SOME VERSHIRE GARAGE HISTORY

Vershire’s current town garage was built in 1969 on the bank of a headwater tributary of the Ompompanoosuc River. It has seen over 50 years of continual service.

Over the years, as the needs of the town roads increased, the sizes and types of necessary equipment have also grown. The current town garage is small, with two bays, and only a 30 x 60 dimension – it just cannot house the equipment required to run a modern highway maintenance operation. Because it is so small, the health and safety of the highway crew working inside the building on the trucks and other equipment is ever at risk. There is no potable water source. It does not have a septic system, or a separate office space. The insulation in the walls has failed and the floors are cracked, dropping away from the walls. The floor under the bay doors is so cracked and uneven, the doors are unable to seal tightly against the cold of our New England winters, releasing heat to the outside.

The existing garage is sandwiched on a narrow lot between the town road and the edge of the embankment with no room for expansion. Built on the edge of a stream, the building was very nearly a casualty of the flooding during Tropical Storm Irene in 2011. That storm undermined the building’s location on the streambank and, in the storm’s aftermath, the bank had to be rebuilt and fortified with riprap to hold it in place. That was ten years ago and the bank is slowly subsidizing.

The quest for a new town garage is not a new one. Vershire has been trying to build a new garage for years, never seeming to get near the final dream of accomplishment. We have known we needed a new town garage for over twenty years.

In 2006, at that year’s Town Meeting, the Vershire Selectboard reiterated the need to find land on which to build a new garage. At that time, there was a 20 acre parcel available on Parker Road, owned by Green Crow, near the Ely Mine property, and offered to the town for $40,000. At a special meeting on September 14, 2006, the taxpayers discussed the possibilities and held a voice vote. At that same time, there was also a discussion about purchasing the property on Route 113 where the VF&R is currently located. The land on Parker Road was ultimately turned down, 41 yes to 65 no. On January 30, 2007, the taxpayers turned down that second possibility, the purchase of the Thrasher property (now the VF&R Fire Station) on VT Route 113, for $220,000. That vote was 94 yes and 100 no.

In March 2009, there was an article on the warning for Town Meeting for the purchase of a different piece of property for the town garage (Dave Ricker) but that parcel was sold to a neighboring landowner before the vote could take place.

In 2010, after an energy audit, the cost of retrofitting the existing building was determined to be more expensive than the building of a new garage and so a search for suitable, buildable land was renewed.

Then, on July 27, 2013, the taxpayers approved the purchase of the Hatch property (27 acres on Durgin Hill Road) for $55,000. The vote was 83 yes to 41 no. The land was bought for both a recycling site and future garage development. Soon after that purchase, the State of Vermont wetland rules changed and the dreams of building a garage on the lower end of Durgin Hill were quashed.

However, in 2017 the town began exploring the possibility of building the garage on the northern end of the property on Durgin Hill Road, with the State of Vermont’s approval. Yet, like a lot of the land in Vermont, wetlands bordering the buildable portion of this site made it much too cramped to build a suitable building and in 2019 the voters gave the Selectboard permission to subdivide and sell the upper portion of the Durgin hill site. The Selectboard subsequently subdivided and sold two-thirds of it this year (2022) for $65,000, retaining 9 acres for recycling and potential future uses as yet to be determined.

On July 31, 2019, Susan Sargent, a long-time resident of the town (and whose father sold the town the land the current garage sits on) sold the Website—https://vershirevt.org/
her property on Vershire Center Road to the town for $160,000. We finally had a property where the new Vershire Garage could be built.

**THE NEW GARAGE SITE**

After purchasing the Sargent property on Vershire Center Road (VCR) on July 30, 2019, the process to develop a new town garage began in earnest. Throughout 2019 and into 2020, the town garage committee and Selectboard held meetings with Arrowwood Environmental, Julie Follansbee of the Vermont ANR, Wetlands Division, and Greg Dixson, our civil engineer from Krebs & Lansing. Having already engaged Greg Dixson and Krebs & Lansing for review of the Durgin Hill Road property, the town asked if he could stay on and help develop the VCR site.

