

BOND HEARING

January 11, 2018

Board of Selectmen: Brent T. Lemire, Chairman
Steven D. Perry, Vice Chairman
John R. Brunelle
Kevin C. Bourque
Kurt D. Schaefer

Also Present: Troy Brown, Town Administrator
Fire Chief Fraitzl
Deputy Chief Nicoll
Jonathan Halle, WarrenStreet Architects
Preston Hunter, Eckman Construction
John Riehl, Chief Estimator for Eckman Construction

7:00 p.m. Call to Order

Selectman B. Lemire starts the hearing by reading aloud the public notice for this evenings hearing.

Public Hearing Notice

An issuance of bonds or notes in excess of \$100,000. Pursuant to the provisions of the Municipal Finance Act RSA-33. The Litchfield Board of Selectmen hereby gives notice that it will hold a public hearing on January 11, 2018 at the Campbell High School Auditorium located at 1 Highlander Court, Litchfield New Hampshire. To discuss the proposed issuance of a bond or note that will exceed \$100,000. Said hearing will commence immediately following the Budget Committee/Town School Budget Hearing scheduled to start at 7:00pm. The proposed bond or note is for constructing and equipping a new fire station building and all related activities necessary for said construction. And to borrow in the name of the Municipality by issuance of serial notes or bonds a sum not to exceed \$5,500,000.

Residents wishing to speak on this matter are invited to attend.

Selectman B. Lemire welcomes all in attendance and states Fire Chief Fraitzl will start with a presentation.

Fire Chief Fraitzl mentions on the stage with him this evening are the members of the Board of Selectmen, Preston Hunter and his team from Eckman Construction, Jonathan Halle from WarrenStreet Architects who has been the architect on record for over 2 decades for the fire station project. Chief Fraitzl states the presentation overview this evening will include

1. Why is a New Station needed?
2. What is being proposed?
3. Project costs?
4. Project financing?

5. Question & Answer session

He states the current Fire Station was built in 1959 by volunteers and the lumber was milled from the property on 257 Charles Bancroft Highway. The Department at the time responded to only fires and medical calls, where today they are more an all hazards Department responding to technical rescues, violent incidents, all types of medical emergencies and much more than just fires. The Chief states there have been three additions to the station over the years, the last in 1979 which added a drive thru bay in order to house the town's first custom fire truck which sat more than two firefighters. When the Department was built in the 1950/60's there were 12 volunteer firefighters, today the Department has 38 Firefighters and Emergency Medical Technicians (EMT) and 2 full-time Firefighters (added in 1985), 2 part-time personnel, a part-time Fire Inspector and his position as Chief is a part-time position as well. There are 34 on-call Firefighters, that respond from home/work when there is a call to man the apparatus and station. Currently about 55% of the calls are medical. The current station houses 5 pieces of equipment they include 3 Engines, 1 Tanker and a Rescue Truck each has a specific role. There are also 8 pieces of equipment that sit outside the station (in the winter some are moved to the Highway Garage), they include 2 Forestry Trucks, a boat, light tower, and a special operations trailer that houses the off road vehicle. The Chief mentions when the station was built the population in Town was a lot less than today. In 1959 the Department did approximately 40 calls a year, where last year 2017 the Department did 653 requests for emergency response (this does not include inspections, fire prevention details, public education etc). Also there has been a tremendous growth in the Schools, which is why the Department went with 2 full-time Firefighters in 1985 in order to have the Department staffed during the day. Chief Fraitzl also mentions Deputy Chief Nicoll's did some research and 840 million dollars in Town assessed values is what the Department protects. Which the Chief states is impressive, and all has been done out of the same building. Chief Fraitzl goes on to discuss the growth of Litchfield and how it is no longer mainly Charles Bancroft Highway (where the station was built), there a many neighborhoods/developments and being able maintain a 4-6 minute on site response time is difficult. He states the National Regional Planning Committee (NRPC) did the maps and based response times on speed and distance from the current station, and from the new proposed station location (Liberty Way next to Town Hall).

Anyone wishing to review the documents and graphs discussed this evening on the proposed Fire Station Project can do so at <https://litchfieldfirestation.com/> or view this Public Hearing on Youtube or LCTV.

