



Borough Hall & Public Safety Facilities Project Update

Borough Hall & Public Safety Infrastructure Advisory Committee
November 29, 2023

Contents



Construction Update

Budget Update

Project Cost Benchmarking

Project History & Overview

Benchmarking Sources

Construction Update

Recently Completed / Substantively Complete

- ✓Roof Cap: Composite Board & Metal Trim
- ✓Site Grading
- ✓Stone Retaining Wall
- ✓Fire Alarm Installation
- ✓HVAC Equipment Installation
- ✓HVAC RTUs Hook-up
- ✓Split System Completion
- ✓Interior Ceiling Installation
- ✓Interior Lighting Installation
- ✓Concrete Floor Polishing
- ✓Restroom Plumbing Fixtures & Fittings

In Progress

- Concrete Walkways and Curb Work
- Paving (Phase 1)
- Exterior Door Installation
- HVAC Testing
- Interior Door Fob System Installation
- Carpet Installation
- Council Chambers Dais Construction
- Final Painting & Finishes
- Furniture Delivery

Looking Ahead

- Life Safety Systems Completion
- Testing & Inspections
- Certificate of Occupancy & Move-In
- Additional Fire Bay & Site Work
- Exterior Lighting Installation
- Paving (Phase 2)

The Homestretch

We are working to obtain a Certificate of Occupancy and move into our new Borough Hall and Public Safety Facilities in a few weeks, with some additional work to follow.

We are close to completing a project that has been on the Borough's to-do list for decades. Our renovated and expanded facilities will provide employees and the public with a safe, healthy, functional, and code-compliant operating environment.

Budget Update

Project Budget through 11.29.23

Total Budget	Expenses	Encumbered	Balance
\$5,560,000	(\$4,616,000)	(\$314,000)	\$630,000

Projected Project Cost	Projected Contingency
\$5,560,000	\$0

Total Budget: \$52K approved March 2018; \$4.46M approved June 2020; \$1M approved August 2023

Project Cost Benchmarking

Two benchmarking methodologies show that the Borough Hall & Public Safety Facilities project will cost significantly less than comparable projects – supporting an estimate of \$3M+ savings from the Borough’s in-house management of the project.

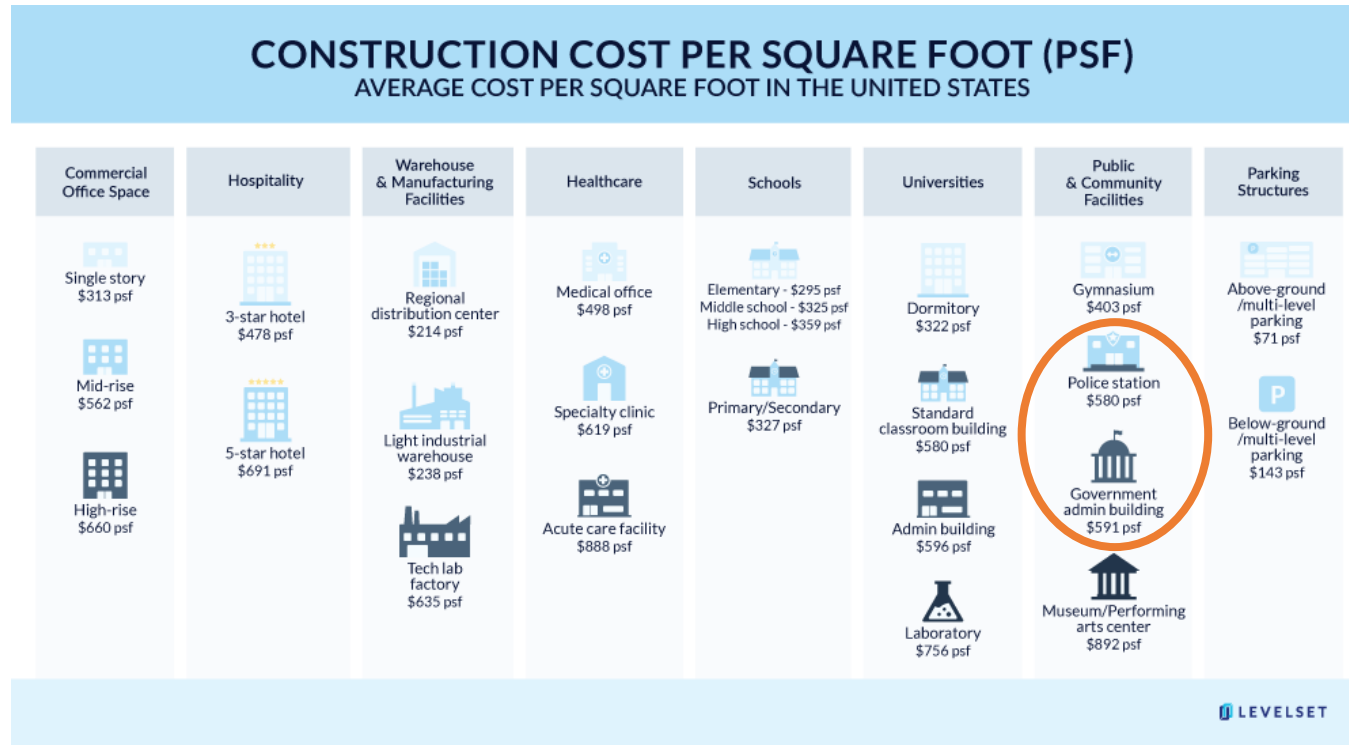
Benchmarking Methodology #1: Construction Cost