In 2020, the town hired M&S Soils to perform a required geotechnical study to verify the condition and variation of the onsite soils at the VCR site, making certain it would be safe to build on the site. Working with M&W Soils, we determined the site was suitable to safely hold the weight of a building of this size.

The Selectboard began consultation with folks in the Wetland Division of the Vermont ANR in December 2020 about the VCR garage site. The Selectboard asked the Town of Glover for copies of its architectural drawings and then contacted Coe & Coe, the architect that designed it in 2015. The town then met with James Coe to discuss Vershire’s needs. Both the Selectboard and Garage Committee liked the simple but efficient design of the Glover facility and felt the design would suit Vershire’s needs. The Selectboard asked the Town of Glover for copies of its architectural drawings and then contacted Coe & Coe, the architect that designed it in 2015. The town then met with James Coe to discuss Vershire’s needs and eventually, James was hired to help us design Vershire’s building, based on the design of Glover’s.

**THE NEW GARAGE BUILDING**

It is one thing to have the site permits in hand but quite another to settle on a building. In very early 2020, the town invited a representative of Morton Buildings to come talk about pricing of garage buildings. At that time, Morton offered to be able to put up a prefab garage building for a cost in the neighborhood of $700,000 to $800,000 dollars. Their cost would be for the building only; the site prep cost would still be ~$400,000 dollars so the total cost for Morton to build would be in ~1.2 million dollar range. Morton included that if the town chose, it could have them manage the entire build project for an additional ~25% of the total cost.

However, as Covid-19 became more of an issue and things began to shut down the supply chains, Morton’s pricing increased and it then informed the town they would not be taking on any new projects in the near future. In December of 2020, with Morton no longer a viable option, we looked around to other towns for inspiration and ideas.

The board and garage committee visited the towns of Chelsea and Glover, two towns that had recently built new town garages, and interviewed them on the relative pros and cons of their new buildings. The Selectboard visited a number of other garages during this process, including Royalton and Cabot.

In March 2022, Krebs and Lansing estimated the cost of developing the site to comply with ANR regulations and requirements would be ~$400,000 dollars. With Greg and Michael’s help the town finished the permit process for wastewater, both storm waters and the wetland permits. The town received its approved wastewater permit on April 1, 2021, its construction storm water permit on April 5, 2021, its Wetland Permit on May 11, 2021, and its operating storm water permit on May 28, 2021.

All currently required site permits are approved by the State of Vermont and are in hand.
Covid-19, of course, complicated everything. Our need for a new garage did not change but the cost to build it did.

In order to move forward with the bond process and to develop a cost to bring to the people for a bond vote, we needed to have a better idea of what the cost to build our garage would be. In order to do this, we needed the help of a professional estimator. A professional estimator is someone with the skill and knowledge to take a technical building drawing and develop, based on the current market trends and supply chain cost for materials, a cost to build it. The town interviewed several professional estimators but ultimately hired Steven Pitkin. Pitkin came recommended and had worked with Mr. Coe, our building architect, and in February 2022, Steve sent in his estimate. To build the building as originally designed by Coe & Coe, Pitkin put the estimate at $993,000 dollars.

Together with an estimate by Krebs and Lansing of ~$400,000 dollars for the work to prepare the site itself, the total came in at just under $1,400,000 dollars.

The Selectboard is committed to spending funds wisely, considering the currently available technology, the need to consider a 30+ year financial timeframe, and how best to respond to climate change and how it may affect future economics. At Vershire’s 2020 Town Meeting, the voters of the Town of Vershire directed the Selectboard to ... “reconstitute the Vershire Energy Committee, developing that committee and charging it with gathering information and ideas for achieving town-wide net zero greenhouse emissions by 2030.”

This raises a key question regarding how to heat the new building. Following our commitment to find ideas and ways to wean our dependence on fossil fuels by the year 2030, the Vershire Energy Committee came to the Selectboard and asked that the building envelope, insulation package and mechanical system be at its highest performance. The committee also asked that a non-fossil fuel system be considered in lieu of a propane fired boiler system.

To this end, the town hired a mechanical engineering firm, Tru-Engineering, and asked it to design a system that would incorporate heat pump and solar technology into the heating system of the new building.

