



THE TOWN OF
WILTON
CONNECTICUT

FY'25 Bonded Capital Requests

FY'25 Capital Projects

May 7, 2024

Presentation to the Annual Town Meeting

Toni Boucher, First Selectman

Josh Cole, Second Selectman

Kim Healy, Selectwoman

Bas Nabulsi, Selectman

Ross Tartell, Selectman



Criteria for Bonded Capital Project Borrowing

- Reserved for long-term capital construction, purchase of real estate, purchase of high-value equipment (fire trucks, for example).
- Eligibility: Aggregate value of \$250,000+ and projected life span of 10+ years.
- Smaller related capital projects may be combined to meet the \$250k threshold.
- Bonding cannot be used to cover normal operational expenses.
- Basic repairs are considered “operational” expenses, not eligible for bonding.
- **NOTE:** Some bondable items can be done internally to save time and money like prior DPW garage construction. Moody’s does support using **excess** fund balance for a bondable capital item but not to offset budget tax increases.



Criteria for Bonded Capital Project Borrowing cont'd

- Long-term borrowing through bonding is an equitable way to spread the burden of paying for long-term capital projects such as an acquisition of land, construction of a building or improvements of capital facilities.
- The Town's bond rating is a measure of credit worthiness. The higher the rating, the lower the interest rate and the higher the ratio of money available for capital expenditure. Wilton has a bond rating of AAA, the highest possible, based on the Town's long history of fiscal discipline.
- Value of the Item should equal or exceed \$250,000 and have at least a 10 year life due to the high cost of bonding.
- Items with a 10 to 19- year life are bonded over 10 years. Items with a 20 -year life or more are bonded over 20 years or more.
- The one exception is town-owned roads and bridges. Value is not determined on an individual road basis.
- Bonding (borrowing) to cover operating expenses is strongly discouraged and could result in a rating downgrade. Painting and carpet are considered operating expenses unless included in a major renovation such as restoring 40% or more of a building.



FY'25 Bonded Capital Requests

- **The authorization of an approved bonded project will never expire,** (once approved a bonded project can sit on our list until we decide to complete the work and add it to a bond sale to reimburse ourselves).
- **We do not have to sell bonds to cover any specific project until we are ready to,** (past practice would be to bring projects that are nearly complete to the market so we can reimburse only the expense we incurred).
- **Town can bond projects over a few years,** (example: PDHQ bonded 10M and still has up to another \$6,400,000 to bond, timing the sale for cash flow needed on this project).
- **If voters authorize a project and the actual cost comes in less than authorized, we only bond for what we need.**



Significant Needs – School & Town Buildings

- Engineering studies identified significant need for repairs and renovation to multiple town and school facilities that have been long delayed.
- Preliminary estimates:
 - School upgrades, repairs, renovations: \$100 million
 - Town municipal building repairs, expansions: \$ 30 million
- Most recommended projects are eligible for bonding.
- Project plans are being designed to spread the costs of renovations over a 15-year period to minimize impact on tax rates.
- Project planners must calculate cost escalations due to inflation. Projects are a work in progress as they will evolve and are subject to change when scheduling over long periods of time.



Significant Needs – School & Town Buildings

- Several municipal buildings are aging and in need of immediate repair as well as longer term renovations and improvements.
- Operations have expanded with rapid growth in development. Demand for services has also grown since the conclusion of the pandemic. (over 900 more apartments are being approved by P and Z)
- Town Hall and the Annex no longer have space. Many offices are severely overcrowded, hampering ability of staff to serve the public and creating substandard working conditions.
- Health Dept. has 3 people sharing one room. Meeting rooms have been cut up into cubicles. IT offices are in a hall closet and HR has no private space to conduct confidential interviews.
- 1930 year old Town Hall lacks insulation and has no heat in many offices requiring portable space heaters during winter months. Employees often wear jackets, hats and gloves at their desks on cold days. Space heaters consume greater electricity, leading to high energy costs and budget increases.
- Antiquated single pane windows need replacement. Cold wind blows through windows that are covered with large sheets of plastic to keep heat in from the space heaters.