The Borough’s projected construction cost of \$357 per square foot is 39% below the national average for government administration building and police station construction

Benchmarking Methodology #2: Total Project Cost

The Borough’s projected total cost of \$419 per square foot is 44% below the average cost of other recent New Jersey municipal public safety facility projects

The Borough's projected cost of \$357/SF is 39% below the national average for government admin building & police station construction



“Public and community facilities are among the most expensive structures to build. Government administration buildings cost about \$591 per square foot, while police stations cost \$580 per square foot.”

Source: Procore/Levelset (June 2021), based on Cumming's U.S. Construction Per Square Foot Data

Construction Costs
 Borough: $\$357 \times 13,259 = \4.7M
 Average: $\$580 \times 13,259 = \underline{\$7.7\text{M}}$
 -\$3.0M



Borough construction costs are projected to come in \$3M under the national average for a 13,259 square foot project

The Borough's projected total cost of \$419/SF is 44% below the average cost of other recent NJ municipal public safety projects

Mountain Lakes: Borough Hall & Public Safety Facilities, \$5.56M (13,259 SF) – <i>under construction</i>	\$419/SF
Collingswood: Police & Fire Department Facilities, \$15M (30,000 SF) – <i>completed in 2021</i>	\$500/SF
Summit: Fire Department Facilities, \$16M (32,000 SF) – <i>scheduled for completion 2023</i>	\$500/SF
Mendham Township: Police Department Facilities, \$2.54M (5,000 SF) – <i>completed in 2022</i>	\$507/SF
Vineland: Fire Department Facilities, \$22M (38,000 SF) – <i>under construction</i>	\$579/SF
Ocean City: Police Substation Facility, \$4.26M (7,000 SF) – <i>funding approved in August 2023</i>	\$609/SF
Asbury Park: Fire Department Facilities, \$22M (31,800 SF) – <i>under construction</i>	\$692/SF
Avalon: Fire Dept Facilities, \$6.5M+ (8,980 SF) – <u>only includes construction costs</u> . 2023 completion	\$724/SF
Leonia: Police & Court Facilities, \$12.1M (16,221 SF) – <i>under construction</i>	\$747/SF
Colts Neck: Police & Administrative Facilities, \$12.5M (16,000 SF) – <i>completed in 2023</i>	\$781/SF
Dumont: Police, Court & Administrative Facilities, \$24M (29,943 SF) – <i>completed in 2021</i>	\$802/SF
Jersey City: Public Safety Facilities, \$120M (122,000 SF) – <i>completed in 2023</i>	\$984/SF
Fair Haven: Police Dept & Community Center, \$8.285M (7,800 SF) – <i>under construction</i>	\$1062/SF
River Vale: Public Safety Facilities, \$21.5M (18,000 SF) – <i>additional funds approved Sept 2023 after failed bids</i>	\$1194/SF