Chief Fraitzl states in late 2015 the BOS commissioned a Feasibility Study by Warrenstreet Architects dated July 15, 2016.

Chief Fraitzl introduces Jonathan Halle from WarrenStreet Architects to continue the presentation.

Jonathan Halle from WarrenStreet Architects mentions he has been involved with the Litchfield Fire Station proposal since 2004. He states he has the original designs from 2004 that progressed to the proposal in 2008 and now again in 2018 here this evening if anyone wishes to look at them after the presentation. Jonathan states the 2004 design was for a 5 bay station, it was scaled back to 3 bays and was to be located at the corner of Albuquerque and Woodhawk

Way, this was to be a second station (substation) to the existing station. In 2008 they were asked to further refine this design which was for a 5 bay station and moved to the Liberty Way/Town Hall lot. In all the Warrant Articles since 2008 the building has remained a 5 bay wood construction, with a concrete block garage bays, asphalt shingle roof, vinyl siding with a simple modest interior. He states the materials for this proposal in 2018 are with the same materials proposed in 2004, but since 2004/2008 to today the building codes and energy codes have changed. So there are advances in energy savings and improved and updated building codes added to this proposal to meet the requirements of today.

Jonathan mentions in 2016 they were asked to do the Feasibility Study by Warrenstreet Architects dated July 15, 2016. The conclusion of this study was the location of the current fire station could accommodate a maximum buildout of 8,000 sq.ft, which is much less than can meet the needs of the Department today. The location is also not in a place to minimize the response times according to the population and needs of the town today.

Jonathan goes over a summary of just some of the deficiencies from the Feasibility Study.

- Small overhead doors barely allow trucks access
- New trucks will need to be special ordered to accommodate for short doors
- Lack of bays force some equipment to stay outside
- No second means of egress from first floor garage
- No second means of egress from second floor
- Presence of vermiculite, which often contains asbestos
- Severely deficient in life safety and current building codes
- Nearly impossible to accomplish code upgrades in a retrofit of an existing structure, such as this fire house.
- Additional fire alarm devices and exit signs that should be installed are lacking
- Multiple building code violations including interior stair rise/run, lack of egress points and fire separation inefficiencies.
- Lack of parking storage
- Shared access with adjacent church and Town Hall results in increased traffic to the site.
- Structural issues compromise the building's overall integrity and lifespan
- Handicap Access for Public

When the study was completed and a value was placed on upgrading. It was decided to design a new station on the lot next to the Town Hall at Liberty Way. So they took the 2008 design of the 5 bays and updated and applied today's standards to it. He states the standards in Firefighting today have changed and gear is no longer stored in the apparatus bays due to carcinogens/off gases and the gear that needs to be directly vented to the outside. So the standard today is to provide a separate room where gear is stored and vented to the outside. This increased the outside of the building by about 1,000 sq.ft. Jonathan mentions the Board of Selectmen also requested WarrenStreet to review and consider this proposal to accommodate a future police station so this could become a Public Safety Complex in the future. So the site was expanded and updated to accommodate this request and necessary common areas for both Fire and Police (electrical, mechanical, emergency service and training rooms and bathrooms) were included. A house generator, the relocation of the communications tower and all energy

savings and building code upgrades were added as well as power, lighting, radiant heat in bays and HVAC upgrades were included in this new proposal. Jonathan mentions in the Bond Financing furniture, fixtures and equipment have been included. There was also discussion about the distribution of the existing station, because there is value and the possibility of it being reused or sold. Also an advantage of building new and not renovating the existing station is there will be no impact to the Fire Department while construction is moving forward.

Below is a copy of the site plan being proposed.



Fire Chief Fraitzl mentions you just heard about the existing buildings limitations and now reviews the challenges and problems with the operational side. He mentions there is direct access to the building which is a safety concern with traffic pulling in and out of the station and the parking lot. The Chief reviews the lack of space in the apparatus bays and the challenges

they face with equipment and safety. Also these tight quarters with the equipment/gear getting in and out of the vehicles is a continued safety concern surrounding the Firefighters on the Department. He also mentions the buildings structural issues that Jonathan discussed and how they are becoming a hazard and a safety concern. There are also challenges and concerns with the shared parking lot as well.

