



# MEMORANDUM

TOD SATTERTHWAITE, MAYOR

384-2456

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May 1, 2002

TO: Council Members  
FROM: Tod Satterthwaite, Mayor  
RE: Veto Message

I have chosen to veto the recent Council motion regarding the schematic design for the library addition/renovation. While I support the schematic design as presented by the technical team, I cannot support all the changes made by the Council.

In my veto message you can see that I offer a motion that I can support which includes many, but not all, of the changes made by the Council. I am asking for your support of my proposal.

April 30, 2002

**Re: Veto of the Urbana City Council's motion regarding the Schematic Design for the Urbana Free Library Addition/Renovation passed on April 15, 2002.**

Dear Council Members:

I am vetoing the motion regarding the Schematic Design for the Urbana Free Library Addition/Renovation for several reasons. First, I think the projected cost of the library addition/renovation has grown so high that it is more than we can justify. Second, I think that the Council has the responsibility to weigh these funding decisions within the context of the overall City budget so that other priorities can be fairly evaluated. Third, the budget will show the extent to which the City's finances have been affected by the general slowdown in the economy, a factor which should be considered in approving funding for the library addition/renovation.

I am a strong supporter of the library and the addition/renovation project that the City is now undertaking. Financially, it is the biggest public works project in the history of Urbana. I have been involved in the planning process for a library expansion from almost the first day that I took office nearly nine years ago. I have watched as the anticipated cost of the library expansion has grown from \$4.75 million to \$6.1 million to \$6.85 million to \$7.3 million to \$8.05 million and now to \$8.25 million. It is no secret that in my opinion we can do a first-class library addition/renovation project for \$7.3 million. While I did not agree with increasing the size of the building from what we would get in the \$7.3 million plan, I understand the reasons of the Council for doing so. I included the additional cost of that size increase in the 2002-2003 budget, for a total construction cost of \$8,055,000. The further increases proposed in the Council motion are simply more than the City can afford in my opinion.

The 2002-2003 budget will show the impact of the current economic slowdown on the City of Urbana very clearly. The City has been fiscally responsible while the economy has been good the last several years, resulting in budget surpluses exceeding \$2 million in some years. It is with these surpluses that the City is able to take on large capital projects such as the road improvements at Cunningham and Anthony Drive for the Farm & Fleet and O'Brien Auto Park developments as well as the comprehensive addition and renovation project for the Urbana Free Library. With these difficult economic times, those surpluses are drying up. In a two-year period, our projections show that City expenses in the general fund will increase by \$1.6 million more than revenues. That

means that the \$2.1 million surplus that we enjoyed in the 2000-2001 budget year will shrink to less than \$500,000 in the 2002-2003 budget year. If the trend continues, the 2003-2004 budget will show a deficit.

Similarly, in the good economic times, our general reserve fund has been healthy, with a balance in many years of between \$2 and \$3 million. With the spending for the library project and the other capital improvement commitments, the amount of unobligated funds in general reserves will be around \$500,000. This is simply not the time to allow spending on the library project to go unchecked.

Regardless of whether the City is in good economic times or bad economic times, the responsible thing to do when allocating scarce financial resources is to weigh all the spending options before making final commitments. The Council has taken this approach in recent years by not approving the Capital Improvement Plan before it is reviewed in the context of the budget. In my view the responsible thing for the Council to do would be to look at other possible uses for the City's dwindling reserves before committing additional funding to an already well-financed library project. This is particularly true since most of the items being added at this time can be done at a later time with little or no disruption to the operation of the library. Finally, it is very possible that we may be able to afford many of these items without adding any more money to the project budget if the construction bids come in even slightly lower than expected or if contingency funds are not required for unforeseen problems.

It is not my purpose to unnecessarily delay or complicate the process of approving a schematic design for the library addition/renovation. I simply believe that fiscal responsibility dictates a more cautious approach to spending for this project and finally establishing a funding cap for it. With that in mind, I am offering a motion regarding the schematic design of the library addition/renovation that I urge Council members to support.

It is similar to the motion passed by the Council in that it adds Alternate Bid #2: Roof replacement to the base bid and adds its cost to the total estimated project cost. It moves 'remove and replace existing window systems' from the Deferred Building Enhancements list to the Alternate Bid list. It provides for the project funding to be increased by the estimated cost of the roof replacement. It adds the Council review of bids to the Project Schedule on September 16.

It differs from the Council motion in that it does not include Alternate Bid #1: Modify building temperature control and Alternate #3: Install hybrid digital/pneumatic controls in the base bid. Neither does it move the 'East entry stair, limited limestone replacement' from the Deferred Building Enhancements list to the Alternate Bid list. It does not provide for pre-action sprinklers in the archives.

Mayor Satterthwaite's recommended motion regarding The Urbana Free Library Addition/Renovation

To approve the Schematic Design Report for the Urbana Free Library Addition/Renovation dated April 4, 2002 with the following changes:

1. Move Alternate Bid #2: Roof Replacement, \$120,000 from the Alternate Bid list to the base bid.
2. Move the Deferred Building Enhancement described as 'Remove and replace existing window systems', \$39,000 to the Alternate Bid list.
3. Change the Total Estimated Project Costs from \$8,057,507 to \$8,177,507
4. Change the Project Funding from \$8,055,000 to \$8,177,507
5. Add Council review of bids to the Project Schedule on September 16

Ms. Chynoweth's motion regarding Schematic Design for The Urbana Free Library Addition/Renovation

To approve the Schematic Design Report for the Urbana Free Library Addition/Renovation dated April 4, 2002 with the following changes:

1. Move Alternate Bid#1: Modify building temperature control, \$32,000, Alternate Bid #2: Roof Replacement, \$120,000 and Alternate Bid #3: Install hybrid digital/pneumatic controls, \$32,000 from the Alternate Bid list to the base bid.
2. Add a pre-action sprinkler system for the archives to the base bid
3. Move the Deferred Building Enhancements described as 'East entry stair, limited limestone replacement', \$83,000 and 'Remove and replace existing window systems', \$39,000 to the Alternate Bid list.
4. Change the Total Estimated Project Costs from \$8,057,507 to \$8,241,507
5. Change the Project Funding from \$8,055,000 to \$8,241,507
6. Add Council review of bids to the Project Schedule on September 16