

BEMIDJI CITY COUNCIL

Special Work Session Agenda

Thursday, August 31, 2017

City Hall
Council Chambers
5:30 P.M.



1. CALL TO ORDER / ROLL CALL

2. DISCUSS HISTORIC TAX CREDITS – CARNEGIE PROJECT

3. ADJOURNMENT

HISTORIC CARNEGIE LIBRARY RESTORATION PROJECT
AUGUST 2017
REPORT TO THE BEMIDJI CITY COUNCIL
BY THE FRIENDS OF THE CARNEGIE LIBRARY

CURRENT SITUATION

There is strong community support for this project to preserve an important icon of our history and provide a useful building which will enhance our historic downtown. To date, we have raised \$1.33 million in donations and grants (see Appendix 2 & 7). Of this total, more than \$150,000 has come from small donations from individuals and businesses, remarkable for a community the size of Bemidji.

However, the restoration project is not yet totally funded.

Historic Tax Credits from the Federal and State governments were suggested as a means to raise additional funding. We have investigated the possibility of using Historic Tax Credits in this project, and in our view they can be obtained, will provide significant additional funding, and should be pursued.

An analysis of project funding (Figure 1) shows that obtaining Historic Tax Credits is probably essential to continuing the project.

The timing of the project is a consideration. We have received a \$350,000 state Legacy Grant that must be used in construction during 2018. The current project cost forecast is an estimate prepared by WSN (Appendix 3). We believe that this is a very high estimate, but cannot know until the project is actually sent for bids. Given ever-inflating construction costs, we need to proceed with the project.

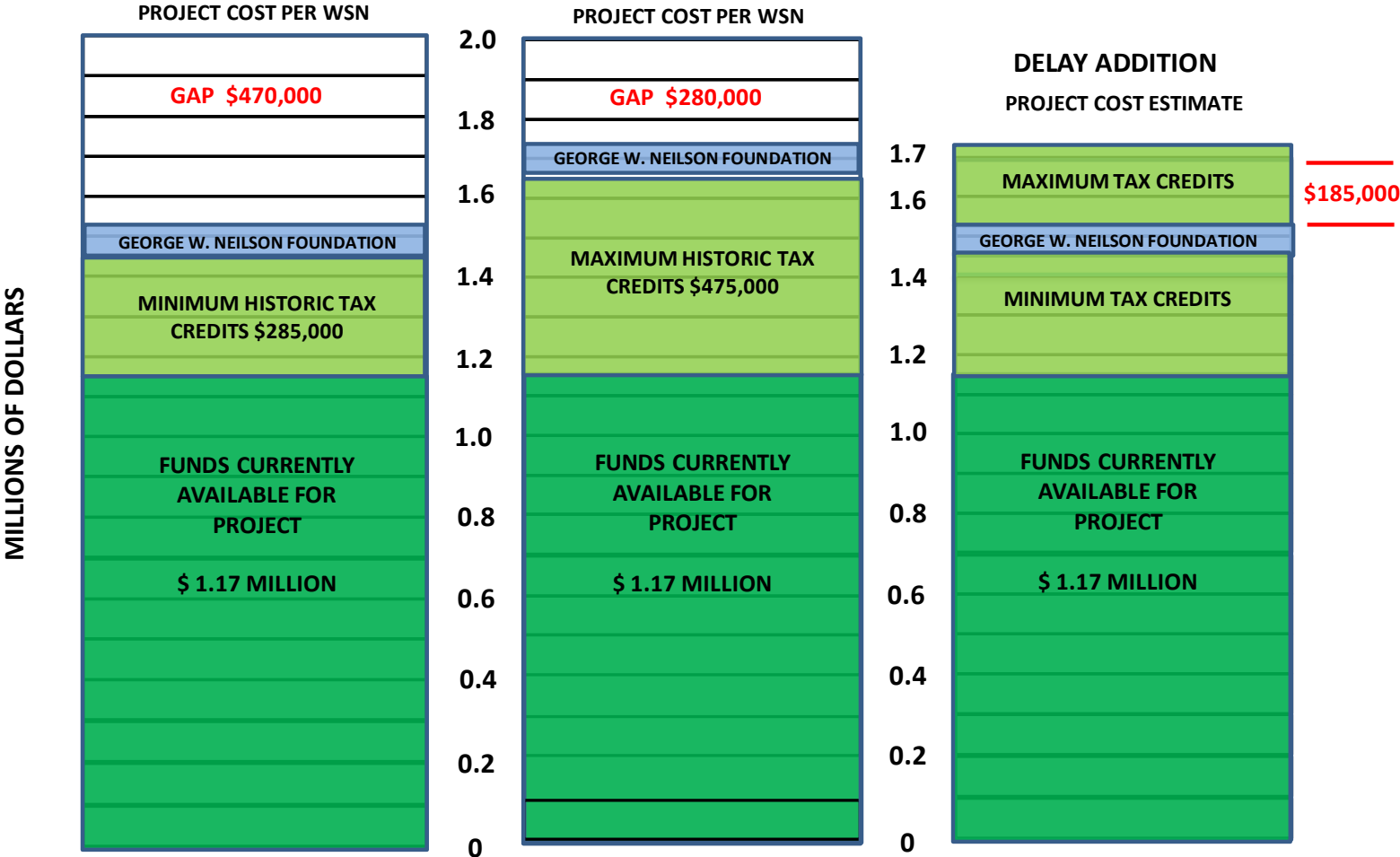
Once the project is authorized we expect additional contributions from donors who have been waiting to see construction begin. Moreover, ongoing fundraising will continue to further decrease the gap.

