



TO: Executive Committee
FROM: Leslie Bednar
DATE: May 8, 2018
RE: IHLS Southern Hub Location Proposal

Illinois Heartland Library System (IHLS) relocated its southern service hub to the SIUC Business Park late summer 2016. At the time of relocation, we remained under contract for our former location in Du Quoin. That lease expires August 12, 2018.

Southern Hub Services and Current Challenges

Staff located at our southern hub support IHLS and its members in these areas: membership, IT, delivery, and SHARE. The current location in the Dunn-Richmond Center (also located in the SIUC Business Park) has served us well in many ways. We are currently located in a 2-story building with delivery on the first floor and other general fund and SHARE fund staff on the second floor. It also presents challenges for delivery operations we cannot overcome as we lease the space. Delivery operations are located in a light industrial/warehouse space near the building's dock:

--building temperatures during the university's winter break are turned down to conserve energy: December/January 2017/2018 external temperatures were extremely cold and we were unable to warm the delivery space with the allowable amount of space heaters. IHLS did not provide delivery on a few occasions, and we had to relocate to a different part of the building for the remainder of the winter break.

--distance from curb drop off to closest building access is considerable: Our Carbondale operations staff have worked with several options for protecting member library materials as they go in and out of cover during the elements. We also take the well-being of our staff into consideration and with extreme weather days the short trek can be hazardous. IHLS investigated the cost of an additional sidewalk on the SIUC property for a shorter, more direct route at our expense.

Our lease at the current Carbondale location in FY2019 will increase when the Du Quoin lease expires. The rates will be:

FY2019 Expense	Cost
Office space 1,725 sq ft@ \$14/sq ft	\$24,150.00
Light Industrial/Warehouse space 1,700 sq ft@ \$8/sq ft	\$13,600.00
Electric	\$0.00
Internet	\$0.00
TOTAL Current Southern Hub Lease	\$37,750.00

Proposed New Southern Location

We propose to lease office space in the same business park (albeit in a different building) for our new southern location. This building is an all-suites style building and we will need three suites for a total of 7,412 square feet. I have received a draft proposal for a five-year lease with no rate increase for FY2019 – FY2023:

- business park will lease property to IHLS at \$11.50/square foot/annually
- electric and internet are the utilities IHLS will have to provide
- electric is estimated at \$1.54/square foot/annually
- internet is estimated at \$1,200 annually

Moving expenses have been estimated at \$3,000

FY2019 Expense	Cost
Office space 7,412 sq ft @ \$11.50/sq ft	\$85,238.00
Electric @ \$1.54/square foot	\$11,415.00
Internet @ \$100/monthly	\$1,200.00
Moving expenses	\$3,000.00
TOTAL Proposed Southern Hub estimate	\$100,853.00

The new location will provide several benefits including:

- distance from curb drop off to cover from elements is minimal
- all IHLS staff will be located in the same proximity, on the same floor
- delivery operations will be located in office space, and the entire building remains heated during SIUC's winter break
- office suite-style building arrangement will provide opportunity for smallest of three suites to be dedicated to member-related functions such as training, networking events, and meetings

I look forward to our conversation at your meeting and appreciate your feedback.

Thank you for your consideration.