

## **TITLE 220 - DEPARTMENT OF ADMINISTRATION**

### **CHAPTER 60 - ENTERPRISE TECHNOLOGY STRATEGY AND SERVICE**

#### **SUBCHAPTER 15 - LIBRARY AND INFORMATION SERVICES**

##### **PART 1 - Regulations for Public Library Construction Reimbursement**

### **1.1 Authority**

- A. Pursuant to R.I. Gen. Laws § 29-6-6, the Office of Library and Information Services may award state grant-in-aid to reimburse the construction or improvement of public library facilities in a city or town.
- B. Pursuant to R.I. Gen. Laws §§ 29-3.1-7(8) and 29-3.1-4.1(b)(7), the Chief of Library Services is charged to develop standards and regulations for public library development and the Library Board of Rhode Island is charged to approve such standards and regulations.

### **1.2 Purpose**

The purpose of this Part is to set regulations for Public Library Construction Reimbursement, to govern the award of state grant-in-aid for library construction that is undertaken to improve library facilities and meet community needs for services as outlined in the library's strategic plan.

### **1.3 Definitions**

- A. The following terms shall have the following meaning:
  - 1. "Adjusted equalized weighted assessed valuation" means the full and fair market value of real estate, tangible personal property and motor vehicle wealth of all cities and towns as of the third preceding calendar year as prescribed by R.I. Gen. Laws 16-7-21.
  - 2. "Maintenance and repair" means the building maintenance and repair that must be undertaken periodically due to wear and tear of the facility and/or the fixed life of building features such as HVAC systems, roofs, carpets, wall coverings, and other fixed assets within the building.
  - 3. "Professional librarian" means a librarian that holds a master's degree in library and information science from a graduate school accredited by the American Library Association.
  - 4. "State fiscal year" means the period from July 1 through June 30.

## **1.4 Eligibility Requirements**

- A. The library must be legally established as a free public library according to R.I. Gen. Laws Chapter 29-4.
- B. The library and its municipality must be eligible for state aid to libraries in accordance with R.I. Gen. Laws § 29-6-3 and meet all requirements therein.
- C. The library must have a regular source of operating income and shall furnish proof that the governing body providing operating funds has agreed to provide appropriations so that the new or improved facility can be properly operated, and services to be provided will be adequately funded such that the library continues to meet the Minimum Standards and Regulations for Rhode Island Public Libraries (Part 2 of this Subchapter).
- D. The library must demonstrate that 100% (one hundred percent) of the funds required to complete the project in its entirety are secured and available at the time a reimbursement agreement is entered into with the library. The library must provide for the total funds needed to complete the project, including the state share and interest costs, until reimbursement of the state share begins in the state fiscal year following the completion, audit, and acceptance of the project by the Office of Library and Information Services.
- E. The library must clearly demonstrate the need for the project, relating its plan for construction to the current and future needs of the community and the need for library services in the area. The statement of need must include documentation that current public library facilities in the municipality are inadequate for the provision of services to the library's defined service area and that the library's plans for construction will adequately address these needs for both the short and long-term life of the facility.

## **1.5 Project Requirements**

- A. A professional librarian with experience of library construction projects must serve as an independent consultant, assisting the library director, library board and/or building committee and the architect throughout the planning and construction of the building.
- B. There must be a written building program prepared by the consultant, or the library director with the guidance of the consultant, prior to the designing of the building by the architect. The building program must be in keeping with the library's long-range plan and informed by a long-term community needs assessment.
- C. The library must assure that the project in its entirety is in compliance with applicable state and federal laws including, but not limited to:

1. Award of Municipal Contracts, R.I. Gen. Laws Chapter 45-55;
  2. Minority Business Enterprises R.I. Gen. Laws Chapter 37-14.1;
  3. Equal Employment Opportunity R.I. Gen. Laws Chapter 28-5.1;
  4. The Green Buildings Act, R.I. Gen. Laws Chapter 37-24;
  5. Historical Preservation R.I. Gen. Laws Chapter 42-45; and
  6. The Americans With Disabilities Act of 1990, Pub. L. No. 101-336, 104 Stat. 328 (1990).
- D. Facilities built or remodeled under a construction agreement with the Office of Library and Information Services must continue to be used as free public library facilities and continue to meet eligibility requirements for state aid to libraries. The library will not dispose of or encumber its title or other interests in the site and facilities during the period of state reimbursement without consultation with and the express written permission of the Office of Library and Information Services
- E. The library will follow such procedures, submit such reports, maintain such records, and afford access thereto, as the Office of Library and Information Services sets forth in its regulations.