RECOMMENDATIONS

- Proceed with the process to obtain Historic Tax Credits for additional project funding.
 - Contract with Alex Haecker, preservation consultant, and Bill Burns, tax credit attorney.
- Authorize the project to proceed with the process for construction bids in early 2018.
 - Funding needed beyond donations and tax credits (gap) would be filled by 5-year loans from the City of Bemidji or bank loans backed by the City. This is further explained in the discussion of Historic Tax Credits in this report.
- Alternately, authorize the project to go ahead with the construction option to delay the planned Addition, as explained in this report.

FIGURE 1

HISTORIC CARNEGIE LIBRARY RESTORATION PROJECT
PROJECT FUNDING ANALYSIS - AUGUST 2017



Historic Tax Credits

There are a number of different types of Tax Credits available from the Federal and State governments. They are used as incentives to direct investment to socially desirable projects. In essence they allow an investor to direct an amount of his tax liability to a specific end use while pocketing a percentage of the investment. A nationwide market exists for the selling and buying of large denomination tax credits.

A nearby example is the Park Place construction underway in Bemidji using Low Cost Housing Tax Credits to help fund the project.

Historic Tax Credits are available for the rehabilitation of buildings on the National Register of Historic Places. The town of Detroit Lakes obtained and used them to renovate a historic theater and other buildings in the surrounding historic district.

There are criteria for qualifying to obtain Historic Tax Credits. Our project has already met most of these through our previous work to obtain the state Legacy Grant. We have the advice of two Historic Architects that there is almost no chance that our project to rehabilitate the Carnegie Library would not qualify.

Credits of 20% of the qualified costs can be obtained from the Federal Government with an additional 20% from the State. Not all construction costs qualify. For example, new construction such as our proposed addition does not. But from our construction plans we estimate that we could obtain between \$285,000 and \$475,000 for our project. These funds would be net, after paying consultant fees (which are also qualifying expenses). The difference between the two numbers is the question of whether the cost of moving the building will be allowed as a qualified expense. A table of possible qualified cost outcomes is attached. (Appendix 4)

Also attached is a flow chart of the structure of the project that must be put in place to obtain and use Historic Tax Credits. (Figure 2) It might look complicated at first glance, but this represents a structure very commonly used. These are the key points:

- Everything in the left hand red box involves forms, fees, applications, approvals, and meeting governmental rules and guidelines. We propose hiring an experienced Historical Architect (Alex Haecker) to shepherd our project through these processes. The application is submitted to the State which then forwards on to the National Park Service. Construction cannot begin until the application is *submitted*. Approval from the State typically takes 3-4 months.
- Since this is a tax program, the IRS is involved. They require that Tax Credits go to a tax-paying (for-profit) entity. This causes most of the structure of the right box. We propose hiring an experienced Tax Credit attorney (Bill Burns, who set up the Park Place legal arrangement) to work with Al Felix to set us up with the incorporated tax-paying company (LLC) and write the associated agreements.
- The overall driver of this structure concerns “ownership”. The City of Bemidji leases the Carnegie to the LLC, but does not relinquish ownership of the building. The lease agreement is of a sufficient period of time such that to the IRS the LLC owns the building *for tax purposes*. The lease

agreement allows the city to be legally at arm's length from the LLC yet maintain control of the use of the building and the rehabilitation construction project.

- We strongly believe that we can obtain local tax investors who favor our project. WSN, Kraus Anderson, local construction companies, local banks, etc. plus private investors can all be combined into a syndicate for the total investment. Alternately we would seek investors in the national tax credit markets.
- Beyond controlling the building use and the construction project via the lease agreement, the City can also control the ongoing leasing, public use, and maintenance of the building. This could be accomplished by the LLC contracting the City to provide building management. From a legal standpoint, the key requirement is full transparency of the relationship.
- The LLC will need to collect income from leasing the lower building level and public use fees. It will need to depreciate the rehabilitation project value, claim expenses, etc. to pay taxes. The LLC will also need to pay the bills for the construction project. A representative balance sheet for the LLC is included in this report. (Appendix 5).
- Funds flow into the LLC from the Tax Investor, donations held by the Friends of the Carnegie Library, and donations and grants held by the City.
- Construction costs above the total funds available could be between \$0 and \$470,000 depending on the actual construction bids received, on whether moving the building is allowed as a qualified tax credit expense, and whether the addition is constructed or delayed.
- The LLC must remain in operation for 5 years after the construction is complete for a final check-off by the National Park Service. We recommend that the City hold the donated funds they currently have on hand, and loan the LLC any money needed for the construction above the funds obtained from the Tax Investors and the Friends. This gives the Friends an additional 5 years to continue to fundraise and use LLC income to pay down any extra funds needed.
- After 5 years, the secured loans from the City are due, the lease of the building to the LLC is terminated, and the LLC dissolves.