Public Works/Construction Management

- Police Station Building Construction Project (Construction Phase)
- Town-wide Paving Program –7 miles per year
- Bridge Program
- Scribner Hill Road
- Wilton High School Guy Whitten Field Lights (Design with P&R)
- Schenck's Island parking lot – (Construction)

- **Projects – Town Facilities**
- Town Buildings – Needs Assessment Analysis and Implementation
- Ambler Farms Yellow House and Ambler Farms White House
- Rental houses – Maintain 5 rental houses
- Custodial RFP for cleaning services
- Town Hall – Front Entrance, Windows, Boilers
- WVAC – Generator Replacement



Town Departments Space Needs

Public Works/Highways

- Tree Removals: **139 trees removed in 2023**
- See-Click-Fix: **434 requests completed**
- Road Trimmings & Road Sweepings: **127 miles in roadway in Wilton**
- Call Before You Dig requests: **1,039 requests in 2023**
- Road Opening Permits: **24 permits issued in 2023**
- Fats, Oil, Grease Program: **61 facilities inspected in 2023**
- Plan review letters issued: **45 review letters issued**
- Cleaned catch basin: **297 catch basins cleaned in 2023**
- Transfer Station **Installing new software; modernizing operation**
- Water Pollution Control Authority **Inflow and Infiltration RFQ**



DPW and Board of Education Projects

- School Buildings – Performed facilities assessment for Cider Mill, Middlebrook, School – for FY 24
- Middlebrook Roof Projects – Completed partial roof in summer 2023
- Middlebrook Roof, HVAC Projects – Ongoing for summer 2024
- Cider Mill - Elevator Projects – (Design Phase)
- Cider Mill School – Switch Gear repair or replacement, contractor to repair



FY'25 Bonded Capital Requests

• Scribner Hill bridge replacement	\$ 1,600,000
• Annual road construction	540,000
• Municipal buildings*	
• Boilers (town hall)	147,540
• Town Hall window replacements	441,200
• Town Hall-HVAC	238,800
• Town Hall-front entryway renovations	533,900
• Town Hall –exterior repairs, renovations	179,520
• Vault – Structural repairs	<u>43,560</u>
<i>Board of Selectmen Total</i>	<i>\$ 3,724,520</i>

* These items taken from the 2023-2024 facilities engineering studies.



Road Restoration

Final year of 5-year plan to restore 75 miles

- Historically, annual road restoration has been inconsistent. Many roads were not well maintained and remained in poor condition for long stretches of time.
- In 2013, approved plan to bond 50 miles of restoration over 5 years. In 2018, approved plan to remaining 75 miles of restoration over 5 years. In FY 2025 we asking the town to approve 7 miles.
- In order to maintain the Town's significant investment going forward, the bonding of 7 miles of road restoration is expected to continue each year into the future.

Restoration cost (paving, drainage, etc.) of approximately \$300,000 per mile

Methods of funding

- Municipal Road-Aid Grant for same amount accounted for in other revenues.
- CT State Municipal Projects Grant funds.
- Remaining amount with 10-year bonds.
- In previous years have used BOS budget savings.

FY2025 Bonding Request is \$540,00- balance of the annual \$2,000,000 per year is a carry over from 2024



Middlebrook School

• Roof replacement	\$ 1,902,935
• Replace chillers & rooftop HVAC units	3,261,041
• Replace interior ceiling tiles	<u>600,000</u>
<i>Board of Education Total:</i>	<i>\$ 5,763,976</i>

