



TOWN OF BROOKFIELD

WPCA

BROOKFIELD, CT 06804

July 14, 2017

Planning Commission
Brookfield Town Hall
Brookfield, CT 06804

Re: WPCA's request for 8-24 approval and Town Meeting for relocating the WPCA offices and establishing an Operations Center at 53 Commerce Road, Brookfield

A justification in a Q & A format.

1) What is proposed?

Purchase of a 3,000 sq. foot Commercial Condominium at the subject address. This is one of 7 units at this address, now under construction. It is a road-side end unit allowing construction for a useful office and meeting space. The anticipated building cost with the fit up is \$480,000 that will include roughly 1,000 sq. feet of mezzanine space for storage of records.

What is the justification for going from 283 sq. feet to 3,000 square feet? What is the purpose of proposing such a large facility?

Since the construction of the Town Hall the WPCA has occupied a modest office of 283 sq. feet on the first floor in the West end of the Town Hall. That served the operation well until the construction of the Three Condo line in 2009 followed by projects at

- Del Mar Drive/Old New Milford Road
- Sandy Lane
- High Meadow/Newbury Crossing/Ledgewood
- Rollingwood
- Brooks Quarry
- Barnbeck
- Oak Meadows
- Riverview
- Significant upgrades to multiple pump stations to allow for expansion at the Town Center
- And we can anticipate accounts at several significant Town Center properties.

Consequently, the miles of piping and number of pump stations has doubled and the number of customers tripled since 2008. The WPCA is no longer as back-of-the-envelope operation. It is a 1.7-million-dollar enterprise with roughly \$20 million of assets on the books with a replacement cost approaching \$100 million to steward.

The operation has become large, complex and sophisticated and is now beyond the ability of a volunteer board to fully manage. There are now increasing demands from the CT DEEP to monitor operations, including pump stations and grease traps. The WPCA determined that a part-time director is required to oversee day-to-day planning and operations. The existing office has no room to house that new staff member.

In 2014, the WPCA office was reconfigured with tall cabinets to make use of vertical space. But even with that office modification, the staff still has piles of active files on the floor. The space under the desks is filled. There is grossly insufficient table workspace.

Further, customers come to pay in the office walking into active working space. There is no pay counter, which is a bit unprofessional.

The field staff does not have proper office space. This will allow the entire staff to co-locate, a plus for any business.

The new plan includes a reception/pay counter area, a conference room, a garage space for small parts storage and repair, handicap bathrooms and six office spaces. One office for each of the two administrative staff persons (#1&2), one for the part-time director (#3), one for the maintenance manager (#4) and one for two field staff (#5). There is a sixth office for visitors, such as the Chairman or other board member and expansion.

The presence of the garage area will allow a central area for vehicle and equipment maintenance and, perhaps more importantly, will permit the vehicles to be centrally parked by staff members when not in use. The WPCA has eliminated the practice of staff members taking the vehicles home when not officially on duty.

2) Will moving off site defeat the purpose of combining all town offices in a central location at Town Hall? Has the Authority has explored office relocation within the existing Town Hall?

First, Parks and Rec has already moved out. So, there is recent precedent breaking up the so-called unity. If there is 1000 sq feet of space in the Town Hall use of that space could be considered. But the WPCA is now paying \$500/month for the 283 sq. feet. At this rate, the cost of 1000 sq. feet would be about \$1800 per month with the possibility of that escalating. This is the same cost of carrying a 80% 30-year mortgage at 4% interest. The land use offices appear cramped for space, and moving the WPCA out of its existing office may free up additional space for those agencies.

3) Has the Authority explored other alternate spaces?

Yes. The Old Town Hall is now occupied by Parks and Rec. While it may not be full, there is inadequate parking for the operation of the Parks and Rec Department. Further, since the WPCA receives customers for payment, the Old Town Hall is not suitable for handicap access.

If there are unused facilities at the Town Park on Candlewood Lake, the WPCA is unaware of that option. That is relatively far from the Town Hall for ease of access to Town Hall. But immediate physical access to the Town Hall is less and less important with the increasing use of electronic sharing of vital documents.

Office space in the new Town Center building on Station Road (ground floor, facing the road) was seriously considered. The cost of a triple net lease for 1000 sq. feet is \$1800 per month escalating each year for 10-years. The cost of purchasing the proposed space will be the same cost per month for a 30-year mortgage, for example. In the long term, the Authority determined that purchasing appropriate space was a better option. The purchase of the larger space is equivalent in cost, but a far better value for now, and planning for the future, than other options considered. It allows co-location and includes conference, garage and document storage space.

Other property options were explored. One example is a commercial condo on Sand Cut Road. One is 1720 sq feet of finished space at a greater cost per sq foot. This will require modification for WPCA making this a less desirable deal. Another is 2500 sq feet also at Sand Cut Road for unfinished space. The finished cost will be comparable to the proposed option, since the 53 Commerce Road offer is to complete the fit-up at cost, but in a less desirable location.

The 53 Commerce Road seems to be the best deal for the requirements of WPCA operations space for the future with handicap access, co-locating and proximity to Town Hall.

4) At some point, a new library is planned. Has the Authority considered use of the existing library for its facilities?

No. The fit-up possibilities and cost for WPCA needs is uncertain. Further, the timing is very far from determined. It is deemed prudent to make the move in this new fiscal year with the advent of a new Part-Time Director with the increasing demands on the operation.

5) How has the Authority planned for meeting operating expenses? Condo common charges, electric, phone, cleaning and facility maintenance. What are those expenses going to be and how will they impact the Authority's budget and rates? What are the anticipated carrying costs for the mortgage, and how will that impact the Authority's budget and rates?

The common charges are small at \$170 monthly for landscaping, snow plowing and security lighting. The total additional cost is anticipated and about at the level of 0.5 FTE. But with the improvement in efficiency of operation, will be possible to stave off getting additional staff. Thus, the implementation of an Operations Center is deemed by the WPCA Commissioners as a fitting strategy for the future.

6) It is understood that the Town may have a few large projects on the horizon - the library being one - and the concern seems to be that this purchase is unnecessary and will impact taxpayers, even if only the sewer users. Would a short-term lease of smaller facilities to cover the immediate space crunch be a better solution until such time as larger Town owned facilities might be freed up in the future?

The lease option at the Station Road property was for 5 or 10-years. Shorter term leases are more expensive. Moving more often will incur fit up and relocation expense. There are no viable options meeting the requirements for an Operations Center anytime in the foreseeable future so there is no obvious basis for selecting a length of a lease.

The proposal is to purchase and thus reversible. It is a property, an asset that subject to hold its value or appreciate for the monthly carrying cost. A lease is a sunk cost. The option always

exists to sell the property at some future date should that prove appropriate. These are the principal reasons the Authority voted to proceed with a purchase instead of a lease.

7) What are the anticipated carrying costs for the mortgage, and how will that impact the Authority's budget and rates?

The total *incremental* impact is roughly \$2,000 per year for financing, common fess and utilities. The WPCA operating cost is \$1,600,000 per year. That is 1.25% percent of the budget or less than \$7 per user per year.

8) Why hasn't the Authority considered bonding the purchase on a tax fee basis?

Authority is open to that idea. The Board of Finance is the body to determine the method of financing whether bank mortgage or bond. The Town has not floated bonds for several years and when that happens in the future is not determined. So, a bank mortgage option was explored just to understand this finance option and put it on the table.

Sincerely,

Nelson Malwitz
Chairman, Brookfield WPCA