\$744/SF Average Cost

Total Project Costs	
Borough:	\$419 x 13,259 = \$5.6M
Average:	\$744 x 13,259 = <u>\$9.9M</u>
	-\$4.3M



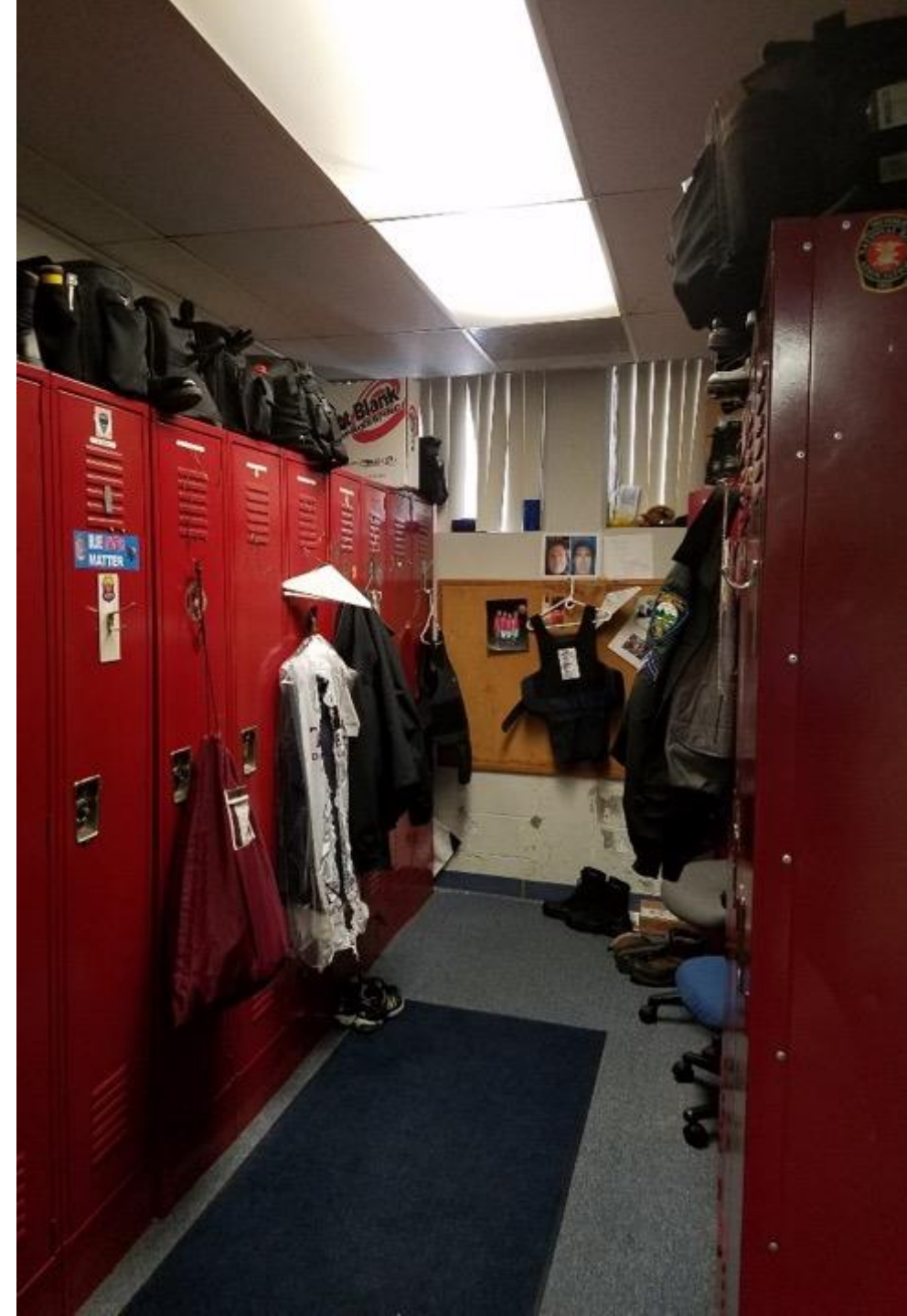
Borough total project costs are projected to come in \$4.3M under the average cost for a comparable 13,259 square foot project

