



THE RESPONDER

DIX HILLS FIRE DISTRICT NEWSLETTER

JUNE 2016

News & Information for the Residents of Our Community

\$8 Million Headquarters Rebuilding...

NO PROPERTY TAX INCREASE!

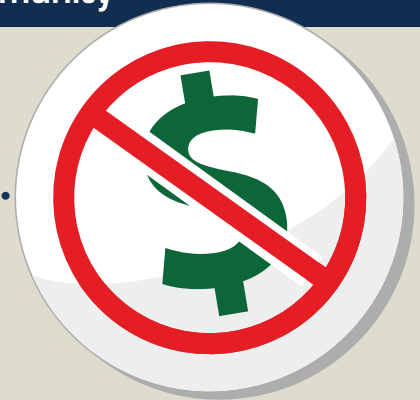
The Board of Fire Commissioners is pleased to provide this special edition of *The Responder*, which details our solution for ensuring the future safety of the Dix Hills community and firefighters alike, including:

- Renovation of the existing HQ building
- Construction of a new four bay sub-station
- Significant exterior site renovations

Projected to cost \$8 million, the project is checkbook friendly. Financing provides for loan payments to be made from the District's operating budget, meaning there will be no property tax increase resulting from this project...ever!

"Over the last five years we have worked closely with residents, community groups, and members to develop this plan," stated Todd Cohen, Board Chairman. "We believe it represents the optimal combination of safety, operational efficiency, and fiscal responsibility for all."

Still months away from the formal approval process, the plan has already received extremely positive response and approvals from civic leaders and community groups.



Commissioners Todd Cohen, Mike Plumitallo, Phil Tepe, Bob Commisso and Larry Feld.

Necessity, the Mother of Invention.

The need was obvious: How to safely and cost effectively house today's, (and tomorrow's) emergency response vehicles.

- Renovation of the existing HQ facility: \$11.5 million. Too expensive.
- Traditionally constructed sub-station: \$6 million. No funds for HQ's structural problems.

We were stuck between a rock and a hard place!

After months of research, we investigated pre-engineered building construction. These buildings are factory-assembled, disassembled, trucked to the site, and re-assembled. But they are neither "cookie cutter" nor "shed" type buildings. Each is custom-engineered to specific dimensions, structural criteria, and materials that conform to local building codes and customer preferences. Pre-engineered sub-stations offer significant cost savings, in our case, approximately 50% less than traditional brick and mortar construction.

Seeing is believing. The Board reviewed a pre-engineered fire station in Wilton, NY, (Saratoga County, population 16,173) and was very impressed with its quality and structural integrity. Consulting with several pre-engineered building manufacturers, we were able to develop a design that meets our needs, is aesthetically pleasing, and fiscally responsible.



Artist's Rendering

What's Being Done and WHY?



Commissioner Bob Comisso

As reported previously in *The Responder*, our 58-year-old HQ facility requires major renovation and repair to continue day-to-day operations.

An independent engineering firm reviewed its structural condition and conducted a study to “determine how to best repair/renovate the existing facility to meet the criteria for a highly utilized fire department headquarters in today’s environment.”

Engineering Report Findings: Building Shortcomings

- No longer meets building and electrical codes
- No longer meets OSHA and NFPA standards
- Cracked masonry and brick, missing mortar
- Undersized sanitary systems
- Plumbing issues requiring modernization
- Not handicap accessible
- Not in compliance with ICC/ANCI standards
- Too small to safely accommodate modern fire and ambulance vehicles
- Extensive exterior erosion, drainage, paving problems

According to Commissioner Bob Comisso, “Given its critical importance to our emergency response in the District’s northern half, we scrutinized every option for modernization. Economics precluded replacing the facility, leaving renovation and repair as our only viable option.”

The Board also engaged an independent architectural firm to analyze the engineer’s report, conceptualize a renovation project, and establish associated costs. Simultaneously, the Board consulted with community leaders and groups and believes the solution will restore our headquarters to a place of pride in the community.