Tax Credit Funding for the Restoration of the Historic Bemidji Carnegie Library

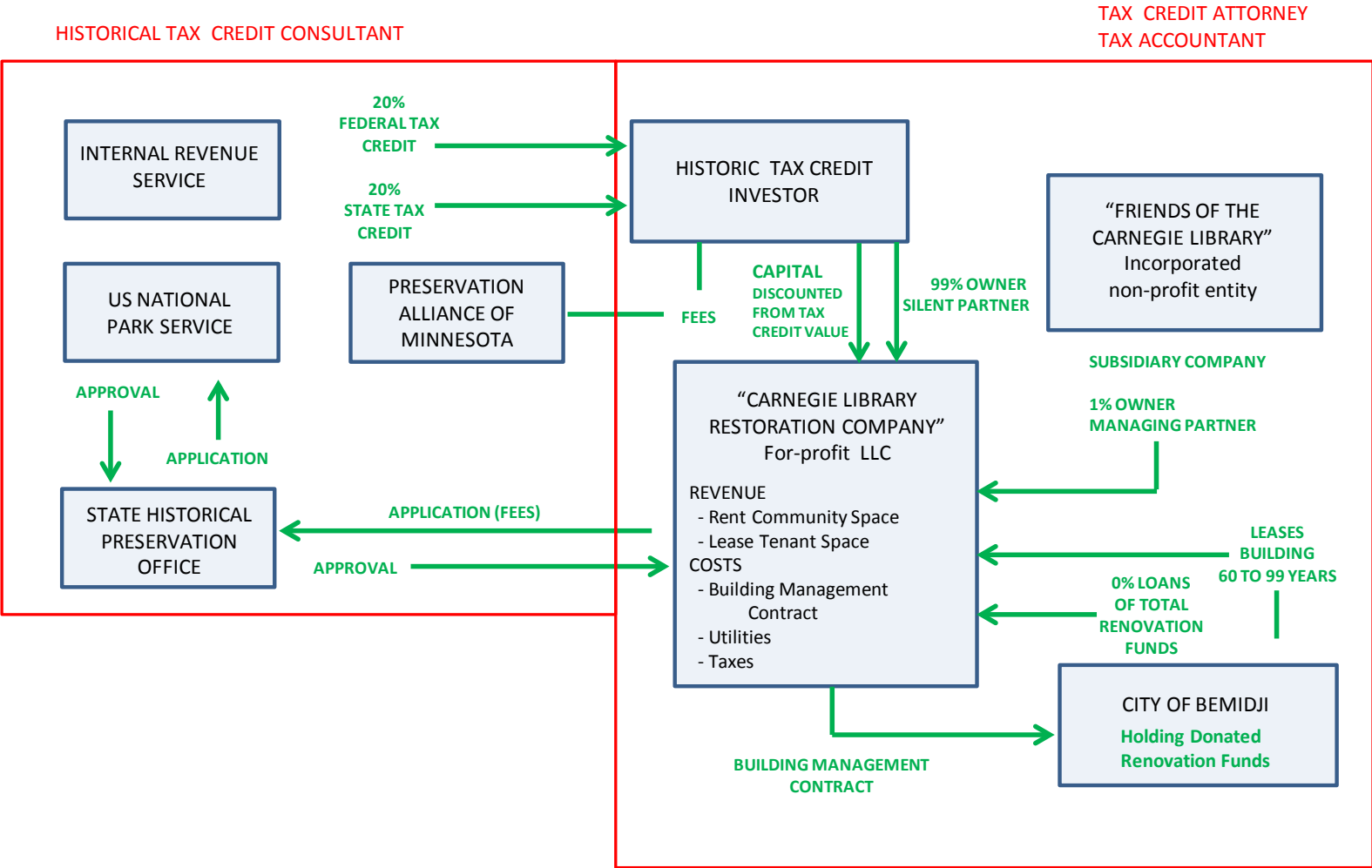


Figure 2

Option: Delay the Addition

Project Cost Alternatives			
	Current Plan - Addition with Elevator	Exterior Lift Option	
Addition Cost	\$ 325,000	\$ 125,000	Includes \$22,500 redesign fees
Req's & Contingencies	\$ 95,000	\$ 36,000	
Other Construction Costs	\$ 1,106,000	\$ 1,106,000	Move the building, masonry,
Req's & Contingencies	\$ 318,000	\$ 318,000	restoration, lower level
WSN Project Mgmt Cost	\$ 145,000	\$ 125,000	
Total Project Cost	\$ 1,989,000	\$ 1,710,000	

Advantages

\$300,000 cost savings
Can postpone until future funding available

Disadvantages

Must revise architectural plans
Legacy Grant reauthorization
Timing delay for tax credit process
Less attractive to potential tenants

Work Needed

WSN Redesign

- Remove the current Addition design from the drawings and specifications, and revise to provide a code compliant "Accessible Route" utilizing a platform lift (see Appendix 6 for examples)
- Requires architectural and engineering design, building code review, historic standards review, revised construction cost estimates, SHPO support
- Scope of work includes engineering for: drainage in new exterior lower level landing; new foundations and new upper landing; adjustment of HVAC furnaces and ductwork, air balance calculations, and revised plumbing; revision of elevator design and addition of platform lift requirements
- Time for redesign is approximately one month
- Estimated fees \$22,500 (included in project cost alternative calculations)