Chief Fraitzl goes on to discuss the layout and floor plan for the new station being proposed.

Below is a copy of the proposed New Stations floor plan.



Chief Fraitzl reviews what will be in the proposed Fire Station building and discusses the spaces/rooms and their specific uses and how each meets the current needs of the Department. He also discusses the possible common areas/spaces that can be shared in the future with the Police Department if a Safety Complex is built.

Anyone wishing to hear a full review of the floor plan please go to the website <https://litchfieldfirestation.com/> , or view this Public Hearing on Youtube or LCTV.

Chief Fraitzl now introduces Preston Hunter from Eckman Construction to discuss the cost of this project.

Preston Hunter mentions he is the Vice President at Eckman Construction from Bedford, NH, they are the Construction Manager for this Fire Station Project. He states the company was brought on board through a competitive process where the Town of Litchfield in October reached out to a number of Construction Management Firms looking for a Construction

Manager to oversee this project. After a lengthy interview process by the Board of Selectmen and a Committee formed specifically to help with this process. Eckman was hired to work with the Town to develop the cost estimates, which are the basis for the construction portion of the project. After the project passes Eckman will be responsible for going out to bid all aspects of the project to qualified subcontractors. These bids will be reviewed by Town officials and selections will be made then Eckman will be responsible for overseeing and supervising all of the construction portions of the Fire Station Project in accordance to specifications and plans. Preston states after being hired, in November they received a complete set (66 pages) of documents from WarrenStreet Architects which were issued for pricing. This included all pricing for site design, architectural design, structural, mechanical, plumbing and electrical designs also. Preston states Eckman spent the next four weeks pricing those documents. If questions or concerns occurred during this process they contacted WarrenStreet Architects to discuss any issues. They reached out and received pricing from over 30 subcontractors and suppliers. They applied current pricing to material quantities and systems shown in the plans. When all was completed in late December they met to review and coordinate with the Town Administrator T. Brown and Fire Chief Fraitzl to ensure all costs were accounted for. They also made sure anything excluded from their costs, but were to be included on the owners budget (soft costs which include furniture, fixtures, equipment etc.) were included and shown to make sure all the costs had been accounted for.

So this resulted in a summary of

Budget for New Fire Station Project

Building Construction	\$4,000,000
Sitework Construction Costs	789,500
Project Soft Costs (owners costs)	<u>679,500</u>
Total Project Cost	\$5,469,000

Preston turns the presentation over to John Riehl, the Chief Estimator for Eckman Construction. John states this is around the eighth safety complex (fire, police, ambulance) he has been involved with, so is very familiar with pricing this type of project. He reviewed what Preston stated about what was involved with pricing and the subcontractors. John states this involves items such as

General Conditions - Personnel who are on the site running the project or in the office such as Managers, Assistants, Supervisors, Layout Personnel etc.

General Requirements - What is used on a daily basis on the job site to build the project. Examples are temporary electric, water, trailers etc.

Site Work & Landscaping - Involves the building excavation, pavement areas, sidewalks, landscaping, drainage areas etc.

Concrete/Masonry - Concrete frost wall and 4 ft high wall (insulated), and due to the higher bay area there is an 84 ft of 16 ft high concrete wall. Masonry is the apparatus bays which is block construction.

Metal - Bollards and angles around the doors which create and protect a structure from trucks and equipment backing into it.

Rough Carpentry - Wood framed construction building.

Finished Carpentry - Cabinets, counters, trim/frames on doors and windows etc.

Caulking, Weather Barriers, Insulation & Gutters - Involve making the building weather tight.

Roofing - Asphalt shingle

Siding - Vinyl siding

Door/Frames/Hardware - 10 Overhead bay doors that are 10 X 16 more energy efficient and quicker to close which is needed with the radiant heated floors, metal frames and hardware.

Electronic Hardware - Security factor to control access to the lobbies.

Speciality Items - Lockers, signage and equipment furnishings. Electrical, HVAC, Generator, Plumbing specialty items.

More items include aluminum glass, drywall for wood frames areas such as the offices, acoustical ceilings, flooring/carpeting and paint on the interior of the building.

