan Maurer, Business and Human Resource Manager Kjersti Merseal, and Administrative Assistant Erica Mosley were also present.

There were no public comments.

Public Comments

Unfinished Business

Director Campbell said the bids for the Hermann building project came back higher than expected, although considering rising construction costs he still considers the bids reasonable. However, the bond resolution approved by the Board at their August meeting would only result in \$1.9 million in proceeds from the financing, not enough to cover the cost of even the lowest bid without using more of the Library's reserves than is prudent. He asked the Board to approve an amended resolution that would extend the financing from 20 to 25 years. This would add \$4,500 to the yearly payments, which he said the Library can afford. The amended resolution would generate \$2,325,000 for the building project.

**Hermann Building
Project Financing –
Revised Parameters
Resolution**

John Barry asked if under the new resolution there would still be enough money to fund automated vending equipment in Marthasville. Director Campbell said yes; by going with the lowest bid, the Library would only have to use \$60,000 of reserve funds for the building project, which would leave more than enough for something in Marthasville. He said the Library's architect is now recommending the firm with the lowest bid, which is \$125,000 below the other bids. Although the firm does not have experience building libraries, the architect still recommends them for this project.

Joy Dufrain asked about Section 1 of the amended resolution, which authorizes maturity of up to 15 years, up from 12. Director Campbell said that, according to the bond attorney, there is a ten-year base which covers interest, and the additional 12 years is the maximum allowed for principle payback. (This would equal 22 years, as allowed under the original bond resolution.) Under the new resolution, the principle payback period extends to 15 years, resulting in a 25-year period. Director Campbell said the only downside is that, by extending the life of the loan, some additional interest will be accrued; however, this also enables the Library to not have to tap into reserve funds.

Joy Dufrain then asked about prepayment penalties. Director Campbell said the Library would not be able to apply any additional funds to their payments for the first 7 or 8 years, which is similar to the library's 2017 bonds.

Robert Niebruegge made the motion to approve the Revised Hermann Parameters Resolution. Laura Hengstenberg seconded the motion. All voted Aye. The motion carried 10/0.

There being no further business, Board President Karen Holtmeyer adjourned the meeting at 7:09 pm.

Adjourn

Secretary

Approved: _____
President, Scenic Regional Library Board of Trustees

Date: _____