

Town of Mansfield – East Street Municipal Complex
Frequently Asked Questions and Answers
Updated 5-12-15

- 1. Why are we building 3 facilities at the same time, why not spread it out over 5 to 10 years?
We are building all 3 projects together for several reasons?**

The first reason is that we are saving 10% to 15% off of the cost of building each project separately. The contractor is only on the site once, and we save on site preparation, site work coordination, mobilization and demobilization charges as well as materials *and* labor cost *escalations*. The second reason is that the interest rates are low, and we will only be going to the bond market once saving on expenses. Lastly, the cost of construction has gone up 3% to 5% per year over the last 5 years, we could be paying 25% more for the same building in 5 years.

- 2. I saw that a DPW garage should only cost \$2 million dollars, why is our project so expensive?**

I am not sure what data was seen, but we have engaged a Professional Engineering Firm that has done comparable projects in towns of our size. They have built over 50 buildings, and are well versed in what we need. Also, our price per square foot is below or comparable to similar size towns with the same needs.

- 3. I am concerned that we will be hitting the debt limit for our town and we will be borrowing too much money? Will our debt rating go down?**

In our Power Point presentation, we break down the additional tax per property owner by valuation of sample houses and the cost of the project. Businesses can use the house costs as a guide as well, although their tax rate is higher than residential property owners.

The debt limit calculation is reviewed by rating agencies and is 5% of the total property value of the Town. The Town's FY 14 total property valuation (the latest available) is a little over \$3 billion. An upper limit of borrowing should be no more than 5% of the total property valuation or around \$150+ million.

Once the school projects roll off in 2 years, we will have around \$35 million of all Town debt (including Sewer and Water debt), to which we would add \$6 million in debt that was taken for current and past road projects and then also add \$35 million for the DPW/Public Safety project. The total would be around \$76 million, and that would leave room for future borrowing if the Town needed it. We are still well within the boundaries of our debt limit if we add DPW/Public Safety new debt.

An interesting this to note is that the rating agencies are concerned when Towns do not borrow or invest in repair and replacement of capital and infrastructure needs on an ongoing basis. The agencies know that roads, bridges, buildings, etc. have a useful life, and the useful lives all vary. If a town is not borrowing or paying cash for repair and replacement on an ongoing basis, rating agencies look at the low investment as a red flag. Rating agencies do not like towns to borrow

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large amounts of money in emergency situations. The costs are higher, the projects typically are not well run because they are emergencies, and they know that proper investment and long-term planning was not completed. The agencies wonder what else will be needed to be done and when. (See the Capital Improvements Plan in the budget presentation)

Adding this project to the Town's debt load will not lower the Town's debt rating which in FY 14 was AA2 from Moody's and AA+ from Standard & Poor's.

- 4. I see that the road is going to be done as well. While it is needed, how are we going to pay for it? Is it in the cost? People told me that the money for the road is going to take away from other projects. Is that true?**

We are going to recommend to the Selectman, CIP and Fin Comm that the money from the sale of the old Fire Station be used to offset the cost of the road, as well as placed toward the project cost. We are expecting the project to come in below budget, and will only bond what we spend. Note: This summer it was already previously planned to mill and overlay the area from East Street intersection to the area of Hope Street down RT 106. With this said, any additional road work and signals will be part of the project.

- 5. I understand that the reason we need a new Police Station is because of the Xfinity Center. Why are they not paying? Do we really need 26 cells? I hear from people around town that we are going to have granite counter tops as well.**

Like all members of the town, Xfinity is a taxpayer. Many people do not know that they pay 100% of the towns police and fire details and vehicle costs while we are at the Xfinity Center. Remember we, as a community, have grown since the police station and cells were originally built. We are not building 26 cells or having granite counter tops. The cell count is 18 projected up from 11 which include only 2 female cells and 1 juvenile cell. A town of our size will typically have between 14 and 16 cells.

- 6. I heard that Attleboro built a DPW Garage that is half of our size but they are larger than we are from a population perspective?**

They have several other laydown areas and smaller service garages around town in which they do various work and storage in. This allows Attleboro to use the new facility for fewer purposes than Mansfield, who will need to use this one building to do everything. The size of the Attleboro Facility was largely determined by the size of the lot they had to work with. Because it is a smaller lot, they are restricted in the size of the building. Cost wise, the Attleboro building is

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estimated to be \$319 per square foot and came in around \$8.8 million dollars. This cost does not include the \$3 million to \$3.5 million they have already spent on various site work.

