

Letter to OLSBA Residents

Reviewed at a Special Meeting of the BOG
Tuesday, October 19, 2021, 6:30 PM
(via Zoom)

Dear residents,

We have new and substantive information to share this evening, and I would like to simply “cut to the chase” to use a movie review expression, but the final chapters in this ten plus year saga are not yet written. Since the very first chapter written in 2012 with approval of the funding resolution, a long-drawn-out story has evolved, which leads us to this evening’s discussion.

As reported previously, bid results for the three components of the shared project were due recently and results for our internal project were due and received on Thursday, October 14. These were the unofficial “read-aloud” results which F&O had to carefully examine, conduct a detailed bid analysis, and then determine and recommend the low responsible bidders/contractors. This analysis and information from F&O were made available literally an hour ago to all CSA members, and we’re sharing that information here now.

The bid verification and financial analysis clearly determined that the project is unaffordable for OLS and we are unable to proceed at this time. The total estimated cost to our residents for our internal project and the shared infrastructure exceeds our approved bonding capacity of \$9.7M. The total estimate of costs came in at approximately \$11.3M. So, this chapter is now written, but there is more to follow.

The final chapters can only be written once we fully evaluate the overall situation and our options. We need to honor our partnership with the three CSA members, learn where they stand at this juncture, and what their plans might be. Your WPCA and BOG will continue to exercise due diligence in determining the following:

- Potential availability of additional grants, and means for integrating new funding
 - DEEP’s response to the funding dilemma
 - Potential but unlikely funding alternatives
 - Implications for the Unified Consent Order*
 - Potential alternative compliance measures*
 - Treasury Department’s posture regarding accumulated debt for engineering and design
 - Whether one or more CSA member desires to proceed to construction, and the implications of their decision regarding current agreements
 - Legal implications and possible ramifications if OLS must abort the project*
 - Private funding for debt repayment, road repair and storm drainage improvements
- *Ongoing BOG initiatives, as reported previously

Financially, Old Lyme Shores is unable to proceed at this time, but we need more information and discussion to determine final outcomes and the least detrimental strategy. In the meantime, no additional money will be committed to support the project.

Based on the scope and timing of needed interactions with our partner CSA members, DEEP, Treasury, and F&O, any final determination on outcomes and strategies may not be possible until the end of December, 2021.

Your WPCA will provide regular updates as we work through remaining details.

Sincerely,
Al Roy – Chairman, OLSBA WPCA