## **1.6 Construction Reimbursement Funding and Priorities**

- A. Priority will be assigned to projects based on ability to pay, with communities in the lowest quartile of "adjusted equalized weighted assessed valuation" ranked highest.
- B. Priority will be given to those communities that have not previously completed a library construction project involving state reimbursement funding.
- C. Any city, town or public library receiving construction reimbursement funding shall not be eligible to apply for additional construction funding for the same facility until the year following the fiscal year in which the state completes payment for a previous project.
- D. Agreements for reimbursement of construction projects will be entered on a priority basis, with the estimated total amount required for library construction reimbursement payments in any given fiscal year not to exceed five million dollars for all projects.
- E. State reimbursement may be made available for up to fifty percent of the total allowable project costs according to R.I. Gen Laws § 29-6-6, within the following parameters for maximum reimbursement amounts and/or total state share:

1. Construction costs are eligible for fifty percent reimbursement of expenditures up to the amount of three hundred dollars (\$300) per square foot for new construction or two hundred and fifty dollars (\$250) per square foot for renovation and remodeling. If the actual construction costs exceed one or both of these amounts per square foot, the state share shall be based on the not-to-be-exceeded amounts. Cost per square foot is determined by the cost of contracts for new construction and/or contracts for expansion, remodeling and alteration of existing buildings.
  2. Architect's fees will be reimbursed up to an amount equal to 10% of the total cost of contracts for construction; any amount in excess of 10% of the total construction costs is not reimbursable.
  3. Site costs, including demolition, sitework, the acquisition of a site or building, site improvement and parking lots, are reimbursable up to the lesser amount of one million dollars or 10% (ten percent) of the total project cost less the site costs.
  4. Furniture, fixtures and equipment are reimbursable up to the amount of 10% (ten per cent) of the total project cost.
  5. The total amount of reimbursement for any project shall not exceed ten million dollars.
- F. The reimbursement amount will be determined by the Office of Library and Information Services. Should total requests for funding exceed the maximum amount available, the Office of Library and Information Services will determine the grant amount based on project priority and demonstration of need.

## **1.7 Application Procedures**

- A. During the early planning phase of a construction project, the library shall submit a letter of intent to the Office of Library and Information Services outlining the timeline and approximate cost of the project.
- B. The library shall submit a preliminary project budget to the Office of Library and Information Services based on the building program as soon as it is available.
- C. Upon completion of preliminary estimates and preliminary architectural plans and drawings, the library shall submit a construction reimbursement application to the Office of Library and Information Services. The Office of Library and Information Services will review the application, schematic plans and site, and provide a review of the project's potential eligibility for reimbursement to the library.
- D. The Office of Library and Information Services will review the final construction plans and documents with the library and architect and provide a final assessment of the project's eligibility for construction reimbursement. The Office

of Library and Information Services may approve, reject or recommend changes to the project.

- E. The Office of Library and Information Services will participate in the development of the loan or mortgage agreement, assuring the lender of its participation in the project and reviewing and approving the terms of the loan(s) for the state share of the project. Neither the State of Rhode Island nor the Office of Library and Information Services shall be named as a guarantor in any financing agreement.
- F. Upon final approval of the project, the Office of Library and Information Services will enter into a reimbursement agreement with the library.

## **1.8 Allowable and Non-Allowable Costs**

- A. Allowable costs include the following
  - 1. Construction of new buildings to be used specifically as public library facilities.
  - 2. Expansion, remodeling, and alteration, as distinguished from maintenance and repair, of existing buildings to be used for public library purposes.
  - 3. Construction, expansion, remodeling and alteration of the portion of a multipurpose building in which a library is to be housed. Costs relating to those portions of the shared mechanical, meeting room and multipurpose areas which are included in the square footage of the library will also be eligible.
  - 4. Expenses incurred within three fiscal years preceding the fiscal year in which the project was approved that are related to:
    - a. Acquiring land for a new building or expansion of an existing library building.
    - b. Acquiring a building to be converted to a library and expanded, if necessary.
    - c. Such expenses must constitute the transaction cost of acquiring the building, or a transfer of public funds.
  - 5. Site grading, improvement of land, and landscaping for public library use areas.
  - 6. Parking lots, when part of a larger construction project.
  - 7. Independent library building consultant.
  - 8. Architectural, engineering and related inspection expenses.

