Bonding Committee Report

December 13, 2018

- **Committee Members**
  - BOS - Jim Hayden, John Ziobro
  - BOF - Mark Porter
  - BOE - Bob Ravens-Seger
  - Members at Large - Rick Granger, Tim Butler, Mike Paulus and Jim Velleman

Overview

- **Background**
  - The Bonding Committee was charged by the Board of Selectmen to identify and review large capital projects that could become candidates for bonding.
  - The Committee utilized the 2014 Capital Advisory Report and feedback from the Boards of Education and Selectmen

Overview

- **Items Identified by the Board of Education**
  - **Allgrove School**: roof replacement, electrical service upgrade, classroom air conditioning and repaving of the lower parking lot. (repaving was completed as a stand alone capital project in the summer of 2018).
  - **Middle/High School:** roof replacement, electronic HVAC controls, emergency generator and high school backstop & netting. (The generator was suggested by the 1st Selectman for an emergency shelter and deferred. The BOE addressed the backstop separately).

Overview

- **Items Identified by the Board of Selectmen**
  - Roof replacement for five town buildings where the roofs have reached the end of their expected lifespan
  - Comprehensive and consistent road maintenance program

Overview

- **Next Steps Taken by the Bonding Committee**
  - Evaluated the BOE and BOS recommendations, walked roofs, reviewed road condition reports so as to narrow the scope of a potential infrastructure project. Project Scope:
    - A comprehensive road maintenance program.
    - Roof replacements at Public Safety, Town Hall, Ambulance, Senior Community Center, S.E. Fire House, Allgrove and the Middle/High School.
    - Electrical upgrade and classroom air conditioning at Allgrove.

Methodology of Study

- **Initial focus** was on gathering information from the Department of Public Works, School District and Building Maintenance Department.
  - **Roofs** - on-site inspections at schools, third party inspections at school and town roofs. PMResources was retained in June of 2018 to assist with the development of scopes of work, pricing and necessary steps to apply for State grants for the school roofs.
  - **Roads** - 2014 Capital Needs Road Condition assessment was updated by Town Engineer and DPW Supervisor. Research conducted on anticipated road life cycles and road maintenance programs. Road specifications recommended by Town Engineer. All roads rated from poor to very good.

Methodology of Study

- **(Initial Focus Continued)**
  - **Allgrove School** - Committee researched cost of adding air conditioning to the classrooms and cafeteria.
    - BOE commissioned an engineering study to evaluate power needs if air conditioning was to be added. The study will be completed by the end of December.

School and Town Roofs

- **Roof Conditions were Reviewed** - seven of twelve facilities have the need for near term roof replacements.
  - Senior Community Building - original roof 1991 and at the end of service life.
  - Public Safety - original roof 1991 at the end of service life.
  - Town Hall - roof is twenty-nine years old and at the end of its service life. There are some active leaks.
  - Ambulance Barn - roof is twenty-nine years old and at the end of its service life.

School and Town Roofs

- South End Fire House - roof was replaced in 2003 and there is premature shingle failure that is not under warranty.
- Allgrove School - roof was replaced in 1992. There have been some leaks and it is approaching the end of its service life (State Grant is available)
- Middle/High School - roof was replaced in 1987 and 1992. There are active leaks and it is at the end of its service life (State Grant is available)

School and Town Roofs

- **Anticipated Ancillary Work** - some facilities require a straight removal of roofs, some require additional work.
  - Public Safety & Senior Community Center - gutter failures require new fascia along with design to replace the old gutter system that has failed. Solar panels removal and reinstallation.
  - South End Fire House - verify adequate attic ventilation
  - Town Hall - potential underlayment replacement
  - Middle & High Schools - parapet wall repairs

School and Town Roofs

- **Cost Estimates**
  - Estimates include construction and repair costs, architect/engineering services, project management and contingency.
  - Town Roofs - estimated to be $381,000
  - Middle/High - $2,520,000 minus anticipated State Grant of $1,151,800 for a net cost of $1,368,200
  - Allgrove - $950,000 minus $434,200 State Grant for a net cost of $515,800
  - Projected net cost for roofs to the town - $2.3 million

ROADS

- Roads were reviewed and classified by the Town Engineer and DPW Supervisor.
  - Repaving includes replacement of storm catch basins and curbing
  - 23 of 37 miles of town roads rated as poor, poor/fair and fair would be repaved.
  - Ratings
    - Poor - no profile, numerous potholes, loose pavement and in serious need of replacement.
    - Fair - near the end of useful life with spidering, cracking etc
    - Fair/Good roads are candidates for chip sealing, adds 8-10 yrs.