Comparison Notes:

- The Attleboro facility is only serving the Highway Division. The Mansfield facility will be supporting the Highway Division, which also includes sewer collection, grounds and tree, and the Public Buildings/Special Projects Division.
- The Attleboro site is very tight. They built the largest building based on site restrictions. As a result, Attleboro abandoned the preferred idea of a drive-thru vehicle storage area and elected to go with stacked parking of vehicles 3-4 vehicles deep. The stacked parking configuration results in a smaller footprint, however, it contributes to inefficient operations trying to access equipment which may be parked in the back (similar to how the existing Mansfield DPW facility operates now).
- Attleboro does not have any areas on site for bulk material storage due to the limited site size.
- Attleboro does not maintain police or fire vehicles in their maintenance area resulting in less vehicles maintained when compared to the Town of Mansfield's vehicle maintenance area.
- The Attleboro facility does not include some of the typical DPW facility support spaces since it is only supporting the Highway Division (e.g. trade workshop spaces, material/supply storage, etc.)

With regard to cost comparisons, it is important that we compare like programs. After comparing the two projects and making adjustments as required to compare similar programs, we find the following:

Attleboro Highway Facility Cost per SF: \$319/SF

Current Mansfield DPW Cost per SF (adjusted to match Attleboro program elements): \$320/SF

The quick takeaway from the analysis of the two projects:

1. The main reasons why the Attleboro facility is smaller than the Mansfield facility are as follows:
 - a. The Attleboro Facility is only supporting one (1) division (Highway) while the Mansfield facility is supporting Highway and Public Building/Special Projects.
 - b. The Attleboro Facility does not include some of the shop spaces which are needed by Mansfield to support multiple DPW divisions.
 - c. The Attleboro vehicle storage garage is smaller due to site limitations resulting in the stacked configuration.

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- d. The Attleboro Facility has additional buildings for other departments such as grounds and tree and sewer collection works.
- 2. The cost per SF of the Attleboro facility is comparable to the projected cost per SF for the Mansfield DPW facility.
 - a. The Attleboro site has had previous work completed as part of another cleanup project and wasn't reflected in the \$8.8m bid price.

7. I see from the presentation that repairs do not look feasible. Why not build the Fire Station and let the other 2 buildings remain in service until we absolutely need to fix them?

As noted above, the cost of construction and interest rates will rise. We will not receive the savings estimated from building all 3 together if we only build one building. The cost of repairs is one thing but the facilities are no longer feasible for our operations and will require major changes, additions and upgrades. We feel that it isn't acting in the best interest of the tax payers doing some repairs and additions that will only extend the building's life an additional 10 years. Our proposal will address the building needs for these departments for the next 40+ years.

8. I see that the Fire Station is going to have more doors than before. Why?

The need for growth in our apparatus floor is the single most important part of the proposed new station. This will allow us to house all of the vehicles inside, provide proper working area around and prepare for the growth of the community. It will also give us a segregated area to do repairs on our equipment.

9. I was told that we could build a police substation at the Xfinity Center. If we do that, we do not have to build a new Police Station. We can make them pay for it!

One of the biggest mis- conceptions is that we only need a new Police Station because of the Xfinity Center. This is not true. We may need 2 to 4 more cells than normal, due to Xfinity. The Police Station is built for a Town of our size. Xfinity Center would not accept the legal liability, nor would the Town if we placed cells on site. This could open us up to legal issues. As far as making them pay more taxes than others, we already charge them for full-time employees (FTE) and equipment. Opening up taxes as usage fees is another argument in its entirety. It would affect Xfinity as well as homeowners and businesses in Town. If we make it so expensive, Xfinity could move out and we could lose tax revenue, or end up with large apartment complexes feeding children into the school system, thus increasing taxes.

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10. Why not leave the equipment outside like we used to, it would save several million off of the price?

We estimate a minimum of \$200,000 and a maximum of \$350,000 in weather related wear and tear due to leaving the vehicles outside based on our fleet size. That does not include FTE time to prepare the vehicles for winter and then summer, so we lose productivity and pay additional maintenance costs. We would make back the cost of that portion of the garage over 7 to 10 years. The last garage lasted us 65 years, so we would save millions of dollars over the life of the garage and vehicles.

11. Other communities have built facilities for less money per square foot.

The cost per square foot for the Mansfield project is right in line with benchmarked market costs. The Mansfield DPW facility is estimated to be \$301 per square foot compared to Medford at \$291, Bourne at \$300, Attleboro at \$319 and Norwood at \$305. The Mansfield Public Safety facility is estimated to be \$400 per square foot compared to North Andover at \$360, Weston at \$462, Newton at \$430 and Foxboro at \$433.

12. Will this facility have a negative impact on the environment?

The new facility will actually improve the site. Clean up will be complete and it will dramatically improve drainage and run off.

13. Will the Plymouth Street Station remain open?

The Plymouth Street station will remain open. By keeping the Plymouth Street Station and using the proposed new site, the Fire Department will be able to dramatically decrease response times to all areas of town, without any significant increase to any other area.

14. If we eliminate three (3) jail cells from the newly proposed police station, what is the cost savings?

The savings would be \$150,000.