

Town Hall Annex Renovation/Addition Project

October 2024

Welcome to our Informational Session!

Recap

- The Capital Building Committee, sensitive to comments provided at the November 2023 Town Meeting, opted to focus efforts on the Town Hall, to “use what we have” and explore renovating and expanding **existing properties.**
- The Capital Building Committee revisited the list of priorities and ranked proposed locations (analysis conducted in 2022) and opted to move ahead with a Town Hall/Town Hall Annex combined facility at the second ranked parcel: 68 Stevens Road.
- Funding for the design services was granted in May 2024

What is the Project?

Renovating the historic Bark Street School and building an addition to:

- House municipal departments
- Provide appropriate storage of historical records
- Install a climate controlled vault
- Meeting room for all boards and committees
- Achieve code compliance
- Enhance and improve delivery of services to the public
- Increase efficiency and effectiveness of government
- Preserve a historic structure

Who is included?



- Town Accountant (3)
- Treasurer/Collector (3)
- Board of Assessors (4)
- Town Clerk (3)
- Zoning (1)
- Board of Selectmen/Administrator (4)

- Building Department (2 + inspectors (4))
- Board of Health (3)
- Conservation Commission (2)
- Planning Department (2)
- Veterans Agent (2)



What does it cost?

Total Project Cost: **\$15.9 million**

This includes construction as well as oversight costs for Owners Project Manager and architectural services. Such services are state mandated for public construction projects over \$1.5 million.

How are we paying?

PROJECTED FINANCING

Certified Free Cash :	\$10.6 million
Capital Stabilization Fund:	\$1.8 million
Short Term Borrowing*:	<u>\$ 3.5 million</u>
	\$15.9 million

***Repayment will be over a three-year period with flexible terms to pay off early before the school project has an impact.**

What does this do to my taxes?

The Town is requesting to borrow \$3.5 million (at most) in a short term borrowing transaction so that it can be paid off within 3 years, before the impact of the school's project.

Assuming a conservative 5% interest rate, this project costs at most \$34.01/quarter (\$136 annually), and just \$408 over three years based upon a median home value of \$400,000.

MAXIMUM POSSIBLE TAX IMPACT

Assessed Home Value	Quarterly	Annually	Obligation over 3 years
\$400,000	\$34.01	\$136.04	\$408.12
\$500,000	\$42.51	\$170.04	\$510.12
\$600,000	\$51.01	\$204.04	\$612.12
\$700,000	\$59.52	\$238.08	\$714.24
\$800,000	\$68.02	\$272.08	\$816.24
\$850,000	\$72.27	\$289.08	\$867.24
\$900,000	\$76.52	\$306.08	\$918.24
\$1,000,000	\$85.02	\$340.08	\$1,020.24

What does this do to my taxes?

MAXIMUM POSSIBLE TAX IMPACT

Assessed Home Value	Quarterly	Annually	Obligation over 3 years
\$250,000	\$21.26	\$97.04	\$291.12
\$300,000	\$25.51	\$102.04	\$306.12
\$350,000	\$29.76	\$119.04	\$357.12
\$400,000	\$34.01	\$136.04	\$408.12
\$450,000	\$38.26	\$153.04	\$459.12

Methods to Eliminate Tax Impact

- Use Meals Tax and other revenues to make the bond payment.
- This would require votes at Town Meeting each year before Tax Classification Hearing to transfer the available funds to pay for it.
- This would require borrowing for a longer term to reduce the bond payment.

Revenues – Fiscal Year	Meals Tax	Lodging Tax*
FY2022	Not effective	\$126,398
FY2023	\$61,029.00	\$130,236
Fy2024	\$470,323.14	\$158,029
Fy2025 (first quarter)	\$91,803.20	\$41,979

* Current Lodging Tax is 4%.
Maximum local option is 6%

Why is this the best solution?