The Borough Hall & Public Safety Facilities Project was undertaken to fix serious deficiencies with the old building

- No ADA accessibility/compliance
 - Lack of emergency exits
 - Inadequate security
 - Failure of core systems and infrastructure:
 - HVAC system
 - Electric & Plumbing
 - Roof
 - Foundation water penetration and mold
 - Lack of energy efficient building envelope
 - Police Dept: Severe space constraints and failure to meet regulatory requirements
 - Fire Department: Insufficient storage, administrative space and meeting space
 - Inadequate & inefficient office space for administrative functions
 - Insufficient technology infrastructure and file storage spaces
- The old facilities, constructed in 1969, did not meet Borough needs and represented a safety risk to building users and a liability risk to taxpayers

These deficiencies were particularly severe in the ML Police Department

- No prisoner entrance separate from public entry
- Inadequate locker room space, including no facilities for a female officer
- Need for code compliant restroom facilities
- No prisoner holding area; no separation of adult/juvenile, male/female
- Lack of Internal affairs office as mandated
- Insufficient administrative facilities for officers and the specialized roles of Detective, School Resource Officer and Shift Supervisor
- Insufficient space for many police department functions: interview room, patrol room, roll call/training area, processing area, temporary and permanent evidence storage, weapons room/armory, and server room



The need to fix these problems had been discussed numerous times over several decades

1972

The Borough identified issues with the newly constructed Borough Hall & Public Safety facilities.

1980s/90s

Several discussions took place on how best to address deficiencies.

2004-2008

A committee was formed to address facility needs. The Borough engaged an architect to develop options for necessary improvements. **The estimated project cost was \$5M in 2008.**

2011

Borough Council set a goal of addressing needed facility improvements.

In 2017 Borough Council formed the Borough Hall & Public Safety Infrastructure Advisory Committee to tackle this issue once again

Mission: Advise Borough Council on improvements needed to provide employees and the public with a safe, healthy, functional, code-compliant operating environment – while minimizing the project cost

Membership: Has spanned two Borough Managers (Sheola & Stern) and four council members (Barnett, Happer, Holmberg & Menard), and includes representatives from the Police and Fire Departments. In addition, community members with professional expertise in planning, architecture, construction, and construction management have served on the committee

2018 Milestone: Borough Council approves funding for initial architect services and approves Arcari & Iovino, a firm with deep experience in municipal and public safety projects, as Project Architect

December 2019 Milestone: Project design moves forward after lengthy delay as BOE deliberates whether to remain as a tenant in Borough Hall – BOE ultimately decides to re-locate to ML High School

