

Parking Lot Statement Delivered at 6/12/16 Congregational Meeting

As you heard, the town has approved our site plans so we've been given the go ahead to apply for a building permit to start construction of our parking lot. We have a contractor, Jeff Lindley, who the parking lot committee feels is fair and has a good reputation, and he's worked hard to earn the bid. Among his local projects is the lot for UCC in Centerport. He's also able to start this job in July, pending receiving the building permit.

However, we just learned on Monday, June 6, that the project is now coming in over our budget, so this is what we want to inform you about and explain. In October 2014, the congregation approved the motion to use our investment accounts in order to pay for a new parking lot, authorizing an amount of up to and no more than \$500,000 for this use. According to the minutes of that meeting, which are on our website, at that time we had an estimated cost of \$407,000 with pending electrical estimates and contingencies.

That estimate was based on preliminary, unapproved plans. The project was delayed twenty months due to the fact that the congregation asked the parking lot committee to push back on the town's setback requirements. Remember they wanted a 50-foot setback, which would have necessitated cutting our great lawn in half. So we hired a lawyer and an engineer, both of which were wise decisions in part because once the town was looking at our site, they discovered open permits that impact Little Learners, one of our sources of revenue.

Further, since our vote, there have been changes to town regulations that now treat projects like ours as commercial. We are now required to install additional sidewalks along the front of our entire property, curbs, bollards for our handicapped parking, and landscaping for environmental impact, as well as a host of other items. The end result is that the project is now just under \$500,000, \$492,690. We've already spent, after nearly \$23,000 in donations, \$46,815 on the attorney, engineer, winter prep work, and the necessary drywell work in 12/14, which applies to the balance, so no longer has to factor into this project. Our contractor believes his estimate is thorough and there won't be surprises because test holes were done already. So while we should prepare for contingencies, he doesn't expect them. But his estimate doesn't include sprinklers, electrical work, and the landscaping, the latter of which has to be completed in order for us to get our certificate of occupancy from the town. So now this project is looking more like \$550,000, but we might want to be prepared for up to \$600,000 with landscaping, sprinklers and any contingencies.

For what it's worth, the new parking lot at Southdown School, which is roughly the same capacity as our lots (but a simpler, rectangular shape), was a \$600,000 project.

I'm sure this shocks you as much as it did the board of trustees when I presented this information to them. I know your reaction may be that we should just then forget about the project, or reduce it or handle it in phases. And I tried to anticipate all your questions, because the board had them too. I spent several hours speaking with our engineer, contractor and the parking lot committee to go over every scenario I could think of.

So let's first talk about why not doing the lot can't be an option, not the least of which is that we as a congregation voted to go ahead in Oct. 2014:

1. The engineer, contractor and town have reminded us that we have a "bad situation" with the current state of our parking lot. It's a liability and our insurance costs could become an issue, not to mention the continued concern about lawsuits.
2. Our existing drainage issues remain a hazard, and are also causing problems and increased costs within our building as the drainage problems outside this main hall are causing leakage that's leading to the mold problem and has damaged this carpet, which can't be replaced until the leaking is fixed. This situation will continue to get worse without construction. We can't install just the drainage, because that would require permits, which would be stymied by our open violations.
3. Some have asked us about just seal coating or regraveling, but neither solves the above drainage issues.
4. We have to consider our tenants. Our annual rental revenue of nearly \$89,000 is also important to our budget, and of that, nearly \$35,000 is from Little Learners, who, like our other tenants, has been promised a safe parking lot. The lot also impacts Little Learner's revenue as she has in turn promised her parents there will soon be a safe lot for them and their children. Therefore, if we don't move ahead with the lot, we risk losing our tenants.