Problem Addressed

- Efficiency of services and management of government
- Veterans Agent lacks suitable, confidential office for services
- Lack of compliance with state, federal laws – Vault, ADA accessibility
- Continued spending on repairs and deferred maintenance
- Sorely needed and appropriately sized meeting spaces
- Parking challenges

Benefits Realized

- Reusing and preservation of historical Bark Street School building at historic location
- Appropriate preservation of vital and permanent records
- No temporary space required during construction
- Abatement and structural repairs included
- Room to expand as community grows
- Open Town Hall as a historical/cultural center which currently does not exist
- Solves substantial problems in one project
- Minimum borrowing costs which will be paid off prior to any school project.

What is the Town doing financially to help us?

We are pledging to keep this off the tax levy as much as possible:

- Explore using free cash in future years to make the bond payment, thereby not placing on the levy at all.
 - Monitor meals tax and marijuana excise tax revenues, directing them to contribute to payments each year.
 - *Marijuana excise collections anticipated for CY 2025
- Some debt projects are coming off the tax rolls, reduction in payments totaling \$103,575 over the course of the three years
- Improving the Town's infrastructure, allowing for a reduction in repairs and maintenance lines, saving \$100,000 annually.
- Eliminating trailer rental fees, saving \$37,132 annually.
- Reduction in various operational line items as savings for one building realized: utilities, firewall, equipment, mileage/transportation between buildings, etc.

Saving
and
Planning

Long Term Debt Schedule – FY2025

Long Term Debt Information Fiscal Year 2025					
	Date	Principal	Interest	Total Payment	
Municipal Purpose Loan 2016					
Principal Balance after this payment \$1,285,000.00	8/1/2024	\$ 165,000.00	\$ 27,950.00	\$ 192,950.00	
Seawall Construction \$530,000 (2034)		\$ 50,000.00	\$ 11,430.00	\$ 61,430.00	
Building Remodel (school) \$255,000 (2034)		\$ 30,000.00	\$ 5,550.00	\$ 35,550.00	
Road to Highschool \$300,000 (2029)		\$ 60,000.00	\$ 6,600.00	\$ 66,600.00	
Dam Construction \$200,000 (2034)		\$ 25,000.00	\$ 4,370.00	\$ 29,370.00	
					\$ 192,950.00
Municipal Purpose Loan of 2010 Refunded 12/15/2020					
Principal balance after this payment \$1,740,000	9/1/2024	\$355,000.00	\$ 95,875.00	\$ 450,875.00	
Police Building Construction \$,1,053,000 (EX. 2029)		\$ 203,000.00	\$ 57,725.00	\$ 260,725.00	
Engineering Police Bldg \$65,000 (2029)		\$ 13,000.00	\$ 3,575.00	\$ 16,575.00	
Land Acquisition - Sr. Center \$54,000 (2027)		\$ 17,000.00	\$ 3,125.00	\$ 20,125.00	
Building remodel Sr. Center \$97,000 (2028)		\$ 26,000.00	\$ 5,500.00	\$ 31,500.00	
Building remodel Sr. Center \$1306,000 (2028)		\$ 26,000.00	\$ 5,950.00	\$ 31,950.00	
Medeiros Land Purchase \$365,000.00 (2029) (cpa)		\$ 70,000.00	\$ 20,000.00	\$ 90,000.00	
		\$ -		\$ -	\$ 450,875.00
Mass. Water Polution Abatement Trust (2025)					
Principal balance after this payment \$19,898.00	7/15/2024	\$ 19,504.00	\$ 637.47	\$ 20,141.47	\$ 20,141.47
CPA PURCHASES					
*Rousseau Farm Land Purchase \$315,071.00	3/25/2025	\$ 100,000.00	\$ 42,044.45	\$ 142,044.45	
*Hallock Land purchase \$590,000.00					\$ 142,044.45
Principal balance after this payment \$760,000. (2033)					
		\$539,504.00	\$ 124,462.47		\$ 806,010.92

Saving
and
Planning

Did you explore other alternatives?