Spring 2020 Milestone: Schematic Design Phase of project is completed

Summer 2020 Milestone: Borough Council authorizes \$4.5M project spending

December 2020 Milestone: Demolition & excavation work commences

Total Project Budget of \$5.56M

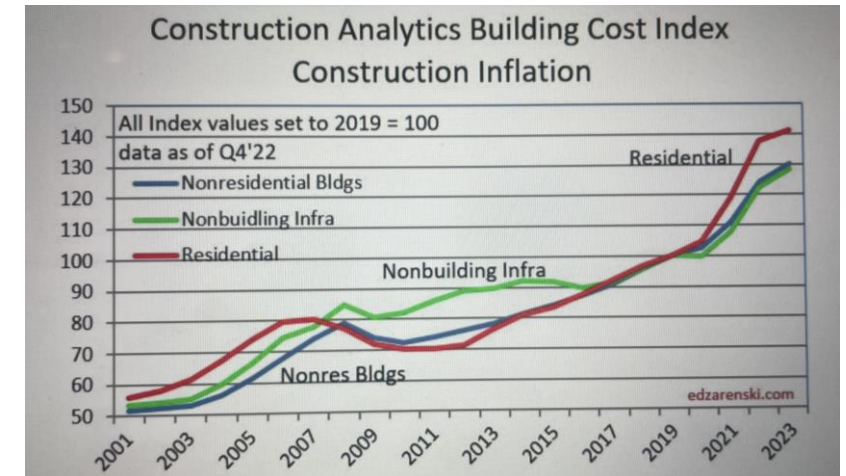
In August 2023, an additional \$1M was authorized due to:

Rising Costs:

- An extended period of high inflation, supply chain disruptions, and labor shortages significantly impacted labor and material costs – Construction costs are up over 30% nationally since 2020.

Additional Work:

- **Public Safety Upgrades (\$325k+):** New emergency generator; Covid-related HVAC system upgrade; Addition of exterior emergency stairs to Fire Dept Training Room and Upper Level; Upgraded fire alarm system; Additional ballistic panels for Police Department; and Additional Fire Bay and Parking lot improvements
- **Other Work (\$165k+):** Installation of new sanitary sewer line; Unforeseen excavation issues (antenna tower footing & septic tank removal) and structural issues; Unexpected asbestos abatement; Additional steelwork



Producer Price Index, January 2023

	1-Month % Change	12-Month % Change	Change Since Feb 2020
Inputs to Industries			
Inputs to Construction	1.3%	4.9%	37.7%
Inputs to Multifamily Construction	1.1%	5.4%	35.7%
Inputs to Nonresidential Construction	1.1%	4.9%	37.9%
Inputs to Commercial Construction	0.6%	5.2%	38.2%
Inputs to Healthcare Construction	0.8%	4.9%	38.0%
Inputs to Industrial Construction	1.1%	6.5%	32.7%
Inputs to Other Nonresidential Construction	1.2%	4.9%	37.9%
Inputs to Maintenance and Repair Construction	1.5%	5.4%	36.8%
Commodities			
Adhesives and Sealants	-0.2%	13.4%	31.3%
Brick and Structural Clay Tile	0.7%	12.9%	25.5%
Concrete Products	1.1%	14.8%	27.9%
Construction Machinery and Equipment	3.4%	12.2%	23.9%
Copper Wire and Cable	2.6%	-3.4%	33.0%
Crude Petroleum (Domestic Production)	-2.2%	-10.0%	50.0%
Fabricated Structural Metal Products	0.0%	3.2%	52.5%
Gypsum Products	-2.6%	10.7%	42.7%
Hot Rolled Steel Bars, Plates, and Structural Shapes	-4.6%	-7.1%	56.6%
Insulation Materials	0.3%	9.6%	35.5%
Iron and Steel	0.5%	-23.0%	55.9%
Lumber and Wood Products	-0.6%	-12.3%	28.7%
Natural Gas	-19.1%	7.9%	219.4%
Plumbing Fixtures and Fittings	0.5%	4.9%	17.5%
Prepared Asphalt, Tar Roofing and Siding Products	-3.2%	7.3%	33.4%
Softwood Lumber	-5.1%	-44.1%	17.0%
Steel Mill Products	-2.3%	-30.1%	64.6%
Switchgear, Switchboard, Industrial Controls Equipment	0.2%	18.3%	33.5%
Unprocessed Energy Materials	-8.5%	3.0%	100.1%

Source: U.S. Bureau of Labor Statistics

Total project budget includes A/E fees, brick & mortar spending, lease payments, bonding costs, etc.