Tru-Engineering designed a hybrid heating system, using air to water heat pumps to do the bulk of the heating of a radiant floor slab, and backing that up for extreme cold temperatures with 1) electric heating elements for the hot water buffer tank and 2) two direct-fired gas unit heater (modines) for rapid recovery in the equipment bays when needed after doors open and 3) ducted air-air heat pumps for the office, break room and tool areas. We have designed the building to accommodate a large grid-tied solar array on the south-facing roof to generate the bulk of the electricity needed. We also had Tru-Engineering design a conventional gas boiler system as an alternative.

The combination of the heat pumps and solar is estimated to cost $125K more than the gas system to install, but the electric/solar system is expected to have 1/3 the annual running cost of the propane system, and a tiny fraction of the greenhouse gas emissions. Based on current prices, the payback would be 25-40 years, but with a system that would be far less vulnerable to the volatility of propane prices.

This is relatively new technology and as such we will need to provide very close attention to warranty details, ability to get locally available parts and service, Built-in-USA rules, local electric grid capacity and other factors before committing. The technology has advanced very rapidly in the last 5 years, and we feel the time has come to give such a system our full consideration, inasmuch as we are designing a building to be cost-effective over a 50+ year lifespan, and where reducing greenhouse gas emissions has become a state and national priority.

To this end, the site estimate of ~$400,000, the estimate on the building at ~993,000, and $125,000 for a hybrid heating system, the final estimate is ~$1,520,000 dollars.

Wow. Or, maybe more appropriately, whoa? This is a lot of money.
office but ultimately did not receive funding from either office. Grant opportunities have proven to be elusive; there is state grant funding available from the Vermont Clean Water program for tearing down our old garage.

However, a new state law (H518) is poised to give grants to convert existing fossil fuel heating systems to renewables, which could cover the entire cost difference and more, depending on how the final rules shake out.

The Energy Committee and the Selectboard are continuing to research grants and other possible funding streams that could be available. We are also working with our Representative in the Vermont House, Samantha Lefebvre and our Senator Mark MacDonald in searching for other funding streams, both federal and state.

THE BONDING PROCESS

There have been questions floating around about bonding and the steps required to set up a bond vote. The bonding process is not simple or very straightforward. The first step in the process is for the Selectboard to recognize the need to borrow the funds to build and pass a resolution to that extent. You might think the town would estimate the cost to build, subtract any grants or money in hand or reductions predicted and ask the town taxpayers for that reduced number. Not so. The resolution must be for the highest dollar amount the Selectboard estimates as the total cost to build (this would not include costs that have already occurred, like permitting and design). Although that number must be, by all accounts, a high number, the final dollar figure borrowed should be considerably lower after applying any money in hand and applying grants and figuring in any in-kind cost reductions. So again, the bond amount must be the dollar value the project is projected to cost to be built but not necessarily the amount the taxpayers will be asked to borrow. It is very much like when you, the taxpayer, are asked to approve an expenditure budget but that isn’t what you are actually taxed for when it comes time to set the tax rates for tax bills. The property taxes are divided by taking the expenditures you have approved, minus the anticipated income for the year to find a property tax number that is much smaller than the actual expenditures.

The Selectboard begins the Bond Resolution process at a meeting by:

- resolving that the public interest and necessity demand certain improvements (in this instance, construction of a town highway garage) at an estimated cost; and
- further resolve that the cost of completing the Town’s share of the costs of constructing such improvements, after application of available state and federal grants-in-aid, and the application of available reserves, will be too great to be paid out of the annual revenue of the Town and propose for the issuance of general obligation bonds or notes of the Town in an amount not to exceed the proposed cost of building the garage, subject to reduction through the receipt of any state or federal grants-in-aid and other financial assistance; and
- Submitting the proposed issuance to the legal voters of the Town at a special meeting, according to Vermont law and specifically the provisions of Chapter 3 of Title 19 and Chapter 53 of Title 24, Vermont Statutes Annotated.

The board must also resolve and adopt the warning and form of Ballot for the vote needed to take place. If the bond is approved by the voters, the Selectboard can then move on to prepare a request for bid package to send to contractors, giving them the building and site design specific blueprints, enabling them to bid on building the garage and site as designed and permitted by the state.