Board of Selectmen Total: 3,724,520

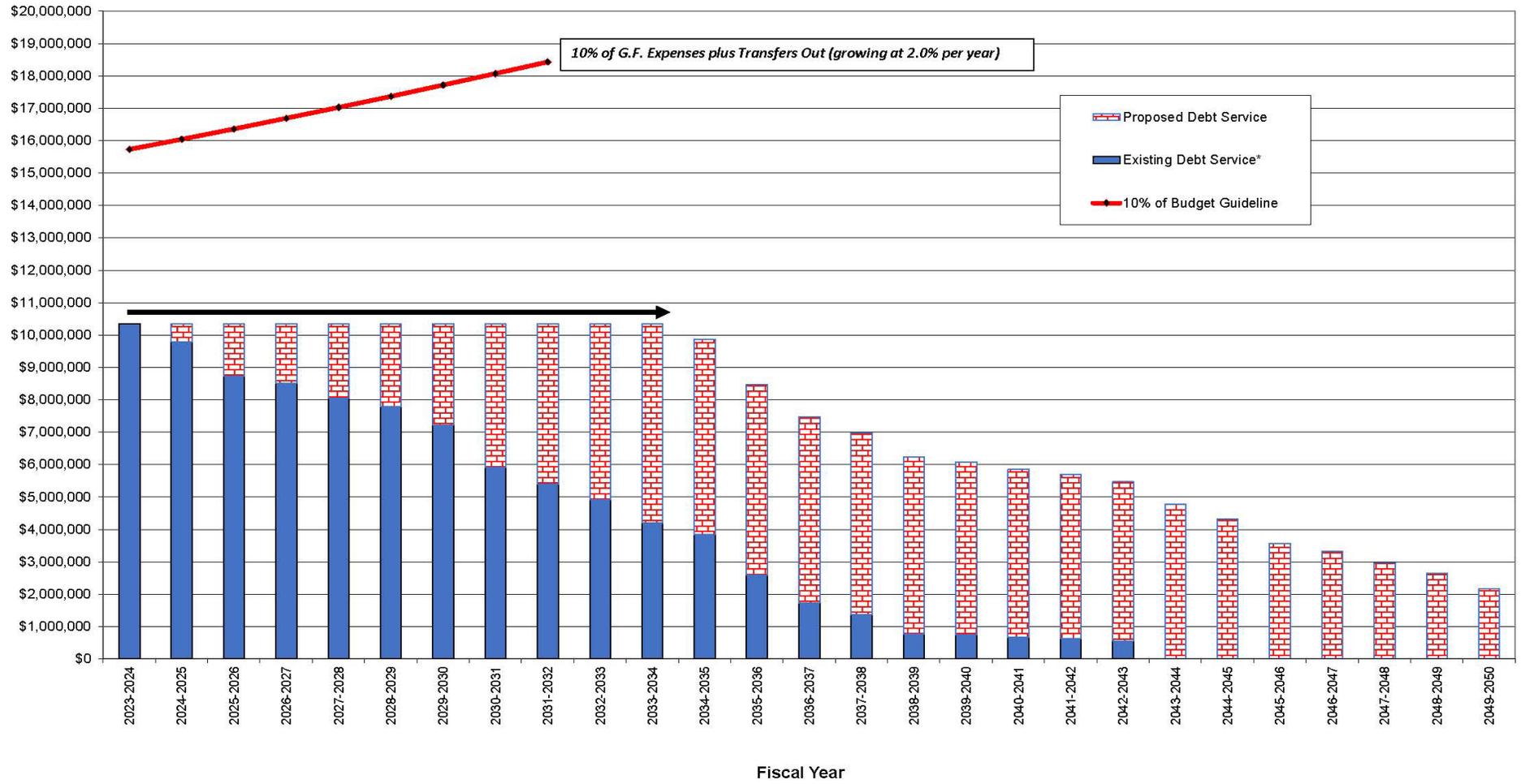
Grant Total-FY'25: \$ 9,488,496

(Please note: All three projects noted above are directly related to roof replacement)

How To Cover The Costs?

- The Town currently makes bond payments of slightly over \$10 million per year. (FY24 is \$10,341,191.30)
- As older bonds mature and are paid off, new debt can be added without increasing the total annual debt service budget line.
- Board of Selectmen will create a new ad-hoc building committee to prioritize future needed repairs and upgrades.
- The Committee will sequence new renovation projects to coincide with the payoff of older bonds, thereby keeping the overall debt load constant to prevent tax increases associated with borrowing.

Town of Wilton, Connecticut Existing & Proposed Debt Service for the Next 10 Years Scenario #1