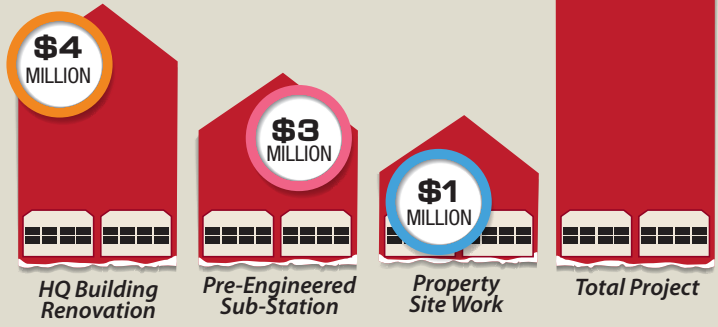
4 Key Points:

- HQ building will be renovated and modernized inside and out. All structural and electrical shortcomings, OSHA, NFPA, and ANCI deficiencies will be addressed.
- A four bay sub-station will be constructed on the property’s north end to accommodate modern-sized fire vehicles. This resolves the insufficient door size problem and provides a needed truck bay. A “pre-engineered” structure was chosen, providing dramatically lowered costs versus repairing the building.
- Extensive exterior site renovation will repair all drainage, erosion, and paving problems.
- The financing ensures the project will be completed for \$8 million, with no interruption in fire protection or ambulance service, and no property tax increase.

Dollars & “Sense” of the Plan

The Board put extraordinary time, energy, and expertise into developing this project so it was both fiscally responsible and palatable to the community. However, the \$8 million price tag was not arrived at arbitrarily.

BASIC PROJECT FINANCIAL SUMMARY



The District does not have sufficient funding available, so financing is recommended:

1. Capital Reserve (Savings):	\$1.5 million
2. Municipal Bond (Loan):	\$6.5 million
3. Total Funding:	\$8.0 million

Timing:

Assuming the project is approved by January 2017, completion is projected in 2019. At that time loan payments will commence, and all funding must be in place.

Currently, our annual operating budget provides for a \$450,000 transfer into our Capital Reserve Fund (savings) specifically for the HQ renovation. These monies became available when the bond payments from past construction projects were paid off and expired in 2015. Therefore, \$450,000 transfers made for 2016 through 2018 into the Capital Reserve Fund will bring it to the required \$1.5 million level.

AA Rating:

Municipal bond payments are like mortgage payments. Monies are borrowed for a number of years at a fixed rate of interest. Our Bonding Counselor advises us that the District’s current S&P credit rating is AA, and we can get a 25-year, \$6.5 million bond with fixed interest rates under 4.5%. Obviously the lower the interest rate, the less our annual payments will be. However, for our evaluation purposes, we assumed a 5% interest rate, which yields a higher payment and keeps our estimates very conservative.

Using any of the online loan or mortgage calculators, you will be able to see that a \$6.5 million bond (loan), paying a fixed 5% interest for 25 years generates an annual payment of \$455,976.

No Property Tax Increase!

With an annual bond payment of approximately \$450,000, the District has the funding available to make the annual payments for the life of the bond. Therefore, there will be no property tax increase to our residents resulting from this project!

Relieving our residents from financial impact was a significant part of the Board’s planning in this project, which is a “win-win” outcome for all.



HQ Building: Turning Lemons Into Lemonade

Originally designed to provide basic fire protection to a small agricultural community, today the HQ facility serves 28,000 residents, and responds to 2,400 alarms annually. Timely repairs have kept the building operational, but community needs have far outpaced capabilities, and age and condition have negated additional expansion.

At the Board's direction, reviews were conducted by independent engineering and architectural companies, which identified serious concerns.

(1) The HQ building houses both District staff (who handle all administrative, support, and maintenance operations), and the firefighters and EMTs of Engine Company 2. The area utilized by the District's mechanics for repair of the emergency vehicles was deemed undersized, unsafe, and would require expansion of the building by one additional truck bay. The cost of that one bay expansion: approximately \$750,000.

(2) To accommodate today's larger fire vehicles, the bay doors on the front of the building must be increased significantly. This would necessitate the front façade being removed then rebuilt with higher and wider doorways. The cost estimate of this repair alone: in excess of \$1.5 million!

These two significant repairs helped to escalate the architect's renovation cost estimates to more than \$11.5 million, far more than the Board believed was fiscally prudent.

Squeezing Lemons:

Clearly another solution was needed. Countless hours were spent analyzing project costs, plans and options. The notion evolved that if we could build an inexpensive, properly sized, home for our emergency

vehicles, could we also incorporate a ready room, bathrooms, and offices? Our research and determination paid off.

Lemonade With A Pre-Engineered Structure!

By building an inexpensive pre-engineered sub-station building on the north end of the property, everything falls into place.

1. There will be no interruption in emergency response during the HQ building's renovation. The sub-station would be operational before any renovation was started.
2. The firefighters, EMTs, and all Engine Company 2 emergency vehicles will move from HQ into the sub-station. No more overcrowding or space issues with the District staff.
3. Emergency vehicles will fit safely and properly in the sub-station, eliminating the need for the \$1.5 million dollar removal of the HQ front façade.
4. Instead of adding a new \$750,000 truck bay for mechanics' use, a larger, existing bay in the HQ building could be renovated and used for repairs.
5. The storage of emergency response and patient medical records (currently offsite) will be consolidated at HQ. This will save thousands of dollars annually.
6. While the HQ building bays were undersized for modern fire engines, they could now be repurposed to house an additional ambulance, the medics' response vehicle, and several District vehicles.

