

Joe Colangelo

From: David <dwwulfson@aol.com>
Sent: Wednesday, February 17, 2016 4:56 PM
To: Joe Colangelo
Cc: pyoung@vrs.us.com; David Wulfson; Gary von Stange; colleenparkervt@gmail.com; Bill & Toni Supple; John D. Kerr; Tim Pudvar; Claudine Safar
Subject: Re: Additional Questions

Dear Joe:

I apologize for not providing you with a clearer perspective regarding the only possible alternative site for our salt sheds when I sent you the information. First, please understand that time is of the essence if this alternative is even viable. We need to be filling new salt sheds before the end of this coming summer in order to meet the needs of the municipalities and the State of Vermont for the following winter. Securing, designing, and constructing this facility on an alternate site poses significant logistical challenges for our team. Therefore we need to know quickly whether securing an alternative site is even viable.

VRS considers the site in Shelburne to be ideal. It borders our tracks, and is close to Route 7. The property is zoned industrial. There are no neighbors who will be affected by operations at the site. Therefore VRS has no interest in selling this property, or finding a new site. The Town, however, has asked VRS to consider relocating to a different site. As an accomodation to the Town, VRS has explored other sites, and is willing to consider relocating its salt storage facility. VRS is not willing, however, to shoulder the additional financial burden such a relocation would create. Therefore if the Town is willing to hold VRS harmless from the additional costs then VRS will consider relocation. Our position is that an alternate facility should cost us no more than the one we own in Shelburne as it stands now. To achieve this the Town would have to agree to pay the cost to purchase the alternative site, plus the engineering and permitting costs that VRS would have to incur for the new site. The Town would also have to pay the costs to demolish the building on the alternate site, legal fees that VRS might incur in the event there is opposition to our

proposed use of the site, closing costs including legal fees, and any land gains and capital gains taxes that VRS would have to pay.

At this point the only viable alternate site will cost \$6.15 million to purchase. We haven't calculated the additional costs yet, however, if the Town is interested in exploring this option let us know and we'll get estimates of these costs. We would expect the Town to agree to indemnify VRS against the actual costs of course.

I want to stress that this is not the preferable path for VRS. We are only considering it in an effort to accommodate the Town. We are not looking to make money on this proposed exchange. Rather, we simply don't want to lose money by relocating. The Town should understand the financial consequences associated with relocating this facility to another site.

Sincerely,

David Wulfson

DW

On Feb 17, 2016, at 2:19 PM, Joe Colangelo <jcolangelo@shelburnevt.org> wrote:

Dear Peter and David –

I believe VRS understands that the Selectboard wishes to discuss the purchase of 2087 Shelburne Road. You purchased the property on December 28 for 675K. The property is assessed at 729K. Your letter today does not address the figure you propose to the town for the purchase of the subject property. I would like request that you provide that figure for Selectboard consideration.

-joe-

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<image001.png>

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