5. We have inadequate lighting, which is another safety issue, and the plan will actually save us money on electricity because we're switching to LEDs. The new lighting features dark-skies design.
6. Regarding the grounds, there's the practical issue that we have many dead trees that need to be removed regardless, and most of them are also what the town has asked us to remove.
7. The price of asphalt is tied to the cost of oil, which is still at a historically good price now. Since January, oil has gone from \$28 to \$51/barrel. Should that continue, our costs will only increase next year and beyond.
8. While the town can't force us to do this project, there are potential fines because our dumpster and every one of our roadside signs are in violation. Also we have open issues already with the property and part of the reason we got this town approval for our parking lot is the good will our lawyer John Breslin promised from us.
9. As we bring back our Long Range Planning Committee, I've looked through our archives and see that part of our long-range plan for 25 years has been to take care of the parking lot. Twenty five years of talking about it and we're finally here. Imagine how much cheaper this would have been had we started years ago. And how much more expensive it would continue to become.
10. The approval permit from the Planning Dept. is good for five years, so we wouldn't need to start the whole 20-month process over with them if we delayed this for years to come. But the Zoning Board approval is only one year, and they're looking for us to complete the project because of our cottage C of O issues. In other words, if we delay, we may not have trouble with Planning, but we could have more trouble with Zoning, which, in turn, affects our right to have tenants. One year's lost tenant income would be unthinkable.

Now I'll tell you about ways we could possibly reduce our costs and what would happen if we phased construction.

Regardless of whether or not we can afford it, the only way to know if we can reduce costs is to go ahead and apply for the building permit. Before we can get the permit, there will be a meeting with us, the contractor, the engineer, and the

Planning, Engineering and Building Departments. At that meeting, our engineer Jackie Peranteau and contractor Jeff Lindley can discuss modifications to save us money, with the understanding that the new requirements have put us over budget. Jackie said that the way the new requirements are speced is the right way to do our lot because it will be stronger and more long-lasting, but there may be ways to trim it. For instance, the town may be willing to reduce the binding and stone requirements by an inch, which could save as much as \$30,000. We could ask to eliminate footing rings from certain drywells and reduce the washed gravel where Jeff encounters good sand. This could also save us significant money. The town could also say we have no choice but to do as they speced. Depending on how this meeting goes, we could decide not to get the permit (which for reasons above isn't a good idea) and the permit is good for one year. So, we could delay the project until next spring and try to raise more funds, but that doesn't solve the immediate problems laid out above.

Could we phase it and do some parts now and some next year?

- a. The excavation work can't be phased without a penalty and that is a significant cost already (\$161,450).
- b. 2/3 of the job is the north lot and the curb, sidewalk and road work, which the town will not let us phase. I'm not sure what percentage of the total cost of concrete that is, but it is a significant portion of the total \$115,550.
- c. So what remains of construction is less than a third, the south lot, which is causing the internal problems with mold. We could do this side first, but we'd still have to do the expensive parts of the project as well.
- d. We could hold off on the lighting, but not the poles or we'd be digging up new pavement to put them in next year.
- e. On the south side, we could hold off on the asphalt and concrete, but it would be a mess in the meantime.
- f. We could hold off on the sprinklers and landscaping, which aren't even estimated yet. As I said, landscaping has to be completed to get our certificate of occupancy, but it can be done in phases and there may be parts of that the town would let us reduce.
- g. We could delay the back loop until next year, which is currently a cost of between \$5,900 and \$13,340.

In short, delaying the more expensive parts of the project doesn't make sense because the cost of supplies only increases and having to bring back contractors invariably winds up costing more. But we could delay some of it.

So where does this leave us? We can't ask to take more money out of investments than was approved in 10/14. I know there are legitimate fears about drawing down our investments even for the \$500,000. But remember they were set up to take care of, in part, major building projects like a parking lot. Further, our investments can be built back up. Our Endowment Committee is going to make it a goal next year to educate us about planned giving, which will help to replenish our investments.

The question then is how to fund the balance of this project? We will soon be letting you know how we will raise the additional funds so we can proceed.

While I, too, am dismayed about the cost, and had hopes when I started working on this project three years ago when I was still your vice president, I suppose every one of us who has ever had work done on our homes could have anticipated that the best laid plans can go awry. But I still believe that just as we invested in our worship space 32 years ago—and members and friends then made it happen—we can find a way to come together to make this parking lot, a topic of discussion for 25 years so far, a reality in 2016.

--Liza Burby, chair of Parking Lot Committee