

# Board of Trustees

## Minutes of Closed Session

as stipulated in MO 610.021 (subsection 2) for the Discussion of Real Estate.

November 9, 2009

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The St. Charles City-County Library District Board of Trustees met in closed session at 8:20 pm on Monday, November 9, 2009, at the Kisker Road Branch in St. Charles, Missouri.

Board Members present:

- Mr. Gary Heggs
- Mr. Greg Dohrman
- Ms. Myra Crook
- Mr. John Thoelke
- Ms. Lisa Pelikan
- Dr. Jerry Cook
- Ms. Mary Reese

Board Members absent:

- Ms. Debbie Haupt

Library Staff present:

- Carl Sandstedt, Director
- Betty Murr, Deputy Director
- Richard Schultz, Coordinator of Finance and Support Services.

10-04 Off Site Storage

Ms. Murr handed out a report on the Indacom Building status. This update was based on an overall building inspection done by Don Schniers, including the roof. Based on the inspection, he recommends replacing the roof, which can be approximately a \$70,000 expense. Ms. Murr and Mr. Schultz question whether or not the roof actually needs replacing. Both are of the opinion that the roof could be repaired. Roof repairs are estimated at approximately \$30-35, 000.

Among the other items surfaced in the inspection with Mr. Schniers:

- replacing all of the A/C units
- tuck pointing the top two rows of concrete block
- windows need sealing, and one unit needs to be replaced
- electrical conduit on roof will need to be brought to code
- all roof vents need sealing

- removal of some interior walls in the warehouse
- upstairs's floor should have some reinforcement.

Mr. Schultz met with the St. Peter's Building Inspector and Central County Fire Inspector. During that meeting, the following items were found:

- encapsulate ceiling insulation
- one restroom will need to be brought to ADA compliance
- replacement or repair sprinkler system to satisfy district's need
- stairway needs repair
- warehouse is heated, but needs air conditioning.

Based on the items that have been discovered in the inspections, the district compiled a "wish list" for the building in order for it to meet the district's needs. The very rough estimate for the "wish list" is approximately \$81,000.

Mr. Schultz researched appraisal values in the area. The average appraisal value on comparable properties in the area is \$52/sq. ft. The assessor appraised this particular property at \$42.50/sq. ft.

The owner of the property is asking \$49/sq. ft.

The district floated a verbal offer of \$35/sq. ft., which was countered with \$45/sq. ft. from the owner.

Staff and Board members discussed the future of this property for the district. Is this a long-term or short-term need?

Does the expansion of the Spencer Road Branch have any effect on our need for this building? Is leasing the building an option versus purchasing? All of these questions plus additional comments generated discussion on whether or not this is the best property for the district. Ms. Pelikan commented that it doesn't appear that we want to buy it, but that we have our backs against the wall and are being forced to buy it. Mr. Sandstedt voiced some concern over the value of the building. Mr. Heggs expressed that another key consideration is whether or not the district can sell the property for what we are paying for it, at minimum, over the next few years.

Mr. Dohrman polled the Board Members in order to get a sense of where each member was in their consideration to purchase the property? Ms. Reese, Mr. Heggs, Dr. Cook, and Mr. Dohrman were of the opinion that purchasing would be best; Ms. Crook and Ms. Pelikan were not for purchasing the building.

Upon further discussion, the sense of the Board is to work toward a purchase of the property to not go more than \$40/sq. ft. No formal action was taken regarding the purchase or lease of the property under discussion.

**MOTION:** Dr. Cook moved to adjourn the closed session. Ms. Reese seconded. A roll call vote was taken. Board members present and voting yes to adjourn were: Greg Dohrman, Gary Heggs, Lisa Pelikan, Jerry Cook, Mary Reese, Myra Crook, and John Thoele.

The meeting adjourned at 9:20 pm.

Respectfully submitted,

April C. Wootten,

Recording Secretary