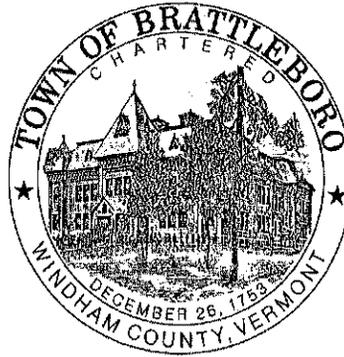


# MEMORANDUM

To: Selectboard  
From: Peter B. Elwell, Town Manager  
Re: Police-Fire Facilities Project Update  
Date: May 12, 2016



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Planning and design work continues on schedule. There is no change in the status of acquiring 62 Black Mountain Road. This update addresses the design of the West Brattleboro Fire Station (both the site plan and the 90% complete construction plans), energy efficiency opportunities, and project financing.

## **Police-Fire Facilities Building Committee (PFFBC)**

The PFFBC met on May 11 to review the plans for the West Brattleboro Fire Station and to discuss energy efficiency opportunities with representatives of Efficiency Vermont, Energy Committee Chair Michael Bosworth, and Energy Coordinator Paul Cameron. After extended discussion and careful consideration, the PFFBC unanimously approved the following two motions:

### *West Brattleboro Fire Station Overall Design*

To approve the site plan and construction documents presented as a progress set, with consideration given to such other refinements as are code required, recommended by the architect and the project manager.

### *West Brattleboro Energy Efficiency*

To approve the input Efficiency Vermont presented and suggest that the project team work with them in order to evaluate the energy efficiency ideas presented, so as to maximize rebates that make economic sense. (Note: Most of the items suggested by Efficiency Vermont already had been included in the project design. The several items that had not already been included will be bid as alternates so that an informed decision can be made regarding the cost and payback expectancy for each of those.)

The PFFBC scheduled its next meeting for Wednesday, June 29, at which time it will review the results of bidding and DEW's proposed Guaranteed Maximum Price for construction of the West Brattleboro Fire Station. Other significant project thresholds that will occur during that timeframe are submittal of the West Brattleboro Fire Station application to the Development Review Board by May 27 and review of that application at the Development Review Board meeting on June 20.

## **Project Financing**

We have been officially approved to participate in the Vermont Bond Bank's 2016 series bonds, which are expected to be issued in July. In the meantime, John O'Connor has had further communication with the one bank that showed interest in potentially financing this project locally. Through those communications, we learned that the only way for the Town to achieve overall cost savings through a bank loan would be to pay substantially higher payments of principal and interest at the beginning of the payback period. This alternative would cause us to exceed our

FY17 debt service budget by \$427,400 and our FY18 property tax rate increase would be higher than previously estimated to Representative Town Meeting and the public. Even then, the overall savings are estimated to be only about \$117,000 over the 20-year life of the debt. Therefore, Finance Director O'Connor and I recommend that the Selectboard officially commit to obtaining the additional \$7.8 million of financing for this project through the Vermont Bond Bank's 2016 series bonds.

At the May 3 Selectboard meeting, I was asked whether the Town's receipt of a VTrans Structures Grant of \$175,000 for the Bonnyvale Road retaining wall project would allow the Town to reduce the amount of additional borrowing for the PFF project. (Acceptance and appropriation of the Bonnyvale Road project grant is a separate item on the May 17 Selectboard agenda.) The current cost estimate for the Bonnyvale Road project is \$261,950. We won't know the actual cost until bids are received several weeks from now. If the estimate proves to be accurate, the Town's share for this project would be approximately \$87,000. Representative Town Meeting authorized that we use \$150,000 of unassigned General Fund balance for this project, so about \$63,000 would remain unspent from that authorization. Since that amounts to less than 1% of the additional borrowing required for the PFF project, since Representative Town Meeting action would be required to repurpose those funds, and since there is still some uncertainty about how much the Bonnyvale Road retaining wall construction will actually cost, I recommend that we proceed as planned for PFF project financing.

If you have any questions or require any additional information on these matters prior to the Selectboard meeting on May 17, please contact me at your convenience.

PBE:

Attachments

c: Steve Horton, Owner's Project Manager  
Members of the Police-Fire Facilities Building Committee  
Patrick Moreland, Assistant Town Manager  
Mike Fitzgerald, Police Chief  
Mike Bucossi, Fire Chief  
John O'Connor, Finance Director  
Rod Francis, Planning Services Director  
Russell Rice, Town Assessor  
Bob Fisher, Town Attorney