- Minor renovations to the Fire Bay (1,914 sq ft)
- Major renovations to the rest of the existing building (7,355 sq ft)
- Two additions to the existing building (3,990 sq ft)
- Elevator Installation
- Architect & Engineering Fees
- Lease Payments & Other Relocation Expenses
- Limited Site Work
- Furniture
- Contingency
- Bonding Costs

Project Management

How is the project being managed? The Borough Hall & Public Safety Facilities Project is being managed in-house, an approach used successfully on the Birchwood Lake beach facilities project (completed in 2019) and the Island Beach facilities project (completed in 2020).

Why were the Birchwood Lake and Island Beach projects managed in-house? The Borough pulled management of these projects in-house after a series of failed bids in 2017 and 2018. The bids in 2017 ranged from \$2M - \$3M (50% to 114%) over the approved construction budget. Bids in 2018 came in over the approved budget again despite an extensive effort to scale back the scope of the two projects. By managing the projects in-house, the Borough completed the two beach projects significantly under budget and with quality workmanship.

Why was this approach used for the Borough Hall & Public Safety Facilities Project? This approach was replicated for the Borough Hall & Public Safety Facilities project to save money (savings of \$2.5M+ projected) and ensure quality workmanship. With the beach projects wrapping up, the Borough took advantage of its in-house capabilities to get the job done. The Borough had two years experience working with the Project Manager and was confident in his work. The Project Architect also had a long-standing relationship with the Project Manager and was confident in his work.

How does in-house management work? The Project Manager runs the project with hands-on Borough Manager involvement. The Borough acts as general contractor and follows all State of New Jersey procurement requirements, including public bidding and multiple cost estimates prior to purchase commitments.

Project Oversight

How does project oversight work? The Borough engages experienced professionals, including the Borough Engineer and Project Architect, to help guide decision-making and provide project oversight. The project committee acts in an advisory capacity, meeting regularly to review staffing, schedule, design, materials pricing, and budget. Project finances are handled by the Borough's finance team with regular review by the Borough Manager, project committee and Council. The Borough's auditor audits all Borough finances on an annual basis. Information on the project budget and expenses appears on Council meeting agendas and is posted on the Borough website.

Why is the project taking significantly longer to complete than originally scheduled?

- **Supply chain issues:** e.g., over 9 months for manufacture and delivery of windows; over 20 months for manufacture and delivery of all HVAC roof top unit equipment, accessories, and materials
- **A tight labor market for construction workers**
- **Extra time sourcing materials and labor to manage expenses**

Is this a heavy lift for the Borough? Yes, especially given a challenging supply chain, labor, and inflationary environment. However, the Borough is confident that the project is being managed responsibly, with keen attention to managing costs and delivering a quality end-product. Total costs stack up favorably vs. other recent New Jersey municipal public safety projects and vs. nation-wide police and government administration construction costs, and the Borough is close to completing new facilities that will provide employees and the public with a safe, healthy, functional, and code-compliant operating environment.

National average construction costs for police stations and government administration buildings:

Procore/Levelset, based on Cumming's U.S. Construction Per Square Foot Data

Collinswood Police & Fire: \$15M (30,000 sf)

- <https://www.njpen.com/collingswood-opens-public-safety-building-generational-investment-in-first-responders/>
- https://www.collingswood.com/news_detail_T6_R469.php

Summit Fire Department, \$16M (32,000 sf)

- <https://www.tapinto.net/towns/summit/sections/government/articles/summit-common-council-unanimously-approves-16-million-firehouse-project>
- <https://patch.com/new-jersey/summit/summit-breaks-ground-new-fire-department-headquarters>

Mendham Township Police Station: \$2.54M (5,000 sf)