There are, of course, some other requirements along the way and there are some fairly specific requirements for posting and publication of the warning (different than the annual meeting):

- The warning needs to be published in a newspaper of known circulation in the Town.
- The publication needs to be on same day of the week for three weeks in a row, with the last date being no more than 10 days and not less than 5 days before the vote.
- The warning needs to be posted in five public places starting 2 weeks before the vote.
- Lastly, there needs to be an informational meeting within 10 days of the vote. This, our case, will coincide with a regular Selectboard meeting. That informational meeting needs to be warned at least 10 days in advance by posting in 2 public places plus the clerk’s office.

After the Bond Vote

After the voting is complete, and if the vote passes, the town will put together the “bid package” or the outline, with plans and drawings and sent to local contractors in order for them to develop a bid on the cost of building our garage. Once the bids are returned, they will have to be assessed and then a contractor chosen.
Financing would also have to be arranged.

**CONSTRUCTING THE GARAGE**

After the bid process is complete and a contractor has been chosen, the town will be able to start building, based on the available dates of the contractor, of course. Before beginning to build, the town would secure a building loan style line of credit, at one of our local lending institutions. The town would then tap into that credit line as construction progresses and bills are incurred, enabling the town to pay for construction as it happens, limiting the amount of accumulating interest as it moves through the construction phase.

After construction is completed, the building loan line of credit would be converted into a more traditional mortgage arrangement, through the Vermont Bond Bank. The VBB is able to give borrowers like the town more favorable (in the long term) financing than a traditional banking institution like Mascoma Bank could. The term would be 30 years.

**THE BOND BANK**

The Vermont Bond Bank was consulted in order to get an idea of what the payback for borrowing this amount of money would be over time. In late April, projections from the VBB were received and reviewed. When money is borrowed from the Bond Bank to finance a building such as this, the annual repayment amounts start high, and decrease each year as the bond is paid off. To borrow 1.525 million dollars from the bond bank for a fixed period of 30 years, at an interest rate of 3.9%, the estimate is that our first full payment would be $106,493 dollars and our last payment thirty years later, $51,889 dollars. To borrow 1.2 million dollars at that same term and rate would result in a first full payment of $83,798 dollars and the last one $40,839 dollars.

Right now and for the last number of years, the taxpayers in Vershire have raised $35,000 dollars each year for the Garage Fund.

If our first payment is $83,798 dollars, we would have to raise an additional $48,798 dollars. If all else stayed the same, and using last year’s tax rates, a home owner whose property was valued at $200,000 dollars would see a property tax increase of ~$138 dollars.

If the payment is $106,493 the first year, we would have to raise an additional $71,493 dollars. Again based on FY2022 tax numbers, the increase in tax for a $200,000 dollar property would be ~$202 dollars.

*(See the chart insert on the back page for a visual representation of this description).*

**FROM THE SELECTBOARD**

Together, although we are one community, we do remain as individual taxpayers. The cost of building a new town garage will directly affect everyone of us, both as a group and individually. We, your elected Selectboard, are committed to keeping the cost of this building as low as possible. It is one of our top priorities.

As can be seen through the historical record, the cost of this project has increased dramatically over the last 20 years. It is true we will see an increase in our taxes in order to build, but it is also true that our need to build a new town garage is now. If we continue to put off building, the cost can only be expected to increase, continuing to drive up the amount we will pay in the long run.

We, in conjunction and partnership with many others in town, are working every day on this project. We are committed to keeping the final project cost down while also building the most energy efficient and cost effective building possible. We are asking you, the voters, to consider deeply what this bond means to our town and lend us, and your town road crew, your support.

We will be having our last informational meeting prior to the bond vote on Tuesday, June 7, 2022, at 6:30pm, at the Vershire Town Center Building.

The bond vote will be by Australian ballot on Sunday, June 12, 2022, with the polls open 10:00 am - 7:00 pm.

Please come join us at the meeting on June 7 and remember to vote on Sunday, June 12!

Respectfully submitted,
Vernal Stone, Kenneth Bushey, Nicole White-Fogarty

The following two pages contain a copy of the Warning and a sample ballot.

