

ReNEWs

MARIGOLD'S NEW BUILDING PLANS & PROGRESS

Issue 2 – January 2018

BACKGROUND

At the August 26, 2017 Marigold Library System Board Meeting, Executive members promised to provide Board members with regular updates on the new headquarters building project plans and progress.

Marigold has nearly \$6M in the bank to put towards this building project. This includes a portion of the operational reserve, which sits at nearly \$1M. Marigold is proud to say that its capital and operational reserves are matched with money in the bank.

The Feasibility Study by Hank Brzezinski, Principal, BRZ Partnership Architecture Inc., estimated the probable costs of property in Strathmore and a standalone building to be in the range of \$7.7M. Now that Marigold is considering co-locating with Western Irrigation District (WID), the project may benefit from cost-savings for shared common areas and the building envelope, but we will not know for sure until the project is tendered.

Marigold has no intentions of spending beyond its means. The cost of debt financing will be managed carefully. The upper cost of the project with contingencies is expected to be \$8M, and we are aiming for less.

Marigold may need another \$1M to \$2M for the building project and contingencies. The goal is to secure a loan or line of credit that is affordable for Marigold because we have no plans to seek more funding from our member municipalities.

CEO Michelle Toombs presented Marigold's case to the Town of Strathmore Councillors on September 6, 2017. Councillors voted unanimously to provide a loan of up to \$2M for a period of 20 years with early repayment options. A Letter of Intent was drafted by the Town and signed by Marigold and the Town.

Marigold's Treasurer - Gary Billings, Michelle Toombs - CEO, and Alida Pituka - Accounting Administrator, met with officials from five different banks to investigate the pros and cons of potentially obtaining a line of credit.

Marigold applied for a CFEP Large Funding Stream Capital Project grant of up to \$946,905 for which we acquired letters of support from local MLAs, other dignitaries and community members. We do not expect to hear if we were successful until mid-2018.

UPDATES

Marigold and WID met with the Town of Strathmore on December 12, 2017 to discuss rezoning options, permits and timelines. A project schedule was presented which the Town confirmed was achievable. This schedule aligns with Marigold's deadline of December 31, 2020 to expend capital funding received from the province.

John Getz, Marigold's Vice-Chair, Gary and Michelle met with Alan Parkin, CAO, Wheatland County on November 20. As a result of that meeting, Marigold submitted a letter to Wheatland County on December 21 requesting a loan of up to \$2,000,000. Marigold also requested the opportunity to speak to Council as a delegation in February.

Marigold and WID Joint Facility Committee members met at Marigold Headquarters on January 9. WID presented the certified Appraisal Report of the WID land as prepared by Furano Appraisal & Advisory Ltd. Next steps for the joint project include decisions regarding the purchase of land and legal agreements.