State Historic Preservation Office

- Will require revisions to Legacy Grant agreement once the redesign is finished
- We would discuss this with SHPO before starting the process
- Small possibility of withdrawal of the grant
- Cycle time could be several months
- Would delay the Tax Credit application process as approved plans are required

APPENDIX 1

The Carnegie Library Building as a Community Asset

- Strategic location
- Potential tenants
 - Based on the experience of the renovated Mayflower and Northwest Minnesota Foundation buildings, finding tenants for the lower level should be straightforward
- The Carnegie building with community space and restrooms will be available for park activities
 - City Parks & Recreation Youth programs such as Home Alone, Nature Club, Safe Babysitters, Boo Bash, Lego Day Camp, Mommy & Me (anything now held at the Public Works facility)
 - Bemidji Public Library functions: speakers, children's events
 - Temporary art exhibitions
 - Headquarters for events such as Dragon Boats Festival
 - Allows power and sewer hook-ups for events such as Art in the Park and Bike Around Minnesota
 - Provides shelter in place for weather emergencies
- Historic Downtown "History Walk" in collaboration with the Beltrami County Historical Society
- Permanent museum exhibit at the restored Carnegie featuring the 3,000-year history of the site, the pre- and post-contact life of the Ojibwe who lived there, results of the archeological study of Library Park, Andrew Carnegie and the history of the Library, and the early Bemidji settlers who built it
- Friends of the Carnegie ongoing events and fundraising generate \$7,500 annually
 - Volunteers to fundraise, run open hours, sponsor special events

APPENDIX 2 – Treasurer’s Report

Carnegie Library Financial Summary

August 25, 2017

Contributions & Pledges

Community Donations	\$170,187	
George W. Neilson Foundation Grant 2012	150,000	
Andreas & Marilyn Kuhn	150,000	
Anonymous	200,000	
Carolyn F. Jacobs Fund	50,000	
Community Grants*	20,000	
City of Bemidji	100,000	
MN Capital Grant-in-Aid 2015	58,280	
Minnesota State Legacy Grant 2014	50,000	
Minnesota State Legacy Grant 2017	345,960	(\$69,191 paid to date)
G. W. Neilson Foundation Challenge Grant 2017**	30,017	(To date)
Pledges	8,000	
Total	<u>\$1,332,441</u>	

* Beltrami County, MN Energy Resources, Carl and Verna Schmidt Foundation, Archeology & Historic Preservation Fund

** 50% Matching Grant for all donations between Jan 1, 2017 and Dec 31, 2018
(up to a maximum of \$100,000 from GWN)

Expenditures

Architectural Planning & Design	\$114,226	(Architects Widseth Smith Nolting)
Fundraising events & expenses*	31,204	
Archeological Study	20,000	(106 Group)
Condition Assessment	11,000	(MJ Burns)
Accounts Interest & Fees	(13,171)	
Total	<u>\$163,259</u>	

* Graphic design & printing, T-shirts, postage, web site, account management fees, fundraiser salary (2014 only), miscellaneous

Volunteer Hours – 5,770

Community Businesses – Value of Donated Goods & Services - \$29,200

City of Bemidji - Carnegie Library Renovation: Opinion of Construction Cost Budget