Project Alternatives – <u>Construction</u> Cost Comparisons		
Annex Renovation/Addition	\$12,900,000	
New Construction	\$14,525,038	*includes abatement and demo of current building
Renovation Current Structure (4 offices)	\$6,638,272	*includes abatement; required if this proposal fails
Renovating Junior High School – today's dollars	\$45 million to \$65 million	*depending upon design; Code compliance and full remediation required.

Who needs a meeting room anyway?

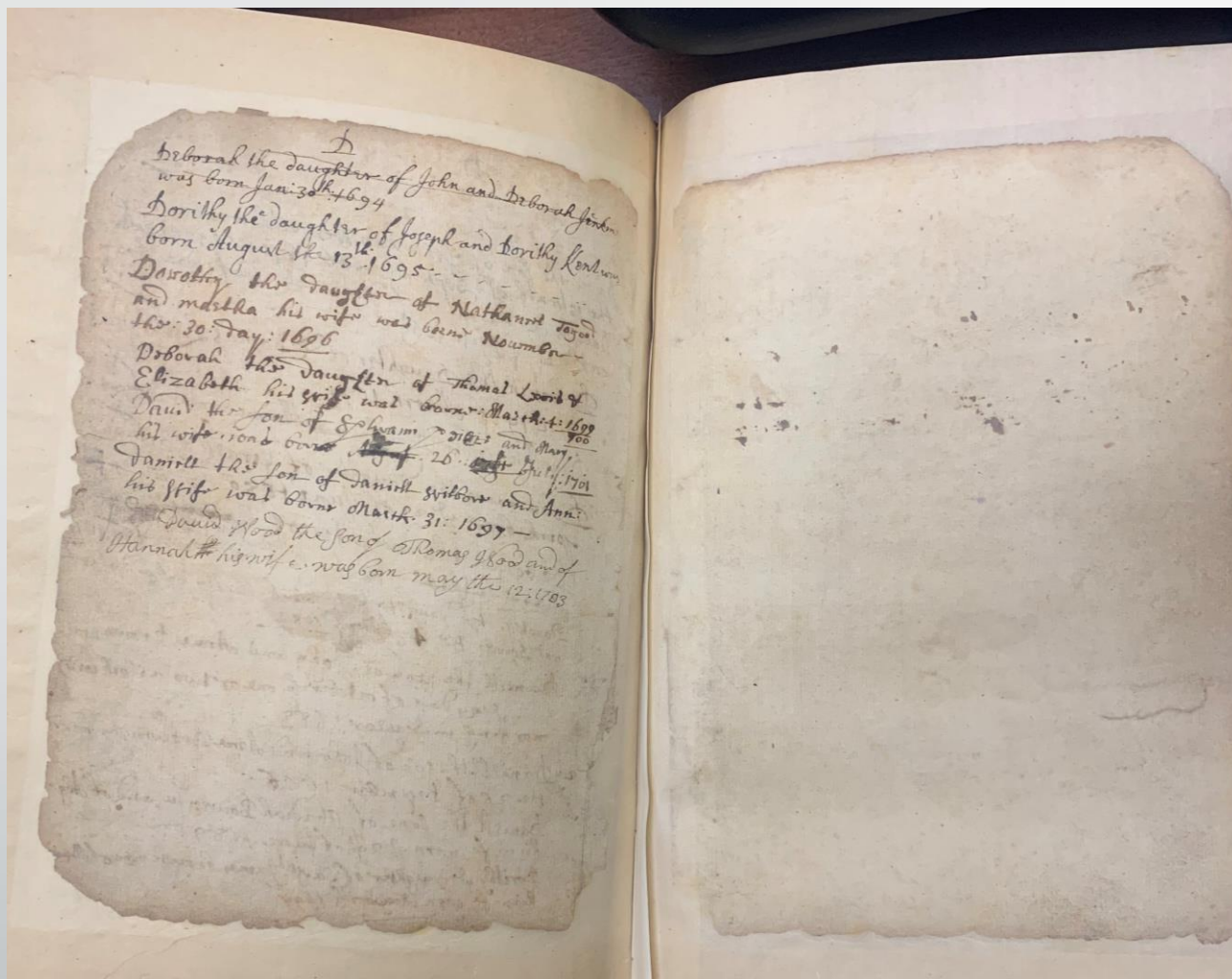
All of government business is conducted via public meeting and access.

