

Proposed Gravel Pit Purchase Route 14 Eligo Lake Rd. Greensboro, VT

The Town's current gravel pit has 1-2 years of material left. We are proposing that the Town purchase Ken Davis' pit for the price of \$500,000. It consists of 174.8 acres with a good amount of ready to use material. We would be able to generate materials for the Town for many years to come.

We had a third-party consultant [Gary Nolan] do an assessment of the current inventory of materials as well as the long-term investment. The consultant concluded that this would be a positive long term investment for the Town.

A list of existing inventory includes the following:

- 500 yards of mound sand
- 500 yards of farmer sand
- 1000 yards of 1 ½" stone
- 1500 yards of screened gravel
- 15,000 yards of 2-8" stone for crushing
- 4,000 yards of winter sand

The Act #250 permit was just renewed in November 2021 for 20 years. Having this pit would enable the Town to continue crushing gravel and have access to the materials that we need for our roads...sand, stamatt, stone, etc.

The Town plans to bond for the \$500,000 and repay over 20 years. The first payment would be an interest only payment in FY24. Subsequent years would start at roughly \$47,000/annually but decrease each year. The interest payment is included in the proposed budget. We are asking voters to vote "yes" to the gravel pit bond because it makes a lot of sense for the Town.

Report given by Gary Nolan Consulting

At the Hardwick Selectboard meeting last month, I made a presentation to the Board regarding my findings as to the feasibility of the Town purchasing the Davis gravel pit on Route 14 in Greensboro. Early in the process I employed the services of Tyler Mumley of Mumley Engineering to accomplish a very limited engineering study of the pit. On the 12th of September, Mr. Davis provided an excavator and operator to dig test holes at my discretion. We dug 14 test pits that ranged in depth of 12' to 15', which provided an excellent insight into the amount of sand and gravel available to the Town for its use long into the future.

In Mr. Davis' original presentation to the Town, he assumed an amount of 200,000 to 250,000 cubic yards available for use. My calculations based on a limited engineering review, a few site visits and the results of the test pits, confirm Mr. Davis' original numbers, which I believe to be conservative.

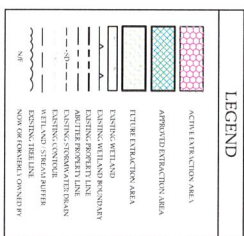
Based on today's prices please see my calculations below. These are based on a purchase price of \$500,000.00 and 200,000 cubic yards of material available with an annual use of approximately 14,000 cubic yards. $200,000 \div 14,000 = 14$ years.

$\$500,000.00$ purchase price divided by $200,000\text{cy} = \$2.50/\text{cy}$. This of course does not include interest on your money.

	Screened Cost / CY	Crushing Cost / CY	
Material Costs	\$2.50	\$2.50	
Process Costs	\$3.50	\$5.00	Subcontractor
Reclaim Costs	\$0.50	\$0.50	
Move Material & Reload		\$2.00	(Town Forces)
Total	\$6.50	\$10.00	
Avg Price at a private pit	\$9.70	\$14.00	
Savings /year	$4,000 \text{ cy} \times \$3.20 =$ \$12,800	$10,000 \text{ cy} \times \$4.00 =$ \$40,000	$\$52,800 \times 14 \text{ years}$ \$739,00.00

This does not take into consideration the possibility of processing ledge for long into the future. My recommendation would be to pursue an amendment to process the available ledge resources on this tract of land.

Also, a couple of other considerations. At the end of the day, if you will, the possibility of an industrial park as there is 3 phase power at the entrance. In the more immediate future, the Town might engage a local sugar maker to lease the possible 5,000 taps which may be available on the site.



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SCALE: 1" = 100'

Graphic Scale

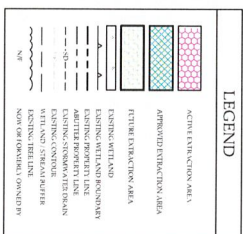
A horizontal graphic scale bar with alternating black and white segments. It is marked with '0', '100', '200', and '400' at regular intervals. The text 'SCALE: 1" = 100'' is positioned above the bar, and 'Graphic Scale' is centered below it.VT ROUTE 14
GREENSBORO, VERMONT

PROJECT NO. 22083
DRAWN BY WEH
CHECKED BY TRM
SCALE 1" = 100'
DATE 07/11/22

SHEET NO.
C-1
1 OF 2 SHEETS



A horizontal graphic scale bar with a black and white checkered pattern. It is labeled with '0', '100', '200', and '400' at regular intervals, with the unit 'feet' at the right end.



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EXISTING CONDITIONS PLAN
DAVIS GRAVEL PIT
VT ROUTE 14
GREENSBORO, VERMONT

 MUMLEY ENGINEERING, INC. 11 WOODCLIFF FALLS ROAD WOODCLIFF FALLS, NJ 07076 WWW.MUMLEYENGINEERING.COM OFFICE: 908.261.3000 FAX: 908.261.3001	PROJECT NO.: 22061 DRAWN BY: WEH CHECKED BY: TRM SCALE: 1"=10' DATE: 07/17/22
	SHEET NO. C-2 1 OF 2 SHEETS