John states the market is crazy currently and subcontractors are so busy, which is why they did not put this out to bid yet. They are hoping to get past this end of year period when everyone is exhausted and put it out to bid later (Spring) when everyone will be looking for work. In the hopes of passing more savings on to the Town from a competitive bidding stand point. Next are the Owners Soft Costs, which he will let Fire Chief Fraitzl discuss. This all comes to a project cost of \$5,469,000.

Preston Hunter and John Riehl turn the presentation over to Town Administrator T. Brown to discuss the Bond Financing options for the Fire Station Project.

Town Administrator T. Brown mentions if this project is approved by the voters, because the Town does not have 5.5 million dollars available, he has been in contact with the New Hampshire Municipal Bond Bank. They have worked out several different ways to fund this proposed project by the traditional bonding method. Troy states there are two methods a Level Principal which means pretty much a steady payment throughout the life of the loan, Level Debt means the principal payment stays the same but the interest adjusts during the life of the loan. Some examples on a \$5.5 Million dollar Bond are:

Level Principal	Term	Rate	1st Year Payment	Interest Paid	Tax Impact
	15 yrs	2.60%	\$525,314	\$1,153,064	\$0.59
	20 yrs	3.04%	456,598	1,769,998	\$0.52
	25 yrs	3.50%	429,076	2,519,076	\$0.48
	30 yrs	3.75%	409,010	3,195,885	\$0.46
Level Debt	15 yrs	2.60%	\$460,314	\$1,225,344	\$0.52
	20 yrs	3.04%	386,598	1,935,678	\$0.59
	25 yrs	3.50%	349,076	2,860,676	\$0.39
	30 yrs	3.75%	324,010	3,770,198	\$0.37

Town Administrator T. Brown states that towns and schools use both methods of financing, its comes down to what it truly best for the community. Troy does mentions with a Level Payment Bond after the first year (payment is high) a town knows what the payments are and it decreases by \$20-30 thousand each year, which could allow them to plan for other capital

projects that may come up. Same can be said with the Level Debt first year payment is lower and continues to drop slightly through the life of the bond. He states the Board of Selectmen have not determined what form of financing they wish to use or the term of the bond. Troy states they just received the estimates around Christmas and researched methods of payments, so have been gathering information in order to make an informed decision. He mentions there is also the option to use private financing, some towns use the company's which finance the lease purchases of their equipment and vehicles. Some of these companies will finance Fire Stations and the interest rate can be very competitive. So he is also looking into this option also. Troy mentions if the Warrant Article passes it authorizes the Board of Selectmen to and negotiate the best interest rate and financing package available, that would be in the best interest of the town. Troy also states that a homeowner with a 300K home in town would pay from \$177-\$111 per year added onto your property taxes, depending on which type of financing is decided upon. Town Administrator T. Brown hands the presentation back to Chief Fraitzl.

Chief Fraitzl discusses the Owner Soft Costs associated with this project which total \$679,500. They include:

- Moving Existing Equipment, Radio and Communication System
- Vehicle Exhaust System
- Utility Company Charges
- Building Permit and Fees (no charge)
- Furniture/Furnishings/Owner Equipment
- Antenna and Foundation
- Communications
- Architectural/Engineering and Other Design Consultant Fees
- Builders Risk Insurance
- Testing and Special Inspections
- Legal
- IT Equipment/Security System/Card Access/Video
- Owner's Contingency (5%)

Chief Fraitzl turns the presentation over to the public for questions.

Public Input

Paul Poirier, Chatfield Drive - He mentions he is a Police Chief in another Community. Paul for the past 1-½ years has been going through this same process with his Board of Selectmen, Budget Committee and Capital Improvement Committee on building a new Police Department. During this endeavor he has had the opportunity to visit many Police Stations/Public Safety Buildings in the State of NH, Maine and Massachusetts. One place he visited was a Police Station in Farmington, NH that is newly constructed and opened its doors 6 months ago. They hired a contracting company named Groen Construction out of Rochester NH. They built a 19,000 sq.ft. Public Safety Complex, the Police side is approximately 7,000 sq.ft. with the remainder 12,000 sq. ft. going to the Fire Department which has 4 bays. Paul mentions Farmington spent 2.36 million dollars on this building. He mentions after touring this facility the Community where he works has decided to go with Groen as their construction company as

well. They put out an RFP, and received 3 bids from various contractors, and interviewed all at length and held public hearings like Litchfield is having this evening. So he is wondering why Litchfield's price is so high for this particular building. Paul also mentions he did not notice any sleeping quarters. He states if you go to Groen or Farmington Public Safety Complex online to their website you can view the building. They have sleeping quarters, 8 bays, it's all energy efficient and they used ICF construction and is a beautifully designed building.