Floor Plan:

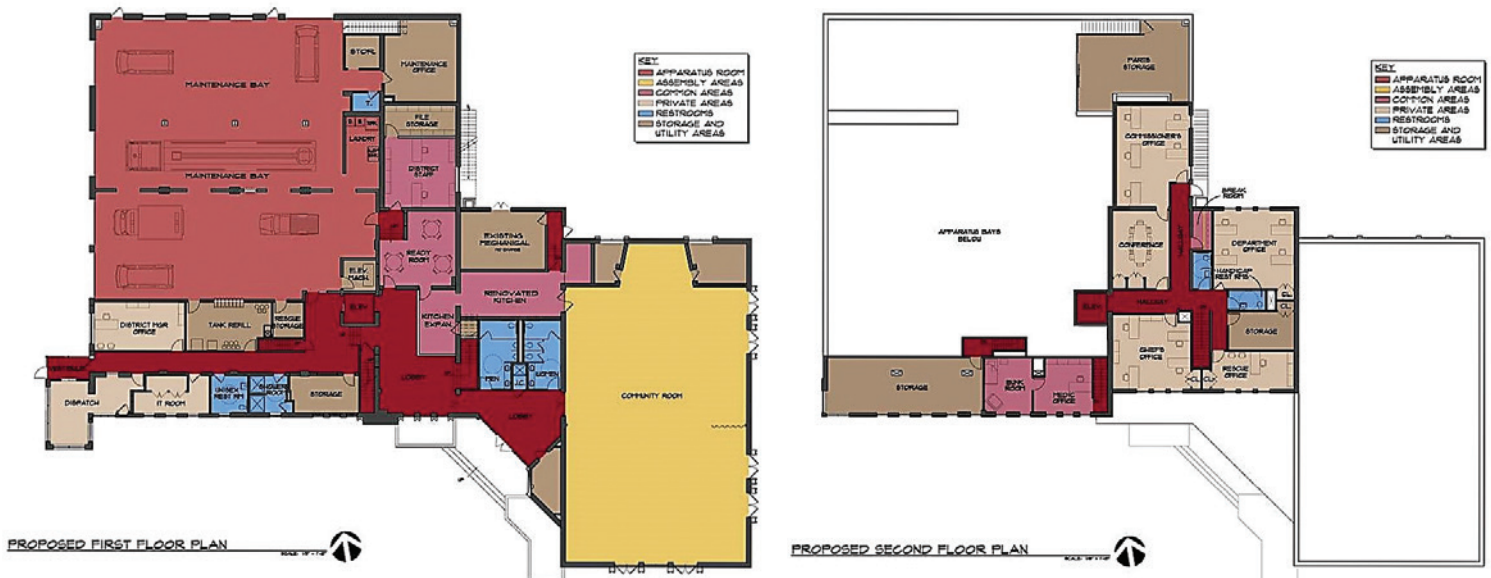
The accompanying floor plan indicates the non-structural renovations being made to the HQ building, including a crew bunkroom, handicap accessibility, shower facilities, elevator, and increased office and storage areas.

With some effort and TLC, the HQ facility's 58 years of dedicated service will be continued for many years to come.



See Floor Plans on Back Page

FLOOR PLANS:



Where Do We Go From Here?



numerable tasks need to be addressed before we can break ground. That milestone could be a year or more away. The initial task is community awareness, and this newsletter represents step one. While we don't foresee any meaningful plan changes, residents must be fully informed. Over the next few months we will provide additional plan details, drawings, and projections, so residents can make an informed choice at approval time.

Meetings:

In late Fall we will hold a series of Town Hall meetings to provide additional details and an open forum. State law requires that we hold only three meetings, but our Board believes all concerns should be fully addressed. Therefore five or six meetings are being planned, and will be spread across daytime, nighttime, and weekend dates.

Voting:

A week or so after the meetings, residents will vote on the plan. Community approval is a "win-win" for everyone, providing a modernized headquarters facility without property tax increases for residents. Plan rejection sends the Board back to the planning table.

Upon Approval:

Once approved, the project's construction components will go out for competitive bids, and the bonding/financing process will be initiated. These processes are time consuming and could take three months or longer to complete. Once the construction vendors and financing aspects are in place, the earliest groundbreaking will be in late Spring or early Summer of 2017.