Meeting rooms are used daily.

Board/Committee	Scheduled Day
Board of Selectmen	2 nd and 4 th Tuesday
Board of Assessors	Wednesdays
Planning Board	1 st and 3 rd Monday
Conservation Commission	2 nd and 4 th Monday* meets following Tuesday if holiday
Zoning Board of Appeals	1 st Thursday
Advisory & Finance	Every Wednesday during budget & Town Meeting prep
Board of Health	Every other Wednesday
Parks Commission	Tuesday or Thursday
Capital Building Cmte	Wednesdays
School Committee	1 st and 3 rd Monday
Library Trustees	Thursdays
Library Building Cmte	Mondays and Tuesdays
Harbor Advisory Cmte	2 nd Tuesday
Sewer Commission	3 rd Thursday

Why not use the Library's Meeting Room?

- The Library meeting room is being built for Library Programming
- **While it will be possible to meet there** for various boards and events, competition with regular and ongoing library programming will continue the scheduling struggles that still exist.



Deborah the daughter of John and Deborah Fisher
was born Jan: 30th 1694
Dorothy the daughter of Joseph and Dorothy Leonard
born August the 13th 1695
Dorothy the daughter of Nathaniel Taylor
and Martha his wife was born November
the 30th Day: 1696
Deborah the daughter of Samuel Lovell
Elizabeth his wife was born: March 4: 1699
David the son of Solomon 21st and Mary
his wife was born Aug: 26th 1701
Samuel the son of Samuel widow and Ann
his wife was born March 31: 1697
David Wood the son of Thomas Wood and of
Hannah his wife. was born May the 12: 1703

Why is a
climate
controlled
vault so
important?

What makes up free cash?

- Having free cash balances is NOT a result of overtaxing. Over the last four years, the Town has historically left \$1.5 million to \$2 million of space on the levy as part of our commitment to only ask for what we need to operate.
- Free cash comes from tax collections/tax titles on default properties inclusive of penalties and interest, permit fees, underestimated growth, overages in local aid and other receipts (i.e. meals tax, excise tax), changes to personnel, and closed warrant articles, in addition to turned-back funds in the operating budget.
- At close of FY2024, the town's operating budget was 96% expended.
- Division of Local Services (DLS) recommends budgets are prepared with contingencies.

Is having too much free cash a bad thing?

- Having too much cash on reserves can adversely affect the Town's bond rating and insurance premiums, making it more expensive to borrow funds and more expensive to insure our buildings.
 - This is especially so due to our stated and advertised building needs townwide
- DOR certifies the undesignated fund balance, however they will examine other aspects of the Town's budget to ensure Towns are not stockpiling funds.
- Too much cash in reserves also becomes a liability during budgeting, especially during union negotiation conversations.

The Cost of Not Consolidating

Monthly Department Head Meetings, Monthly Technical Review Committee meetings, and mileage payments for travel between buildings costs **\$6,150/year.**

Annex Building Needs: Renovation, stormwater management, and required code/compliance upgrades exceed **\$6 million.***

*does not include required OPM/design services

Handle the rented trailers issue, currently **\$37,132.68 annually**, with these costs expected to rise in 2025.