May 19, 2017

Division / Category	Move Building	Restore Masonry	Addition	Historic Restoration	Basement Buildout	
1 Overhead and Profit (see below)						
2 Existing Conditions (see Div 31,32 & 33 as well) Move building. Demo foundations, HVAC, plumbing and electrical. Gutting basement. Misc site/soil removals. Excavation and backfill.	\$ 312,719		\$ 11,242	\$ 15,750	\$ 5,250	\$ 344,961
3 Concrete Footings and foundations. Concrete stairs. Concrete pans in new metal stair. Basement floor slab.	\$ 66,519		\$ 30,456		\$ 12,042	\$ 109,017
4 Masonry Remove stone base veneer to facilitate moving building. Restore brick and stone, replacing deteriorated units. Reinstall stone base. Addition: standard brick and limestone veneer with cast stone window sills and roof coping.		\$ 180,173	\$ 70,973			\$ 251,146
5 Metals Structural steel columns & beams. Steel stairs. Attic access ladders. New roof joints and metal deck. Metal studs	\$ 1,515		\$ 64,539		\$ 404	\$ 66,458
6 Woods Plywood sheathing. Reinstall entry stair. Plaster restoration. Attic mechanical platform. Countertops.			\$ 2,136	\$ 42,716	\$ 639	\$ 45,491
7 Thermal and Moisture Protection Insulations. Vapor retarders & air barriers. EPDM roofing. Roof edging and flashings. Gutters & downspouts. Caulking and sealants.	\$ 482		\$ 11,978	\$ 8,013		\$ 20,473
8 Openings Window restoration. New storm windows. Doors, frames, hardware. Aluminum windows. Restroom mirrors.			\$ 25,903	\$ 80,100	\$ 14,493	\$ 120,496
9 Finishes Wood floor & trim refinishing. Wall and ceiling paints. Metal stud partitions. Wall base, ceramic tile, carpet, VCT. Gypsum board.			\$ 4,668	\$ 48,386	\$ 29,666	\$ 82,720
10 Specialties Toilet accessories & cubicles.					\$ 3,993	\$ 3,993
12 Furnishings Recessed floor mats. Counter tops.			\$ 2,024		\$ 621	\$ 2,645
14 Conveying Equipment Elevator			\$ 68,250			\$ 68,250
22 Plumbing Roof drain. Sump pump. Water heater. Restroom fixtures. Piping.			\$ 5,528		\$ 39,831	\$ 45,359
23 Mechanical Furnaces, ductwork, grilles, air balancing. Controls. Energy recovery unit, unit heaters.			\$ 18,365	\$ 42,399	\$ 17,567	\$ 78,331
26 Electrical Service/Distribution, lighting & power.			\$ 10,456	\$ 49,554	\$ 19,655	\$ 79,665
27 Communications Voice / Data Outlets				\$ 1,155	\$ 1,100	\$ 2,255
31 Earthwork Mobilization. Clear & grub. Remove walks. Erosion Control.				\$ 48,994		\$ 48,994
32 Exterior Improvements Inlet protection & silt fence. Traffic control. Aggregate base, pavings. Construction fencing. Turf establishment.	\$ 12,549			\$ 42,203		\$ 54,752
33 Utilities Water & sanitary sewer service.				\$ 7,326		\$ 7,326
Subtotals =	\$393,784	\$180,173	\$326,518	\$386,596	\$145,261	\$1,432,332
Contractor's General Requirements 8%	\$31,503	\$14,414	\$26,121	\$30,928	\$11,621	\$ 114,587
=	\$425,287	\$194,587	\$352,639	\$417,524	\$156,882	\$1,546,919
Contractor's Overhead 4%	\$17,011	\$7,783	\$14,106	\$16,701	\$6,275	\$ 61,877
=	\$442,298	\$202,370	\$366,745	\$434,225	\$163,157	\$1,608,795
Contractor's Profit 5%	\$22,115	\$10,119	\$18,337	\$21,711	\$8,158	\$ 80,440
Subtotals =	\$464,413	\$212,489	\$385,082	\$455,936	\$171,315	\$1,689,235
Estimate Contingency 1%	\$4,644.13	\$2,124.89	\$3,850.82	\$4,559.36	\$1,713.15	\$ 16,892
=	\$469,057	\$214,614	\$388,933	\$460,495	\$173,028	\$1,706,127
Anticipated Escalation for 2018 Construction 3%	\$14,072	\$6,438	\$11,668	\$13,815	\$5,191	\$ 51,184
=	\$483,129	\$221,052	\$400,601	\$474,310	\$178,219	\$1,757,311
Owner Contingency 5%	\$24,156.45	\$11,052.61	\$20,030.05	\$23,715.50	\$8,910.95	\$ 87,866
Subtotals =	\$ 507,285	\$ 232,105	\$ 420,631	\$ 498,026	\$ 187,130	\$1,845,177
Estimated Construction Total =	\$ 1,845,177					

This estimate is an opinion of probable construction cost based on WSN's experience and qualifications and represents WSN's judgment as an experienced design professional. It is recognized, however that WSN does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractor's methods of determining their prices, and that any evaluation of any work to be performed on the basis of WSN's cost opinions must, of necessity, be speculative until completion of construction. Accordingly, WSN does not guarantee that proposals, bids or actual costs will not substantially vary from opinions submitted by WSN.

APPENDIX 4 – Historic Tax Credits: Qualified Rehabilitation Expenses Worksheet

Historic Tax Credits		Qualified Rehabilitation Expenses Worksheet		
Updated August 27, 2017				
SHPO Guidelines				
Walls and Ceilings	plaster		\$	26,200
	wainscot/wood		\$	26,250
Partitions/Attic	2341+4000		\$	6,341
Floors	wood		\$	9,726
	replace basement slab		\$	12,042
Permanent coverings	paint, carpet, tile	12410+25667	\$	38,077
Windows and Doors			\$	94,593
Stairs			\$	14,175
Components of central air conditioning or heating systems			\$	59,966
Plumbing and plumbing fixtures		39831+621+3993	\$	44,445
Electrical wiring and lighting fixtures		62209		
	including communications		\$	64,464
Exterior renovation, including chimneys			\$	180,173
Asbestos remediation			\$	30,000
Components related to the operation or maintenance of the building				
insulation, roof, utilities, demolition		20473+7326+21000	\$	48,799
Subtotal 1			\$	655,251
Other				
		A	B	C
Moving the building		\$ -	\$ -	\$ 393,784
Wheelchair Lift (misc)		\$ -	\$ 20,000	\$ -
Subtotal 2			\$	655,251
Contractor's costs at 18%		\$ 117,945	\$	121,545
Contingencies at 9%		\$ 69,588	\$	71,712
Architect at 7.5%		\$ 63,209	\$	65,138
Consultant Expenses		\$ 60,000	\$	60,000
Qualified Rehabilitation Expenses Estimates		\$ 965,993	\$ 993,646	\$ 1,510,464
Federal Tax Credits				
20%, discounted by 0.18		\$ 158,423	\$	162,958
State Tax Credits				
20%, discounted by 0.04		\$ 185,471	\$	190,780
Total Tax Credits - Gross		\$ 343,893	\$ 353,738	\$ 537,725
Consultant Expenses		\$ 60,000	\$	60,000
Total Tax Credits - Net		\$ 283,893	\$ 293,738	\$ 477,725

