

Danville Train Station Committee Minutes

October 10, 2023, 4:00-5:30 pm

Location: Danville Town Hall Meeting Room

Attending: Michael Hogue, chair; Rob Balivet co-chair Building, Catherine Whitehead co-chair Use, Ted Houle, Laural Ruggles, Alison Low, Stan Pekala, Kitty Toll co-chair Fundraising and Tim Ide.

A quorum was present; however the meeting was not warned according to open meeting requirements thus no motions will be accepted. The meeting will be discussion only.

The agenda was modified to move Mellissa Levy's presentation to the beginning of the Committee reports.

Guests: Melissa Levy and Greg Prior

The revised Minutes of September 12, 2023, meeting were reviewed, edited, and accepted.

Freight Room Feasibility Study-Community Roots Presentation-Melissa Levy

Freight Room Use (750 square ft. w/ADA accessible bathroom & storage space).

Criteria Identified:

- Recreation related/Connection to the LVRT
- Local Ownership/Control
- Age Inclusivity
- Supporting (not competing) w/other businesses in Danville
- Opportunities for community events/building social capital/community programming
- Year-round usage
- Align w/community values
- Synergy w/schools
- Potential for revenue

Melissa presented key points from her market research, top use ideas, economic projections for the trail and recommendations for moving forward.

Trail-related Spending:

Outdoor Recreation Spending in the region: Trails related groups/orgs in the region shared that the average non-Vermont resident spends money on food and drink (restaurant and grocery) and the least on gifts and souvenirs. VT residents spend the most on transportation.

LVRT predicted average spending: Local day users top spending *categories* (shopping/retail, transportation, restaurants & bars). Non-local day users top *spending* (transportation, restaurants,

shopping/retail). The St. J to Joe's Pond Section of the LVRT is predicted to have the highest percentage of non-local users (35% compared to 25% for all other sections). By the #'s (per yr.) = 51, 496 trail users, \$689K sales, 11.1 jobs. Growth scenarios, average spending profiles, and baseline spending St. J to Joe's Pond was also shared (charts available). The group discussed baseline growth and Danville capture rates from LVRT trail user spending.

Top Use Ideas Explored:

1. Bike rentals/tours/shuttle service,
2. Ice cream shop/Grab n Go Cafe,
3. Retail/Recreation Outfitter (trail-related gear, maps). Melissa shared infrastructure and equipment, space needs and profit margins of these uses.

Other case studies/examples for overhead costs & operations of similar buildings and uses were researched and shared; Town owned Swanton Railroad Museum (MOU w/historical society, town plows and pays for heating & electrical, volunteer staffed). Melissa contacted Front Seat Coffee to inquire about operations and set-up for their satellite location at the Craftsbury Outdoor Center re: coffee hut/snacks (they pay COC monthly for locating there). This could be considered a model for the Grab n Go café use.

Laural shared her free consultation with VT Law School students re: seeking non-profit status to run/manage day-to-day operations at the Train Station and steps involved. She shared that there may be additional legal/lease requirements to consider if a commercial entity is occupying the freight room versus solely a community use.

The group discussed freight room lease options; pop-up arrangement, monthly rent, lower monthly rent and a percentage of revenues to start (eventually moving into a monthly rental agreement). It is likely that the first year will not be fully operational and may have seasonal and/or weekend hours to start (pilot test, understand costs and operations/staffing needs/maintenance). Melissa will continue to research organizational structures: community trust vs nonprofit. An additional business breakfast and community meeting was also discussed.

Building/Land:

Rob presented the results of the meeting with the Select Board:

The board approved the AIA document contracting for the GMP, Guaranteed Maximum Price, in the amount of \$832,000, down from the first estimate of \$914,000. The chair of the SB signed the agreement. Michael noted that they were attempting to reduce the sum by reaching out to tradesmen in the local area for bids.

The SB also approved and signed the AIA document for an Early Work Release not to exceed \$185,000 for site work, drainage, and structural repairs. Work to begin immediately. Kate expects that the grants will cover all this work. Construction will not move into the next phase until funds are available to complete the identified work.

The SB also approved providing power throughout the project and to apply for a Builders Risk insurance policy to cover the Town's potential exposure on the project.

The SB was also made aware that we did not receive the Arts Council grant, for which the SB had approved a match requirement of \$30,000. We asked that this sum be available for construction in the early stages of work. No decision was made.

There was significant discussion about the overall GMP, given the earlier estimates for construction around \$535,000. Michael reminded the group that this estimate was pre Covid. Rob also pointed out that engineering delays forced the construction manager to ask for bids from the various trades at the height of the construction cycle in mid-July and emergency repairs from the floods. This led to a high number of no bidders or inflated bids. The construction manager was successful in making some design changes to reduce the GMP by \$82,000 from \$914,00 to \$832,000.

Michael reported they were in discussion with the St J Academy's Trades program to undertake the electrical work. If successful, this would be a material only cost. He also indicated we were awaiting a local roofing company's bid.

Once the new bids are in and the first stage of construction no serious defects are uncovered, the CM will file a new GMP. There was a group identification of several local trades firms that we should contact for bids in the area of painting and plumbing. Rob and Michael to follow up.

Rob reminded the committee that the process for paying invoices involved his review first relative to the construction documents, then to Kate as regards grant allocations and then to Michael for overall review prior to providing to the Town for payment.

Use

Kate reported that the VHCBC grant in the amount of \$75,000 which was set to expire at the end of September, was extended to the end of the year by which time the covered components will have been completed, principally site and structural work.

She indicated that with the new GMP, expected future changes to the GMP, and a fundraising goal of \$150,00, that we will need an additional \$370,00 to \$323,000 from grants. Alison pointed out that we should apply to the NVDA for the station to be on their Regional Priority Projects list. She also indicated that many of the grants are starting their new funding cycle and encourage us to apply early. Alison also promoted the idea that we hold an "all funders meeting" as soon as possible to present our construction shortfall and ask for their input. She reminded us that they all "have skin in the game" and will want to help us to complete this project. Kate and Alison led a discussion around strategies for increasing our universe of funding opportunities in federal funding and ownership changes that would trigger tax credits that could be sold in the open market as a source of funds for the project.

Kate will update the committee on progress at the next meeting.

Laurel reiterated her belief that we would, in the long run, benefit from having a 501(c)3 organization to manage the station's operations and upkeep as well as promote all recreational assets in Danville. It was agreed that a non-profit entity could remove the management and financial burden from the Town and enhance the "station as a recreational hub". It was recommended that Laurel develop this idea for later discussion. She reported that the 73 miles of the trail is now open after flood damage repairs except for

the section between Hardwick and Danville. It is expected that the entire trail should be open late Spring.

Ted asked if anyone had read the NYT article on gravel road riding in Vermont. If not, he highly recommended reading it relative to Danville's expectation of financial impact.

Funding

Kitty indicated that since construction is visible at the station, her team could start the fundraising effort. They will need to discuss how to approach fundraising given the 'phasing' approach. She will present a plan at the next meeting. Overall, she thought it was positive to fundraising that construction has begun.

There was no new business to discuss and a motion to adjourn was made and the meeting concluded.

Michael Hogue, chair