There is also the option of voting absentee by contacting the Town Clerk and asking for a ballot.
WARNING

The legal voters of the Town of Vershire, Vermont, are hereby notified and warned to meet at the Vershire Town Center Building in Vershire on Sunday, June 12, 2022, between the hours of ten o'clock (10:00) in the forenoon (a.m.), at which time the polls will open, and seven o'clock (7:00) in the afternoon (p.m.), at which time the polls will close, to vote by Australian ballot upon the following Article of business:

ARTICLE I

Shall general obligation bonds or notes in an amount not to exceed One Million Five Hundred Twenty-Five Thousand Dollars ($1,525,000), subject to reduction by the application of federal and state grants-in-aid and reserve funds, be issued for the purpose of constructing a town highway garage, the estimated cost of such improvements being One Million Five Hundred Twenty-Five Thousand Dollars ($1,525,000)?

The legal voters of the Town of Vershire are further notified that voter qualification, registration and absentee voting relative to said special meeting shall be as provided in Chapters 43, 51 and 55 of Title 17, Vermont Statutes Annotated.

The legal voters of the Town of Vershire are further notified that an informational meeting will be held on Tuesday, June 7, 2022 at half past six o'clock (6:30) in the evening, at the Vershire Town Center building (27 Vershire Center Road) in Vershire for the purpose of discussing the proposition.

Adopted and approved at a regular meeting of the Selectboard of the Town of Vershire duly called, noticed and held on May 10, 2022. Received for record and recorded in the records of the Town of Vershire on May 10, 2022.

ATTEST:

[Signatures]

Gene Craft
Town Clerk

[Signatures]

Selectboard
OFFICIAL BALLOT
TOWN OF VERSHIRE
SPECIAL MEETING JUNE 12, 2022

ARTICLE 1

Shall general obligation bonds or notes in an amount not to exceed One Million Five Hundred Twenty-Five Thousand Dollars ($1,525,000), subject to reduction by the application of federal and state grants-in-aid and reserve funds, be issued for the purpose of constructing a town highway garage, the estimated cost of such improvements being One Million Five Hundred Twenty-Five Thousand Dollars ($1,525,000)?

If in favor of the proposition,
make a cross (x) in this square:

If opposed to the proposition,
make a cross (x) in this square:
In this table illustration, the FY22 Tax Rate Worksheet that was used in the current year to set tax rates was used to project what the same property’s taxes would have been given the amount to be “raised for Garage Bond,” the amount shown in the second and third payments below. The first payment depicted shows the actual tax rates and used for the current FY, with the actual taxes that would have been raised on a property valued at $200,000. Differences are shown to the right. (before any available Homestead adjustment)

<table>
<thead>
<tr>
<th>Property Assessment</th>
<th>Tax Rate Name</th>
<th>Grand List</th>
<th>Tax Rates</th>
<th>Tax Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$200,000.00</td>
<td>Municipal</td>
<td>2,000.00</td>
<td>0.8652</td>
<td>$1,730.40</td>
</tr>
<tr>
<td></td>
<td>Homestead Ed</td>
<td>2,000.00</td>
<td>2.1422</td>
<td>$4,284.40</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.0074</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Property Assessment</th>
<th>Tax Rate Name</th>
<th>Grand List</th>
<th>Tax Rates</th>
<th>Tax Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$200,000.00</td>
<td>Municipal</td>
<td>2,000.00</td>
<td>0.9342</td>
<td>$1,868.40</td>
</tr>
<tr>
<td></td>
<td>Homestead Ed</td>
<td>2,000.00</td>
<td>2.1422</td>
<td>$4,284.40</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.0764</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$83.8k</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$35k</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$202.20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Property Assessment</th>
<th>Tax Rate Name</th>
<th>Grand List</th>
<th>Tax Rates</th>
<th>Tax Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$200,000.00</td>
<td>Municipal</td>
<td>2,000.00</td>
<td>0.9663</td>
<td>$1,932.60</td>
</tr>
<tr>
<td></td>
<td>Homestead Ed</td>
<td>2,000.00</td>
<td>2.1422</td>
<td>$4,284.40</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.1085</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$106.5k</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$35k</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$202.20</td>
</tr>
</tbody>
</table>