So one of his questions is will the Town be putting out an RFP for this proposed Fire Department.

Chief Fraitzl states as far as the cost it will be bid once the project is approved by the voters. He mentions Warren Street had the project and the Board of Selectmen utilized the existing plans. An RFP was done for the construction manager, 6 bids were received and a scoring process was done and the top 4 were interviewed. A Committee was formed with members of the Community, Planning Board, Board of Selectmen and he and the Town Administrator all interviewed the companies and selected Eckman for the job. Paul states the plans for the Fire Station are from 2004 and they were just updated and retrofitted for today. Chief Fraitzl states yes, with room for growth by the addition of more bays (original plans were for 3 bays) with 1,000 ft added to accommodate changes in standards for storage of gear and so forth.

Paul states with his experience and 32 years in law enforcement and having gone through this process himself. As well as living in Litchfield for 26 years as a taxpayer he feels there is a need to look at alternative contractors. He urges anyone in the room if they are considering voting for this Fire Department to speak up. Paul mentions he is in favor and supports the need for the Fire Department at 2.5 to 3 million dollars absolutely, but not at 5.5 million. He states the Chief knows what is best for the Department, but he questions the decon shower being inside the building. He states the Chief mentioned it was a separate area, but still inside and he feels the decon shower should be in an outside area and not in the inside of the building.

Chief Fraitzl states there are two showers, the locker room and the separate decon shower area which is off the apparatus bay area. So no firefighter will be going into the administrative or interior office area of the building. Paul mentions he still feels it should be in separate outside area.

Chief Fraitzl highlights the decontamination procedure the Department takes while at the scene before even getting to the Fire Station.

Paul mentions Groen built the Pelham, Portsmouth and now the Farmington Fire Departments, they house the Police and Fire and it is a two story 19,000 sq. ft. building shared with the Police Department with sleeping quarters for both Departments, for 2.36 million dollars. So as a taxpayer he is asking the Board of Selectmen, Fire Chief to call and go take a look at these facilities. If they could put something like this in town at this price he would be willing to vote for it.

Jen Bourque, 1 Westview Drive - Jen asks who was the Board of Selectmen member who voted nay for the Fire Station and why?

Selectman K. Schaefer states he was the no vote. It was because he was told up until December 29, 2017 the cost of the Fire Station was going to be about 3 million dollars. Then on the 29th he got an email stating it was going to be 5.5 million. He would like to get it back to

around 3 million, he does not think the town can afford a 5.5 million dollar building. This is why he voted against.

Chris Pascucci, 12 Colonial Drive - He applauds Selectman K. Schaefer and feels he is looking out for the taxpayers and their money. Chris states he is correct if you do the math it comes to about \$430 a sq. ft. and if you take out the soft costs and some furniture/fixtures it comes to about \$380 a sq. ft. and anyone in construction, real estate, property management knows that just a lot of money.

He would also like to know the reason why the existing Fire Building would remain standing and not knocked down once the new one is built. Because it has been said for many years that the building is in such poor shape, the parking lot, and drainage is horrible, it needs tons of maintenance and there is asbestos. But the Selectmen are not in favor of knocking it down, why?

Selectman B. Lemire states no decision has been made on the building as of yet. The Board of Selectmen are taking input, they are meeting with other Town Officials to see if there is any feasible use for the building, before making the decision to level it. Selectman Lemire states he does not disagree with Chris personally. But it will be the will of the Board to make that decision after they have researched what options they have.

Mr. Pascucci states he feels it would be a town asset and a detriment for a long time to come. Chris feels the demolition of the building should be part of the deal, in order for this new station to proceed. And mentions all should bear this in mind if they want a yes vote from the citizens in town, because it is an issue and is being talked about.

Selectman B. Lemire states point well taken.