Removing hazardous materials from current structure is estimated at **\$166,500.**

Addressing stone foundation **\$135,000.**

Implement required capital improvements at Town Hall –

Installing floor over asbestos tile: **\$138,600 (3300 square feet)**

Build vault **\$125,000**
or Rent Climate Controlled trailer: **\$7500 / month**

Minimum ADA Compliance fixes per ADA Self Assessment plan : **\$25,000**

Continue separate administrative vehicles where we could otherwise combine for some departments. Saves insurance costs, gas, and vehicle maintenance. Estimated value: **\$5,000/year**



Floor Plans and Renderings



ROOM LEGEND

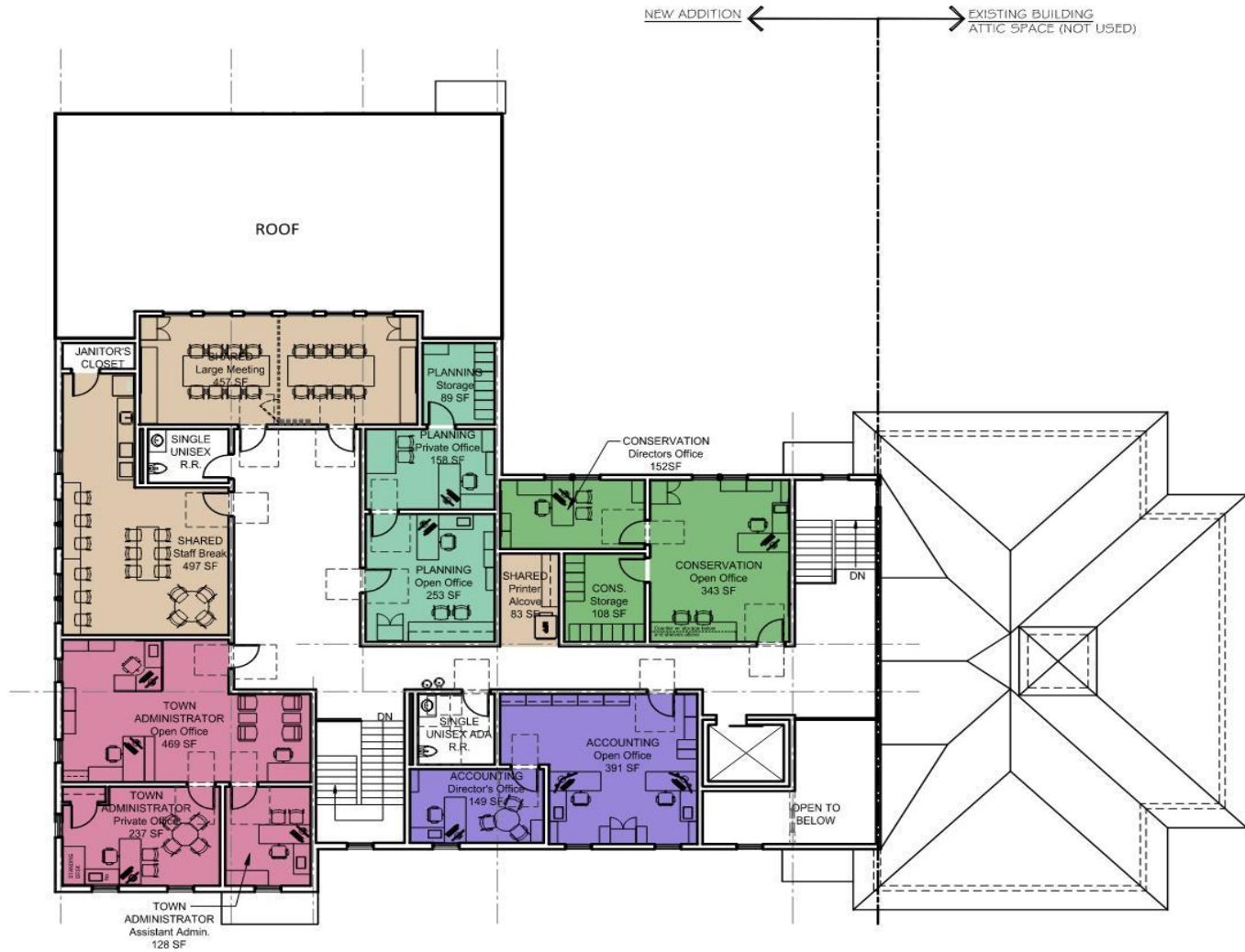
- ACCOUNTING
- ASSESSOR
- BOARD OF HEALTH
- BUILDING DEPARTMENT
- CONSERVATION
- PLANNING DEPARTMENT
- SHARED
- TOWN ADMINISTRATOR
- TOWN CLERK
- TREASURER/COLLECTOR
- VETERANS AFFAIRS



