



Office of the Town Manager
Christopher Martino

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STAFF REPORT

Council Meeting Date:	April 14, 2026
Agenda Title:	Warrenton Town Hall Renovation – Budget Stabilization Reserve Appropriation for Building Envelope and Critical Systems Repairs
Requested Action:	Authorize appropriation of \$425,000 from the Budget Stabilization Reserve
Department / Agency Lead:	PW - Facilities & Fleet Management
Staff Lead:	Johnny Switzer, Facilities & Fleet Manager / Emergency Management Coordinator

EXECUTIVE SUMMARY

The Town of Warrenton acquired the former BB&T bank building at 21 Main Street in late 2019/early 2020 to serve as Warrenton Town Hall. Since the acquisition, the Town has undertaken a phased approach to address a significant backlog of building deficiencies identified in a 2019 building envelope condition assessment prepared by Nick Innocenzi & Sons Consulting Engineering & Associates, LLC (NISCEA). While meaningful progress has been made, the historic age and multi-phase construction of the building continue to present ongoing repair needs.

Two newly identified issues have emerged requiring immediate Council attention: (1) visible cracking and signs of wall movement in the 2nd floor Room 229/231 office area, evaluated by NISCEA in February 2026 and attributed in part to long-standing deferred exterior masonry deficiencies compounded by extended periods of sub-freezing temperatures; and (2) chronic failures in the server room mini-split HVAC systems, which have caused repeated IT outages affecting town-wide operations and citizen-facing services.

Staff request a supplemental appropriation of \$425,000 from the General Budget Stabilization Fund reserve to cover these unexpected and necessary repairs to Town Hall.

BACKGROUND

Building Acquisition and Initial Condition Assessment

The Town acquired 21 Main Street (the former Old Town BB&T bank, constructed in three phases circa 1950, 1960, and 1985) in late 2019/early 2020. Prior to acquisition, NISCEA conducted a building envelope condition assessment (April 24, 2019, NISCEA Project No. 19009) documenting a broad range of deficiencies including severely deteriorated mortar joints, absence of through-wall flashings, corroded steel lintels, multiple aging and failing low-slope roof systems, two leaking

skylights, rotted window sashes and wood trim, failed perimeter sealant joints, and significant basement water infiltration. The 2019 report recommended prioritized repairs, including full-scale exterior repointing, through-wall flashing installation, window replacement, roof remediation, and below-grade waterproofing.

Repairs Completed Since Acquisition (2019–2025)

Following the acquisition, a select group of repair items was approved and completed based on available funding during the initial remodel. Since 2023, the Town has significantly expanded its program. Completed work to date includes: restoration of the front façade and window restoration/repairs; basement foundation waterproofing and sealing; multiple HVAC unit replacements; roof replacement(s); asbestos remediation projects; natural gas meter relocation; and numerous other critical systems repairs and replacements. Despite this enhanced investment, the historic age of the building and breadth of the original deficiency list mean a significant number of open repair items remain.

Room 229/231 Interior Wall Cracking – Newly Identified Issue

In early 2026, staff observed a series of cracks and visible signs of wall movement in the 2nd-floor office area (Room 229) and adjacent storage closet (Room 231), both within the original Phase 1 construction. NISCEA was contracted to evaluate the area and conducted a site visit on February 6, 2026 (NISCEA Project No. 26003). NISCEA's findings indicate the cracking is aesthetic in nature and not a structural concern; however, contributing causes include differential thermal movement caused by weeks of extreme cold temperatures, exacerbated by the original 1950 construction's lack of wall insulation, and moisture migration through the exterior brick veneer. Critically, NISCEA noted that the brick mortar joint conditions observed in February 2026 appeared essentially identical to those photographed in April 2019, indicating that prior tuckpointing recommendations had not yet been implemented at this location. Similar cracking was documented in Room 229 during the 2019 site visit, which was subsequently repaired and repainted, but the root cause was never corrected.

CARP – Scheduled Projects

The Capital Asset Replacement Plan identified multiple projects over the next few years to address this list of deferred maintenance projects under existing projects of energy management (windows), HVAC replacements, and roof replacements at Town Hall. It should be noted that staff are utilizing both the 2019 and 2026 NISCEA reports to guide the replacement priorities.

- FY26 Energy Management (Windows): \$32,211.73
- FY26 Roof Replacement: \$193,000
- FY27 TH HVAC Replacement \$200,000

Facilities General Operations Budget

- FY26 TH Door Replacement \$15,000
- FY26 Mortar Repairs \$10,00

- **Gordian Job Order Contract Scope Development**

Following the NISCEA February 2026 evaluation, staff engaged Gordian, a Job Order Contracting firm operating under the pre-competed EZIQC Contract No. CTR025591, to develop a comprehensive scope and cost estimate. Gordian was provided with the original 2019 NISCEA report and tasked with evaluating any remaining open items alongside the newly identified repair needs. Gordian, in coordination with The Matthews Group, Inc. (TMG Construction Corporation), developed a work order encompassing the following categories. Note: window replacement has been separated from this proposal for further consideration and additional bids from local vendors.