George Lambert, 3 Lydston Lane - He mentions when he was a member of the BOS he got to work with the Cable Committee. They have a lovely studio on the second floor of the Fire Station, and is a fantastic asset that the town spent a bunch of money on that no one can use. This was because no one worked out all of the necessary details, and it was not in compliance. Right now there is a building we have been hearing is not in compliance and has structural problems and has asbestos. He states we should be focusing on getting a new Fire Station and making sure the town does not keep this potential tax liability on this Community. Because if the Fire Department were to say we have this other building here with asbestos, the Department and Town would want someone to clean it up.

Mark Niemaszyk, Moose Hollow Road - He mentioned he heard discussion about the office space, and it that one could be used for counseling firefighters. He asks if someone could go over the office space, and explain how some of it is not redundant.

Chief Fraitzl reviews the floor plan and the office space uses.

Frank Byron, 8 Mallard Court - He would like to ask a question of the Engineering group. Frank would like to know if they could provide him/us with an overview of the comparable buildings they have used in comparison of cost per square footage and total building costs from in the State of NH.

Preston Hunter from Eckman Construction states he is not sure if he qualifies as the Engineering group, but they are the Construction Manager. Frank Byron states that will do. Preston states it is very difficult to compare costs per square foot from one Fire Station to another. There are a lot of factors that contribute, the site work is almost always completely different from one site to another. They systems and technical components that go into these stations. So he cannot speak to what a station in Farmington has in a design anymore than a station in Londonderry that is being proposed, because they are not stations Eckman has done. He would be interested in seeing the plans and specifications and cost, then he could comment on them perhaps. Peston mentions the other factor that influences costs drastically, especially in the past 10 years is the cost of construction. So a project that was bid just 2 years ago you could not build for the same price today.

That being said, Eckman did complete a Fire Station project in Milton last year. He does not have all the cost breakdowns with him, but he did make a note that the project was bid in 2015, is a 9,000 sq. ft. Station and including building and site it was around \$280 a sq. ft. If you were to take a 4% escalation per year for today it would be around \$350 dollars a sq. ft. To compare that to the construction costs presented this evening for this project that are at \$360 dollars a sq. ft. and you can see where variances in the site, variances in mechanical systems, electrical systems, and existing conditions and other functional necessities that are specific to those two Departments could add plus or minus \$40 a sq. ft. He also mentions they are currently doing an addition in renovation project in Plaistow, that is an 8.5 million dollar overall total project cost. It is a Police Station addition and renovation of the existing Public Safety Building and it would be impossible to compare cost per sq. ft. So his word of caution in talking about cost per square foot figures is that they are dangerous without having all of the necessary knowledge. If someone has information from other projects that they would like them to take a look at in order to review and comment on how it compares to this project, they would be happy to do so. But further than that they are not in a position to comment any further.

Frank Byron states before he retired he as one of the people responsible for putting up some of the largest Biotech Plants in the world. They always commonly did costs per square foot compared to other facilities as well as comparison costs for total facilities. It is quite possible to be done and he would appreciate if he/we could have something done (a report) so when it get to further discussions on this project he/we could have those costs. He does not think it's appropriate for Preston (Eckman) to ask him to get the costs in order to do this. He would think Selectmen as well as Preston as the Project Manager should come forward with those costs and be able to present them for discussion. Frank understands there will be caveats involved with this, they can take the time to smooth those out.

Bob Keating, 20 Center Street - Mentions there was talk about the addition of a Police Station being added on to this building, are there any ballpark number for that?

Fire Chief Fraitzl states he does not. The Police Chief has just started a feasibility study, but he does not know where they are at in this process.

Bob mentions he is also involved in law enforcement for 20 years in the city and has been through a new building. He thinks a town such as Litchfield with splitting these projects and trying to build a Safety Complex, this price is just to large for a Department the size of Litchfield.

If this price was for both Fire/Police in a Safety Complex he would be all for it. He believes there is an opportunity to get this right here in Town. But does not feel the citizens can support or afford a 5.5 million dollar bond and then say another 5 million in 3-4 years.

Selectman B. Lemire states with no further questions he will close the Bond Hearing and mentions he will see everyone at the Deliberative Session.

Brent T. Lemire, Chairman

Steven D. Perry, Vice Chairman

John R. Brunelle

Kevin C. Bourque

Kurt D. Schaefer