APPENDIX 5 – Historic Tax Credits: LLC Balance Sheet

Carnegie Library Restoration Company			
Balance Sheet as of One year after completion of Project			
ESTIMATED			
ASSETS			
Current:			
	Cash	\$	20,950
	Accounts Receivable	\$	-
	Prepaid Expenses	\$	-
			\$ 20,950
Fixed:			
	Furniture & Fixtures	\$	25,000
	Accumulated Depreciation - 10 yrs SL	\$	(1,250)
	Library Building	\$	1,500,000
	Accumulated Depreciation - 39 yrs SL	\$	(38,461)
			\$ 1,485,289
	Total Assets		\$ 1,506,239
LIABILITIES & EQUITY			
Current & LT Liabilities:			
	Accounts Payable	\$	-
	Taxes Payable (None-due to Prop. Mgmt)	\$	-
			\$ -
Equity:			
	Owner's Equity	\$	1,495,289
	Profit /(Loss) for year	\$	20,950
			\$ 1,506,239
	Total Liabilities & Owner's Equity		\$ 1,506,239

APPENDIX 6 – Delay the Addition

Examples of Exterior Lifts



APPENDIX 7 – List of Donors and Business Supporters

Librarian \$300,000+

Minnesota Historical Society

Publisher \$150,000 - \$299,999

Andreas & Marilyn Kuhn

Joseph and Janice Lueken Family Foundation

George W. Neilson Foundation

Bookseller \$100,000 - \$149,999

City of Bemidji

Bookbinder \$50,000 - \$99,999

Carolyn Jacobs & Chuck Meyer

Editor \$10,000 - \$24,999

Alan Brew

Dan & Jolene Mikkelson

Author \$5,000 - \$9,999

Anonymous

Beltrami County

Catherine Marchand & Lewis Crenshaw

Minnesota Energy Resources

Peter & Laurie Nordquist

Pinnacle Publishing, LLC

Carl and Verna Schmidt Foundation

Robert & Jeanette Welle

Illustrator \$1,000 - \$4,999

Dennis Aguiar
Rita & Michael Albrecht
Craig & Barbara Benson
Kevin & Ann Cease
Century Link
Christa Copple
Jessica Dewey
First City Lions
Robert & Georgianna Fowley
Alan C. Greenberg Foundation
Jayne & Nestle Grimes
Annie B. Henry
James & Jean Humeniuk
Sonja Klope
Richard & Elizabeth Koshalek
Joe Kuhn
Michael & Suzanne Liapis
Daniel & Christine Louvar
Byron & Mary Lundmark
Norman Malterud
Louis & Mary Lou Marchand
Kay Murphy
North Country Snowmobile Club
Leslie Peterson
Juneal Reitan
Thomas Rognlien

Researcher \$500 - \$999

Nancy Alsop
James Barott
Bemidji Woolen Mills
Benevity Community Impact Fund
Jim & Nancy Bensen
Bernick's
Blandin Foundation
Dave Bretschneider
Mary Campbell
Lorraine Cecil
Mark Colliton, MD
Dr. Milton Datta
Joe & Karen Dunn
Sharon Fruetel
Rebecca & James Haskell
Steve & Jill Hill
Vaughn Holden
Bruce & Burna Jamieson
Ivy & Clayton Knoshaug
Pete Kuhn
Marketplace Foods
Mary Olson
Matthew & Jennifer Sanford
David & Marta Sjostrom
State Farm Companies Foundation
US Molky Association

Bookworm \$200 - \$499

Tom & Ann Allen

Thomas Bahr

David Bahr

Bemidji Brewing Company

Dick & Judy Bluth

Richard & Linda Lee Booth

Brigid's Pub

Ralph & Joan Brose

John & Claire Buhn

Charlene Carlson

Thomas Cooper

Shirley DeVries

John & Patsy Erickson

Nancy Erickson

Chris & Sharon Geisen

Jacqueline Greski

Peter Halper

Leora Heibel

Roland & Karen Hensel

Georgia & Max Hirt

Lorrayne Jelle

Rod & Holly Kaliher

Mardell Kiesel

Angela Laurain

Genevieve Lervik

John & Marguerite Liapis

Sharon Lish

Gerald Manley & Teresa Thomas

Mask & Rose Women's Theater

Ellen McKinnon

Mary & Robert Melchior

Kristi Miller

Patsy Moen

Susan Olin

Michelle Parsley

Lee Richmond & Scott Faust

Nancy & Jeff Roberts

Tom & Cindy Serratore

Neil & Celeste Skogerboe

Leroy & Sandra Stenstrom

Township of Frohn

Karen & Talleiv Vollen

Margaret Welle

Murray Williamson

Kevin Williamson

Allan & Harleen Young

Reader \$1 - \$199

Jim Aakhus
James Anderson
Betty Arndts
Ester Aube
Charles & Ann Austad
Harry & Noemi Aylesworth
John Baker
John Bakke
Harvey Bally
Kristen Lee Barnes
Ellen Barr
Margaret Batchelder
David & Linda Beaupre
Marjory Beck
Allen Benson
LeRoy & Carol Bergstrom
Roy Blackwood
Steve & Kristi Booth
John Boyer
Robert & Patricia Brouse
James & Cherry Brouwer
Catherine & David Brown
James T Bruers
Lila Bruun
Bev & Elvin Burnham
Patricia Butler
Ann Campbell
Gerry Cardinal III
Anna Carlson
Brett Cease
John & Marilyn Chemeleski
Delores Clary
Jessica Conrad
Levi & Eraine Crocker
Marion Dessert
Rebecca Diffley
Ronald & Barbara D'Orazio
Patricia Dow
Linda Duffy
Economy Shop
Peder Engelstad