9. Furnishings and equipment.
  10. Fire suppression systems, when part of a larger project.
  11. Expenses related to meeting a high-performance green building standard such as but not limited to the Leadership in Energy and Environmental Design (LEED) standard.
- B. Non-allowable costs include the following:
1. Library materials.
  2. General operating and office supplies.
  3. Fundraising costs.
  4. Non-public library use costs for a library or multipurpose building.
  5. Salaries of in-house administration or library staff.
  6. Feasibility studies.
  7. Lease of facilities, service, equipment, or maintenance contracts.
  8. Moving expenses.
  9. Landscaping for non-public library use areas.
  10. Parking lots which are not part of a larger construction project.
  11. Legal fees (except those associated with borrowing the state's share of the project costs).

## **1.9 Bidding and Contractor Requirements**

- A. After a reimbursement agreement has been signed with the Office of Library and Information Services, the library will secure the services of a contractor utilizing open cooperative bids in accordance with state regulations for the award of contracts by municipalities (R.I. Gen Laws Chapter 45-55).
- B. After the opening of the bids, the library shall provide the Office of Library and Information Services with a tabulation of bids received.
- C. The library shall award the contract to the responsive and responsible bidder whose bid is either the lowest bid price, or lowest evaluated or responsive bid price (R.I. Gen. Laws § 45-55-5).

- D. The actual construction work will be performed by the lump sum (fixed price) contract method. Use of this method does not preclude the use of a construction manager if this is otherwise allowed by the governing body.
- E. The successful bidder must comply with all state laws applicable to state funded projects and construction, including, but not limited to, Minority Business Enterprises (R.I. Gen. Laws § 37-14.1) and Equal Employment Opportunity (R.I. Gen. Laws § 28-5.1). Compliance with state laws must be documented and transmitted to the Office of Library and Information Services prior to the library's award of contract to the successful bidder. A contractor's failure to meet these requirements constitutes non-compliance.
- F. The project contractor/subcontractor(s) shall comply with all applicable federal laws, including but not limited to the Davis Bacon Act as supplemented by the U.S. Department of Labor regulations and the Copeland Anti-Kickback Act.
- G. After signing the contract with the successful bidder, the library will submit a copy of the construction contract to the Office of Library and Information Services.
- H. The library or its designee will provide the Office of Library and Information Services with the official record of all construction project meetings in a timely manner. The library or its designee will also provide the Office of Library and Information Services with all approved payment requests and copies of approved amendments to the contract (change orders).

## **1.10 Display of Signs**

- A. The site of the construction project shall display a sign of standard size or in accordance with local ordinances including the statement that state funds administered by the Rhode Island Office of Library and Information Services are being used for such construction.
- B. The completed building shall include a plaque indicating the date of completion and sources of funds, including the statement that project funding includes state funds administered by the Rhode Island Office of Library and Information Services.

## **1.11 Completion of Project**

- A. The library shall complete its construction project within two years of signing a construction agreement with the Office of Library and Information Services, and in accordance with the application and approved drawings and specifications.
- B. Upon completion of the project, the library shall submit a Certificate of Substantial Completion to the Office of Library and Information Services.
- C. The Office of Library and Information Services or its designee shall initiate a final audit of the project within four (4) weeks of receiving the Certificate of Substantial

Completion and conclude its review within four (4) weeks, subject to the provision of complete documentation as requested by the Office of Library and Information Services.

- D. The audit shall be conducted in accordance with the funding principles established by the Office of Library and Information Services. The library shall provide the Office of Library and Information Services, through its authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.

## **1.12 Reimbursement and Grant Conclusion**

- A. Reimbursement payments will begin in the state fiscal year that follows the fiscal year in which the project was completed, audited and accepted. Reimbursement will be paid to the municipality if a municipal bond or loan is used for funding, or to the library in all other instances.
- B. Reimbursement payments will be made over the course of twenty (20) years. The State of Rhode Island may accelerate payments, pay down the principal of any loan, or pay the balance of any loan in a lump sum payment at its sole discretion.
- C. Any library or municipality that refinances any loan covering the state share must receive approval from the Office of Library and Information Services prior to entering any agreement that modifies the terms of the original loan. Any modified loan agreement must be submitted to the Office of Library and Information Services.
- D. The library shall retain all financial and construction records for three years following the final reimbursement payment or until notified by the Office of Library and Information Services that records are no longer needed for program administration or review.



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REIMBURSEMENT (220-RICR-60-15-1)**

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