Scribner Hill Road

Reconstruction of dangerous curve and crumbling shoulders



Town Hall

Repair Front Entrance



Town Hall

Repair Front Entrance



Town Hall

Aging, Single Pane Windows Leak Air



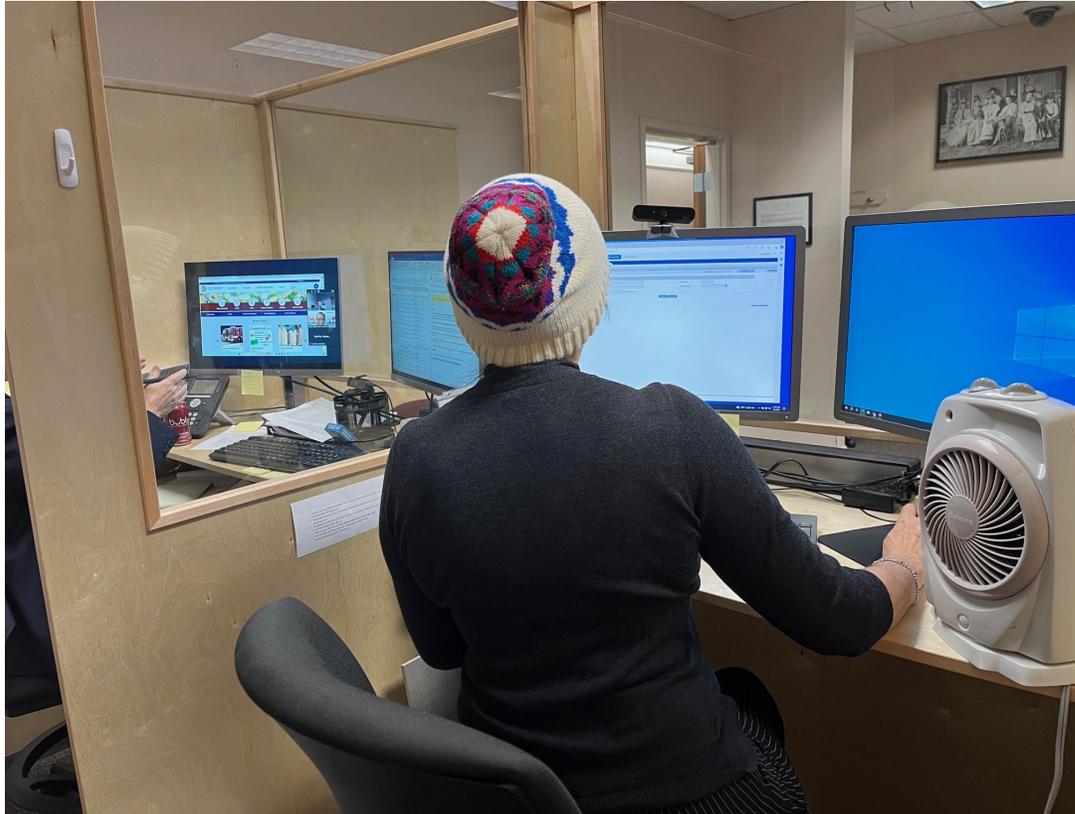
Town Hall

No Heat- Space Heaters During Winter Months



Town Hall

No Insulation in Exterior Walls



Town Hall

Water-Stained Ceiling Tiles Caused by Leaking Roofing



Town Hall

Peeling Paint/Water Damage



Town Hall

Cracked and Water-Stained Ceiling Tiles



Town Hall

Weakened Foundation – Aging Heating Plants



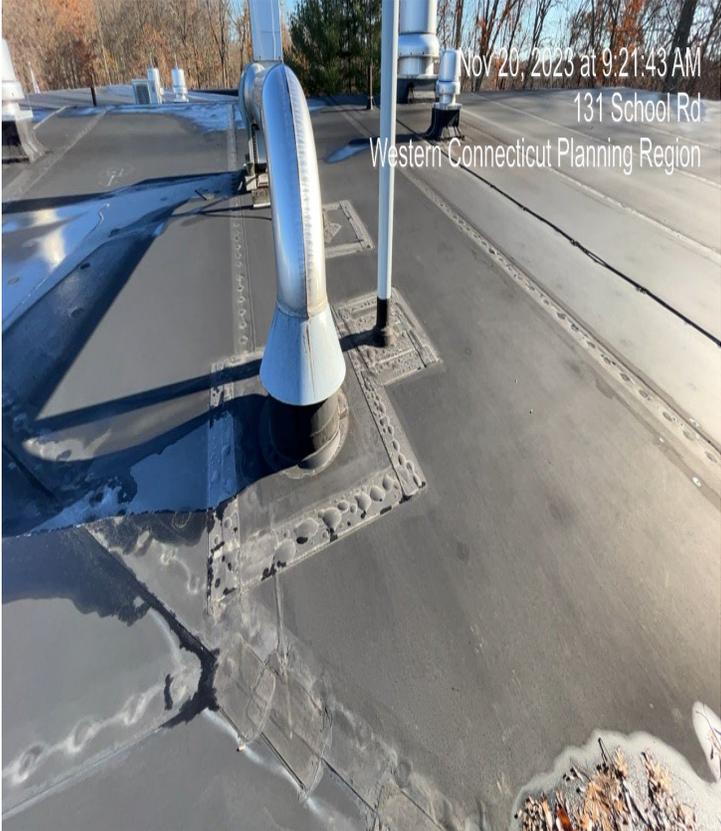
Middlebrook School

Aging Chillers



Middlebrook School

Roofing to be Replaced



Future Bonded Capital Requests- Ambler Farm Yellow House



Future Bonded Capital - Ambler Farm White House

