

Board of Trustees

Minutes of Closed Session

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

October 12, 2009

The St. Charles City-County Library District Board of Trustees met in closed session at 8:15 pm on Monday, October 12, 2009 at the Middendorf-Kredell Branch Library in O'Fallon, Missouri.

Board Members present:

- Greg Dorhrman
- Jerry Cook
- Myra Crook
- Debbie Haupt
- Lisa Pelikan
- Mary Reese

Board members absent:

- Heidi Lowery (resigned from Board)
- Gary Heggs
- John Thaelke

Library Staff present:

- Carl Sandstedt, Director
- Betty Murr, Deputy Director
- Maggie Preiss, Children's Resources and Marketing Coordinator
- Richard Schultz, Finance and Support Services Coordinator

10-04 Off Site Storage

Betty Murr and Rick Schultz reported the results of a search that began in June 2009 for a suitable site of approximately 10,000-12,000 or 15,000 sq ft to house the Library District Offsite Collection, the sorting area for the Friends of the Library and other library material and equipment. Acquisition of a site is necessary because the current location of the Offsite Collection and Friends sorting area in the NPDC will be demolished early in 2010.

Betty Murr reported she worked with 2 real estate agents and viewed approximately 50 commercial and industrial warehouse sites. Potential sites were narrowed to 6 options and each was examined for structural issues and suitability for storage of library materials by building consultant Don Schniers. None of the sites were acceptable without major financial obligation for renovation.

Upon the suggestion of Don Schniers, Betty Murr & real estate agent Dee Bax investigated a building at 266 Indacom Drive in St. Peters. The concrete block building located on 1 acre has 8000 sq ft on the first floor and 2000 sq feet

on the second floor. The building is for sale by the current owner. It has been on the market for approximately two years.

Betty Murr & Rick Schultz provided information about previous tenants, potential environmental issues, necessary structural work, and its long-term usage and value to the District.

Betty Murr reported the 10,800 sq ft building was listed at \$49.00/sq ft for a total cost of \$529,788. Betty made a verbal offer of \$35 per sq ft for purchase of the building. The owner counter offered at \$45 per sq ft. She would like to negotiate further, starting at \$40/sq ft.

Rick Schultz estimated \$5/sq ft to make the building usable for the District. He reported that the other buildings the District had viewed would have required \$250,000-\$300,000 in work.

Rick Schultz estimated that if the building cost was reasonable and the District owned it for at least 5 years, there would be no problem in recapturing costs. Friends of the Library will rent at least half of the space from the District.

The Board discussed if the rental space currently located in the Administrative Office building would be vacated in the near future. The current lease runs through the end of May, and the District needs space immediately.

The sense of the Board is that more information is needed regarding a cost estimate for renovations. A detailed list of work involved should be provided to the Board. The owner's verbal counter offer of \$45/sq ft is not acceptable. If a contract is offered, it should include contingencies for complete inspection and environmental testing prior to a release of funds by the Board. No action was taken regarding the purchase or lease of the property under discussion.

MOTION: Lisa Pelikan moved to adjourn the closed session. Mary Reese seconded. A roll call vote was taken. Board members present including Greg Dohrman, Myra Crook, Lisa Pelikan, Jerry Cook, Mary Reese and Debbie Haupt all voted aye to adjourn the closed session.

The meeting was adjourned at 9:25 pm.

Respectfully submitted

Margaret A. Preiss, Acting Recorded Secretary