Gwen Erickson
Jason Ewert

Mary Fairbanks & Don Dale
Lawrence Fenske
Jack & Micki Fenske
Barbara Fifer
First City Production
Albert & Marcia Fivizzani
B. David Galt
Joanie & Riney Goehl
Amy Goodman
Lisa Christensen Graefe
Bob & Susie Griggs
Grimes Realty of Bemidji
John & Thelma Grimley
Natalie Grosfield
Ground Round
Susan Hale
Laurie Halvorson
Luann Hamilton
William Hartwell
Ann & Michael Hayes
Ruth Heibel
Marilyn Heltzer
Sandy Hennessey-Beaulieu
Deborah Herbert
Margaret Hins
Rebecca Hoffman
Lavona & Romie Holloway
David & Carole Holmes
Kathy House
Charlene Hovde
William Howe
Amber Hynes
Judith Jacobi
Rona James
Lois Jenkins
David & Mary Jensen
Barrett Johanneson
Leon Johnson

Maurice & Mamie Johnson
Kimberly Johnson
Judy Jones
Sharon Jordan
Sharon Jordan
Roger & Sharon Kallroos
Kelsey's Jewelry
Loren & Teri Kinn
Dave & Mary Ellen Kjos
Maria & David Kne
David Knudson
Gregg & Bobbie Kotas
James & Judy Kovarik
Carol Krause
Donald Lamon
Rita Lauderbaugh
Art & Judy Lee
Tracy Lewis
Donna Liend
Patricia Lindseth
Patrick Lochwood
Maxine Long
John Lueth
Jacquelyn Lund
Bonnie Lundorff
Gerald & Shirlee Maertens
Phyllis Mandrell
Luann Manecke
Carol Matzek
Mylo & Carol Matzek
George - Ann Maxson
Erin Maxson
Phyllis Maxwell
Daniel Mechiel
Gary & Kim Meehlhause
Joan Meierhofer
Jane Meyerding
Mary Miller
Betty Anne Morales
Trish Nelson
Ken & Deanne Nichols

Robert & Rita Olson	Anthony Schussman	Joyce Vogel
Duaine Olson	Lisa Scott	Kevin Waldhausen
Reed Olson	Susan Scrivner	Liz Walton
Sandra Olson	Zada Shindelar	Mary Weck
Charlie Patnode	Gretchen Sitzer	Vera Weis
Patterson's	Ellen Skogen	Jennifer Wellner
Delores Phillips	Terry Smart	Harvey Westrom
Pine Country Insurance	Douglas & Miriam Smith	Terri Widman
Bernie Raiter	Leora Smith	Karen Windecker
Judith Reese	Nancy Jo Smith	Bud & Gloria Woodard
Winston M. Register	Mary Sorlie	B.J. Wright
Jennylee Ries	Truman & Inez Spangrud	Mark Wright
Dan & Cindy Rogers	Deborah Steinbar & William	Susan Wynne
Darcy Rude	Peterson	Britta Youmans
Vicki Ruzicka	Harriet Tesch	William Yourd & Cynthia
Sanford Health	Richard Thompson	Buttleman
Sathre Title	Jim & Dot Thompson	Mike & Judi Ziemann
Robyn Schulke	Joe & Cathy Vene	

The following businesses have donated their goods and services:

Ameripride Linen & Apparel	KD Floral
Bemidji Brewing Company	Keith's Pizza
Bemidji Jaycees	Kelsey's Jewelry
Bemidji Theater	Luekens Village Foods
Bemidji Woolen Mills	Mackenzie Place
Big River Scoop	Market Place Foods
Brigids Pub	MidContinent Communications
Cantabria	Morrell's
Chalet Center Car Wash	Nei Bottling
Cool Threads	Papa Murphy's
Country Kitchen	Paul Bunyan Broadcasting
Culligans	Paul Bunyan Communications
Dairy Queen	Paul Bunyan Sub Shop
First City Lions Club	Photography by Trish
First City Production	Port-able Johns
Froyd Tech	Raphael's
Ground Round Restaurant	Shannon's Art & Soul
Hair Teasers	Simple Lines Web Design
Haney & Associates	Slim's
Holly's Tea & Gift Shoppe	Thunderbird Graphics
Home Depot	Urbanesque
Karp Design	US Molky Association

Walmart

Wollman Coffee

City of Bemidji - Carnegie Library Renovation: Opinion of Construction Cost Budget