- Exterior Doors: Replacement of alley-side and loading dock doors (hollow metal) and front ADA door and paired main entrance doors (Mahogany, to match existing historic character), including all associated hardware.
- Masonry Repairs: Tuckpointing of approximately 1,784 SF of bulging and loose masonry at 14 identified locations across all building elevations, addressing the primary driver of the Room 229/231 cracking.
- Roofing & Asbestos Testing: Remaining flat roof section replacement (demo of two existing systems, new polyiso insulation, new .060 TPO adhered membrane, flashing, drip edge) and asbestos/lead sampling and testing.
- Windows (Separated Scope): Window replacement across the first, second, and third floors and historic window sections has been removed from this proposal for further consideration. Staff will solicit additional bids from local vendors before returning to Council with a recommendation.

Server Room HVAC: Chronic Failures and Proposed Replacement

The Town Hall server room has historically been cooled by mini-split style HVAC systems that have a long and documented history of service outages. When these units fail, IT disruptions cascade across all Town operations, directly affecting citizen-facing services including permitting, utility billing, public safety operation support, and other municipal functions. Staff worked with Riddleberger Brothers, Inc. to develop a proposal for dedicated Computer Room Air Conditioning (CRAC) units, purpose-built for IT and server room environments, with electric reheat, humidity control via steam humidifier, hot gas bypass, built-in condensate pump, factory startup, an extended compressor warranty, and a replacement part labor warranty. The proposal includes all labor, material, equipment, crane services, indoor air handler, condenser, line sets, and electrical connections.

STAFF RECOMMENDATION

Staff recommend that the Town Council appropriate \$425,000 from the budget stabilization reserve to fund the unexpected and necessary repairs to Town Hall.

Service Level/Collaborative Impact

The masonry repairs directly address the root cause of the Room 229/231 wall cracking and reduce ongoing water infiltration that, left unaddressed, will accelerate interior and exterior deterioration. The roofing scope completes the phased flat roof remediation program, building upon existing funding staff have identified for roof replacement at Town Hall, and eliminates a remaining source of chronic water infiltration. The exterior door replacements address life-safety, ADA compliance, and aesthetic continuity objectives. Window replacement has been separated from this proposal; staff will return to Council with a recommendation following additional bids from local vendors.

The server room CRAC unit replacement directly supports operational resilience across all Town departments. The current mini-split systems are not purpose-built for IT environments and have caused repeated service disruptions affecting residents and businesses. The proposed CRAC unit offers significantly improved reliability, precision temperature control, and humidity regulation. Continuity of IT systems is foundational to all municipal service delivery. This project reflects coordination among Facilities & Fleet Management, Information Technology, Finance, and Community Development, Human Capital & Risk Management, and uses the pre-competes Gordian EZIQC job order contracting platform to provide an efficient and compliant procurement mechanism.

Policy Direction/Warrenton Plan 2040

These investments are consistent with the goals of Warrenton Plan 2040 as follows:

- **Historic Preservation and Character:** Plan 2040 recognizes the historic character of the downtown and Town Hall district as a defining community feature. The specification of architecturally appropriate entry doors and the careful restoration of exterior masonry reflect the Town's commitment to preserving the character of its public buildings while meeting modern performance standards. Window replacement, while separated from this proposal, remains a priority and will be brought forward following a competitive local bidding process.
- **Fiscal Stewardship and Infrastructure Investment:** Plan 2040 calls for responsible stewardship of Town-owned assets and proactive maintenance of public facilities to avoid deferred maintenance cost escalation. Addressing these building envelope deficiencies now prevents more costly structural interventions in the future.
- **Resilient Government Operations:** The server room CRAC replacement directly supports operational resilience by eliminating a known and chronic point of failure in the Town's IT infrastructure. Continuity of IT systems is essential to the delivery of services residents and businesses depend on daily.
- **Sustainability:** Installation of a new TPO roof with improved insulation and replacement of undersized and unreliable HVAC systems with purpose-built precision units contribute to reduced energy consumption at Town Hall, consistent with Plan 2040's sustainability objectives.

Legal Impact

The Gordian work order is being executed under EZIQC Contract No. CTR025591, a pre-competed Job Order Contracting vehicle established in accordance with the Virginia Public Procurement Act (VPPA), specifically Virginia Code §2.2-4303(F). No separate competitive procurement is required for this work order.

Fiscal Impact

Staff have identified existing funding appropriations — including funding previously allocated for roof replacement at Town Hall- to support a significant portion of the work authorized under this proposal. The balance of funding required will be transferred from the Budget Stabilization Reserve. This allocation will cover the gap between existing identified funding and the costs of the exterior door replacement, masonry repairs, roofing and asbestos work, and server room CRAC system installation. The window replacement scope has been removed from this proposal and will be brought back before Council separately following a competitive local bidding process, with its own funding at that time. Long-term, these investments are expected to reduce recurring maintenance expenditures associated with chronic water infiltration and HVAC outages, while extending the serviceable life of the building and its critical systems.

The Town's adopted Fund Balance Policy includes a provision to allocate year-end surpluses to a Budget Stabilization Fund and a Capital Fund. Withdrawals from the Budget Stabilization Fund may be considered if there is an unexpected expenditure increase during the current fiscal year. The current balance of the Budget Stabilization Fund is \$1,611,068. This request will transfer \$425,000 for the newly identified projects, leaving a balance of \$1,186,068 in the Budget Stabilization Fund reserve.

ATTACHMENTS

1. NISCEA Letter Report, February 9, 2026 – 21 Main Street Interior Wall Condition Assessment (Project No. 26003)
2. NISCEA Letter Report, April 24, 2019 – 21 Main Street Building Envelope Condition Assessment (Project No. 19009)