Roads

- For a cost estimate, the following assumptions were used:
  - Pulverize 15% of town roads, reuse pavement as base
  - Chip Seal 15% of town roads, stone/tar process on cross roads
  - Mill and overlay 70% of the town roads.
  - 5-year time period for paving
  - There is not an inflation escalator

Roads

- Two Additional DPW Projects would be within the scope of this bonding:
  - Repair and repave the Town Campus roads and parking lots.
  - The Floydville Bridge deck was replaced in 2008 and is in good shape. However, scour damage has been identified. The Town has applied for a State Bridge Grant which would reimburse the town for 50% of the total repair cost.

Roads

- Estimated Costs
  - These numbers are estimates based on the current "snapshot" of the road conditions and costs and are a guide.
  - Repave poor, poor/fair and fair roads- $6.7 million
  - Town Campus road and parking lots - $200,000
  - Floydville Road Bridge Scour Repair - $150,000
  - Total - $7.1 million for road maintenance

Allgrove Electrical & Air Conditioning

- Electrical - current 400 amp service. Upgraded service needed to handle the air conditioning electrical load. Engineer was commissioned by the BOE and the report should be available by the end of December. Potentially $120,000 to $150,000 expense.
- Air conditioning - Initial pricing has been for a ductless system. A Building Committee could evaluate roof top units and choose that option if it was cost effective.
  - Pricing is for 12 classrooms, 5 teaching/office spaces and 2 for the cafeteria. Does not include gym or hallways.
  - Estimated cost for upgrade and air conditioning units is $250,000

Bonding Information

- If a bond issue were passed by the taxpayers at Referendum, the Town would issue bonds through the financial markets.
- The Town uses Bond Anticipation Notes (BANS) prior to project completion and then issues 15 or 20-year bonds
- Bond Consultant - Dennis Dix Bond Attorney - Robinson Cole
- The BOF & BOS would bring a proposal to the town for it's vote.

Closing Observations

- The Committee understands that this report represents a significant investment in the Town's infrastructure.
  - Roofs - Total project cost - $3.9 million minus anticipated State reimbursement of $1.6 million = $2.3 million net cost
  - Roads - $7.1 million to repair 23 miles of roads, repave town campus parking lots and provide the town match for scour repair to Floydville Bridge.
    - Capital funding has not kept up with the deterioration of roads
    - Complete work over a 5-year period

Closing Observations

- (Road narrative continued)
  - Difficult winters have moved good roads to fair and fair to poor
  - Estimation of roads costs for five years out is difficult and costs can change or some roads can deteriorate at a higher rate.
  - The Road Replacement Matrix in the appendix is a guide and should be used as such
  - The Committee recommends that the BOS and BOF factor in the future cost of an ongoing road maintenance program when developing operating and capital budgets so as to prevent playing "catch-up" after project completion in 2023.

Closing Observations

- **Air Conditioning / Electrical Service Upgrade**
  - Estimated cost of $250,000. Electric work is an estimate until the electrical study is received.
  - Ultimately the solution could be roof top or ductless
  - Roof and Air Conditioning are the last two large projects remaining from the 2012 renovation project which accomplished more than originally was thought possible.

Closing Observations

- **Anticipated Total Expenditure** for the project is $11.3 million minus the anticipated State reimbursement of $1.6 million = $9.7 million net to the town.
- **Potential Next Steps**
  - BOF reviews information and estimates the financial impact
  - BOE considers and acts upon the Grant Application to the State
  - BOS determine whether to bring a bonding proposal to the Town in late January or early February 2019

Questions and/or Comments