May 19, 2017

Division / Category	Move Building	Restore Masonry	Addition	Historic Restoration	Basement Buildout	
1 Overhead and Profit (see below)						
2 Existing Conditions (see Div 31,32 & 33 as well) Move building. Demo foundations, HVAC, plumbing and electrical. Gutting basement. Misc site/soil removals. Excavation and backfill.	\$ 312,719		\$ 11,242	\$ 15,750	\$ 5,250	\$ 344,961
3 Concrete Footings and foundations. Concrete stairs. Concrete pans in new metal stair. Basement floor slab.	\$ 66,519		\$ 30,456		\$ 12,042	\$ 109,017
4 Masonry Remove stone base veneer to facilitate moving building. Restore brick and stone, replacing deteriorated units. Reinstall stone base. Addition: standard brick and limestone veneer with cast stone window sills and roof coping.		\$ 180,173	\$ 70,973			\$ 251,146
5 Metals Structural steel columns & beams. Steel stairs. Attic access ladders. New roof joints and metal deck. Metal studs	\$ 1,515		\$ 64,539		\$ 404	\$ 66,458
6 Woods Plywood sheathing. Reinstall entry stair. Plaster restoration. Attic mechanical platform. Countertops.			\$ 2,136	\$ 42,716	\$ 639	\$ 45,491
7 Thermal and Moisture Protection Insulations. Vapor retarders & air barriers. EPDM roofing. Roof edging and flashings. Gutters & downspouts. Caulking and sealants.	\$ 482		\$ 11,978	\$ 8,013		\$ 20,473
8 Openings Window restoration. New storm windows. Doors, frames, hardware. Aluminum windows. Restroom mirrors.			\$ 25,903	\$ 80,100	\$ 14,493	\$ 120,496
9 Finishes Wood floor & trim refinishing. Wall and ceiling paints. Metal stud partitions. Wall base, ceramic tile, carpet, VCT. Gypsum board.			\$ 4,668	\$ 48,386	\$ 29,666	\$ 82,720
10 Specialties Toilet accessories & cubicles.					\$ 3,993	\$ 3,993
12 Furnishings Recessed floor mats. Counter tops.			\$ 2,024		\$ 621	\$ 2,645
14 Conveying Equipment Elevator			\$ 68,250			\$ 68,250
22 Plumbing Roof drain. Sump pump. Water heater. Restroom fixtures. Piping.			\$ 5,528		\$ 39,831	\$ 45,359
23 Mechanical Furnaces, ductwork, grilles, air balancing. Controls. Energy recovery unit, unit heaters.			\$ 18,365	\$ 42,399	\$ 17,567	\$ 78,331
26 Electrical Service/Distribution, lighting & power.			\$ 10,456	\$ 49,554	\$ 19,655	\$ 79,665
27 Communications Voice / Data Outlets				\$ 1,155	\$ 1,100	\$ 2,255
31 Earthwork Mobilization. Clear & grub. Remove walks. Erosion Control.				\$ 48,994		\$ 48,994
32 Exterior Improvements Inlet protection & silt fence. Traffic control. Aggregate base, pavings. Construction fencing. Turf establishment.	\$ 12,549			\$ 42,203		\$ 54,752
33 Utilities Water & sanitary sewer service.				\$ 7,326		\$ 7,326
Subtotals =	\$393,784	\$180,173	\$326,518	\$386,596	\$145,261	\$1,432,332
Contractor's General Requirements 8%	\$31,503	\$14,414	\$26,121	\$30,928	\$11,621	\$ 114,587
=	\$425,287	\$194,587	\$352,639	\$417,524	\$156,882	\$1,546,919
Contractor's Overhead 4%	\$17,011	\$7,783	\$14,106	\$16,701	\$6,275	\$ 61,877
=	\$442,298	\$202,370	\$366,745	\$434,225	\$163,157	\$1,608,795
Contractor's Profit 5%	\$22,115	\$10,119	\$18,337	\$21,711	\$8,158	\$ 80,440
Subtotals =	\$464,413	\$212,489	\$385,082	\$455,936	\$171,315	\$1,689,235
Estimate Contingency 1%	\$4,644.13	\$2,124.89	\$3,850.82	\$4,559.36	\$1,713.15	\$ 16,892
=	\$469,057	\$214,614	\$388,933	\$460,495	\$173,028	\$1,706,127
Anticipated Escalation for 2018 Construction 3%	\$14,072	\$6,438	\$11,668	\$13,815	\$5,191	\$ 51,184
=	\$483,129	\$221,052	\$400,601	\$474,310	\$178,219	\$1,757,311
Owner Contingency 5%	\$24,156.45	\$11,052.61	\$20,030.05	\$23,715.50	\$8,910.95	\$ 87,866
Subtotals =	\$ 507,285	\$ 232,105	\$ 420,631	\$ 498,026	\$ 187,130	\$1,845,177
Estimated Construction Total =						\$ 1,845,177

This estimate is an opinion of probable construction cost based on WSN's experience and qualifications and represents WSN's judgment as an experienced design professional. It is recognized, however that WSN does not have control over the cost of labor, material, equipment or services furnished by others or over market conditions or contractor's methods of determining their prices, and that any evaluation of any work to be performed on the basis of WSN's cost opinions must, of necessity, be speculative until completion of construction. Accordingly, WSN does not guarantee that proposals, bids or actual costs will not substantially vary from opinions submitted by WSN.