1 PROPOSED FIRST FLOOR PLAN
1/16" = 1'-0"
0 2 4 8 16 32



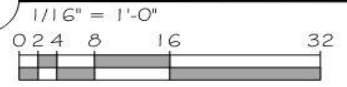
SQUARE FOOTAGE
BUILDING TOTAL GSF: 15,000-16,000



ROOM LEGEND

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1 PROPOSED SECOND FLOOR PLAN



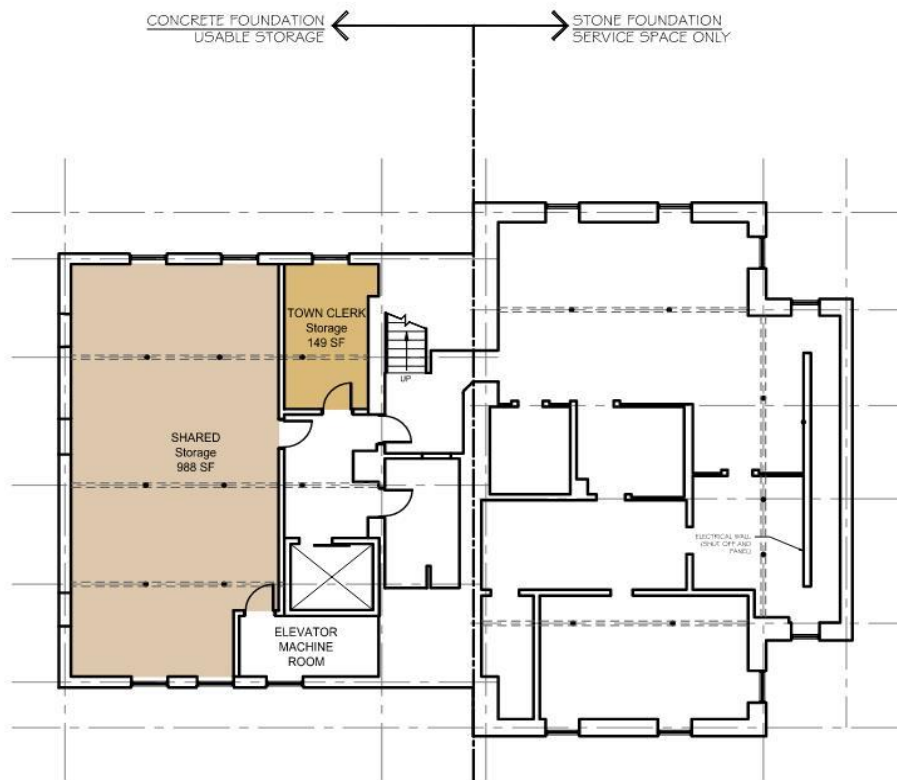
SQUARE FOOTAGE
BUILDING TOTAL G5F: 15,000-16,000

SHEET NO: **SD-1.1**

ADD/RENO ANNEX BUILDING FLOOR PLAN

DATE: 2024.08.27 JOB NUMBER: SCALE:

Turowski2 Architecture
227 Union Street, Suite 301
New Bedford, MA 02740



1 PROPOSED BASEMENT PLAN
 1/16" = 1'-0"
 0 2 4 8 16 32

ROOM LEGEND

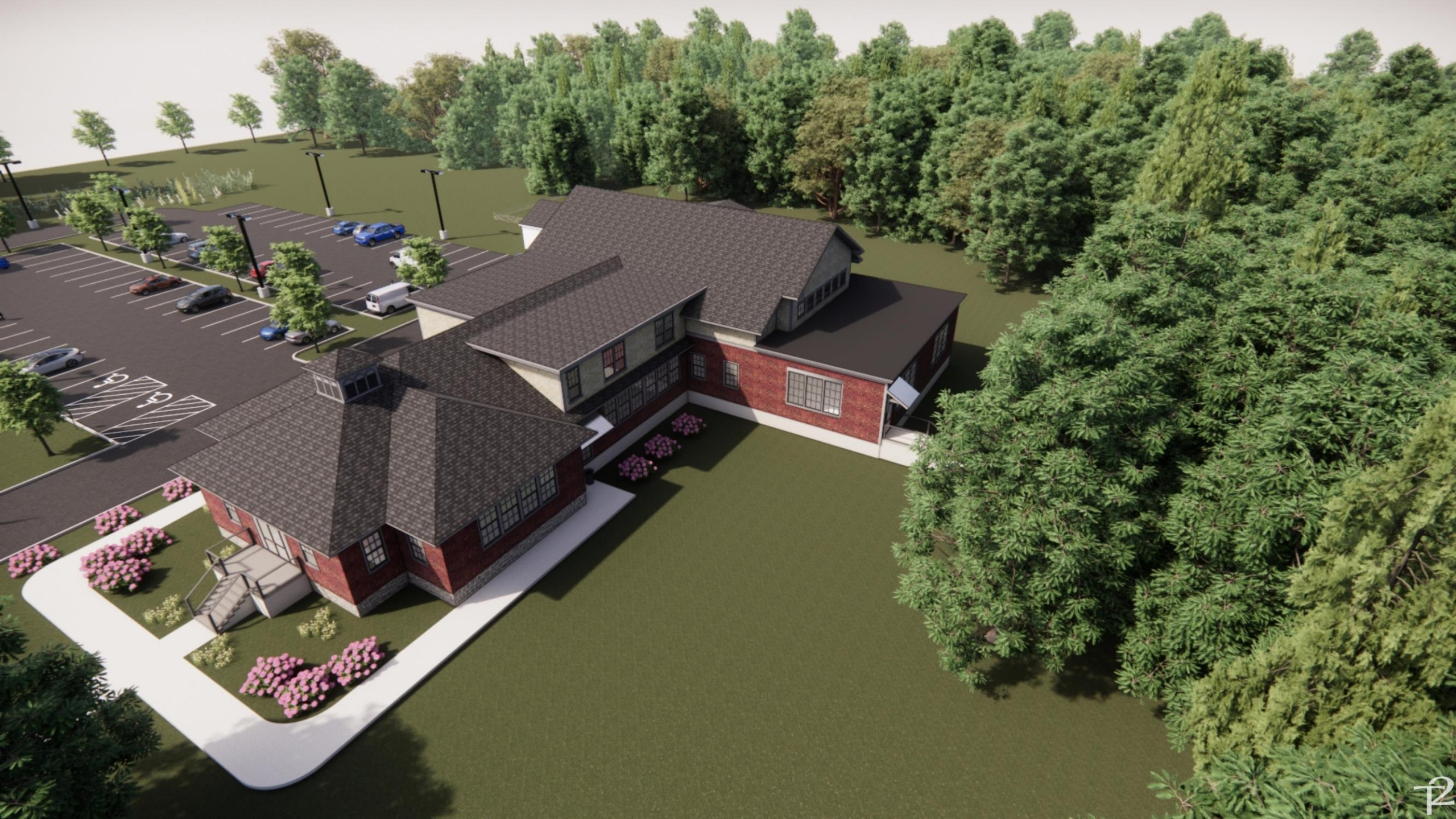
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- TREASURER/COLLECTOR
- VETERANS AFFAIRS



ANSEA
INN









SWANSEA
TOWN HALL



Q&A and Discussion