- Note: \$2.54M includes the cost of two contracts: J.R. Contracting & Environmental Consulting and Cornerstone Architectural, so total project cost may not be reflected
- https://www.newjerseyhills.com/observer-tribune/news/mendham-twp-committee-oks-2-19m-contract-for-new-police-headquarters/article_8f1717e5-86db-5d68-b259-c4836ed055f3.html
- <https://patch.com/new-jersey/mendham-chester/funding-increased-new-mendham-township-police-station>
- https://www.mendhamtownship.org/sites/g/files/vyhliif7531/f/minutes/10-08-2020_tc_minutes_-_special.pdf

Vineland Fire Department: \$22M (38,000 sf)

- <https://newroadconstruction.com/new-road-attends-groundbreaking-for-new-vineland-firehouse/>
- [http://councils.vinelandcity.org/ArchiveCouncil/Agendas/2023%20council%20agendas/23-01-24/o-bond-New%20Firehouse%20-%20\\$5,000,000.pdf](http://councils.vinelandcity.org/ArchiveCouncil/Agendas/2023%20council%20agendas/23-01-24/o-bond-New%20Firehouse%20-%20$5,000,000.pdf)
- https://pressofatlanticcity.com/news/local/vineland-city-council-to-decide-whether-to-spend-5-million-more-for-a-new-firehouse/article_36943de4-a7a9-11ed-80c8-2f94094b3650.html

Ocean City Police Substation Facility, \$4.26M (7,000 sf)

- https://www.oceancitytoday.com/news/ocean-city-council-approves-funds-for-mixed-use-police-substation/article_b4c4ec70-3c9d-11ee-ab16-f3ba5c13be01.html
- <https://ocnjsentinel.com/ocean-city-oks-design-work-on-police-hq-substation/>

Asbury Park Fire Department Facilities, \$22M (31,800 sf)

- <https://www.tapinto.net/towns/asbury-park/sections/police-and-fire/articles/asbury-park-approves-additional-18-5-million-bond-ordinance-for-new-firehouse>
- <https://www.app.com/story/news/local/2023/04/26/asbury-park-fire-department-hq-contract-awarded-to-wallace-bros-brick-nj/70130349007/>

Avalon Fire Dept Facilities, \$6.5M+ (8,980 sf)

- <https://hughmerkle.com/65millionavalonfirehouseprojectunderway.php>
- <https://www.constructionjournal.com/projects/details/f564027ba02c479d94261ccb3c0b420a.html>

Leonia Police & Court Facilities, \$12.1M (16,221 sf)

- <https://www.leonianj.gov/home/showpublisheddocument/5281/638283218598370000>
- <https://www.constructionjournal.com/projects/details/5716e259912e4b528815c3bee6ad96a9.html>

Colts Neck Police & Administrative Facilities, \$12.5M (16,000 sf)

- <https://coltsneck.org/wp-content/uploads/2021/12/Frequently-Asked-Questions.pdf>

Dumont Police, Court & Administrative Facilities, \$24M (29,943 sf)

- <https://www.northjersey.com/story/news/bergen/dumont/2021/02/27/dumont-nj-borough-hall-open-new-police-department/6813482002/>
- [Tuesday, February 12, 2019, North Jersey Record USA TODAY NETWORK – NJ The Borough Council introduced an ordinance last week increasing the bond amount for the project...The extra area will bring the complex's total size up to 29,943 square feet](#)

Jersey City Public Safety Facilities, \$120M (122,000 sf)

- <https://jerseydigs.com/jersey-city-adds-penthouse-to-redesigned-public-safety-headquarters/>

Fair Haven Police Dept & Community Center, \$8.285M (7,800 sf)

- <https://patch.com/new-jersey/rumson/new-fair-haven-police-headquarters-community-center-now-underway>
- https://www.fairhavernj.org/sites/g/files/vyhlif4411/f/uploads/09-18-2023_special_meeting.pdf

River Vale Public Safety Facilities, \$21.5M (18,000 sf)

- <https://thepressgroup.net/extra-6m-bond-likely-needed-for-public-safety-complex/>
- <https://thepressgroup.net/council-4-1-oks-extra-6m-bond-for-public-safety-complex/>