



Borough Hall & Public Safety Facilities Project Update & The Homestretch

**Borough Hall & Public Safety Infrastructure Advisory Committee
September 27, 2023**

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Construction Update

Recently Completed

- ✓ Exterior Soffit & Fascia Waterproofing
- ✓ Restroom Wall Tile
- ✓ Epoxy Flooring
- ✓ Interior Wall Skim Coating & Priming
- ✓ Windowsill Installation
- ✓ Fire Alarm Installation

In Progress

- Stone Veneer & Stucco Final Finish
- Metal Fascia Cap & Composite Board
- Stone Retaining Wall
- Final Painting
- Exterior Door Installation
- New Interior Ceiling Installation
- Interior Lighting Installation
- Concrete Floor Polishing
- HVAC Equipment Installation
- Split System Completion
- Exterior Lighting

Looking Ahead to Year-End

- Complete Exterior Finishes
- Interior Door Installation
- Site Grading & Concrete Walk Installation
- Complete Interior Finishes
- Restroom Plumbing Fixtures & Fittings
- Carpet Installation
- HVAC RTUs Hook-up
- Life Safety Systems Completion
- Testing & Inspections
- Furniture Delivery
- Move-In

Budget Update

Project Budget through 8.31.23

Total Budget	Expenses	Encumbered	Balance
\$5,560,000	(\$3,880,000)	(\$291,000)	\$1,389,000

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

Total Budget: \$52K approved 3/18; \$4,463K approved 6/20; \$1,045K approved 8/23

Project Cost Benchmarking

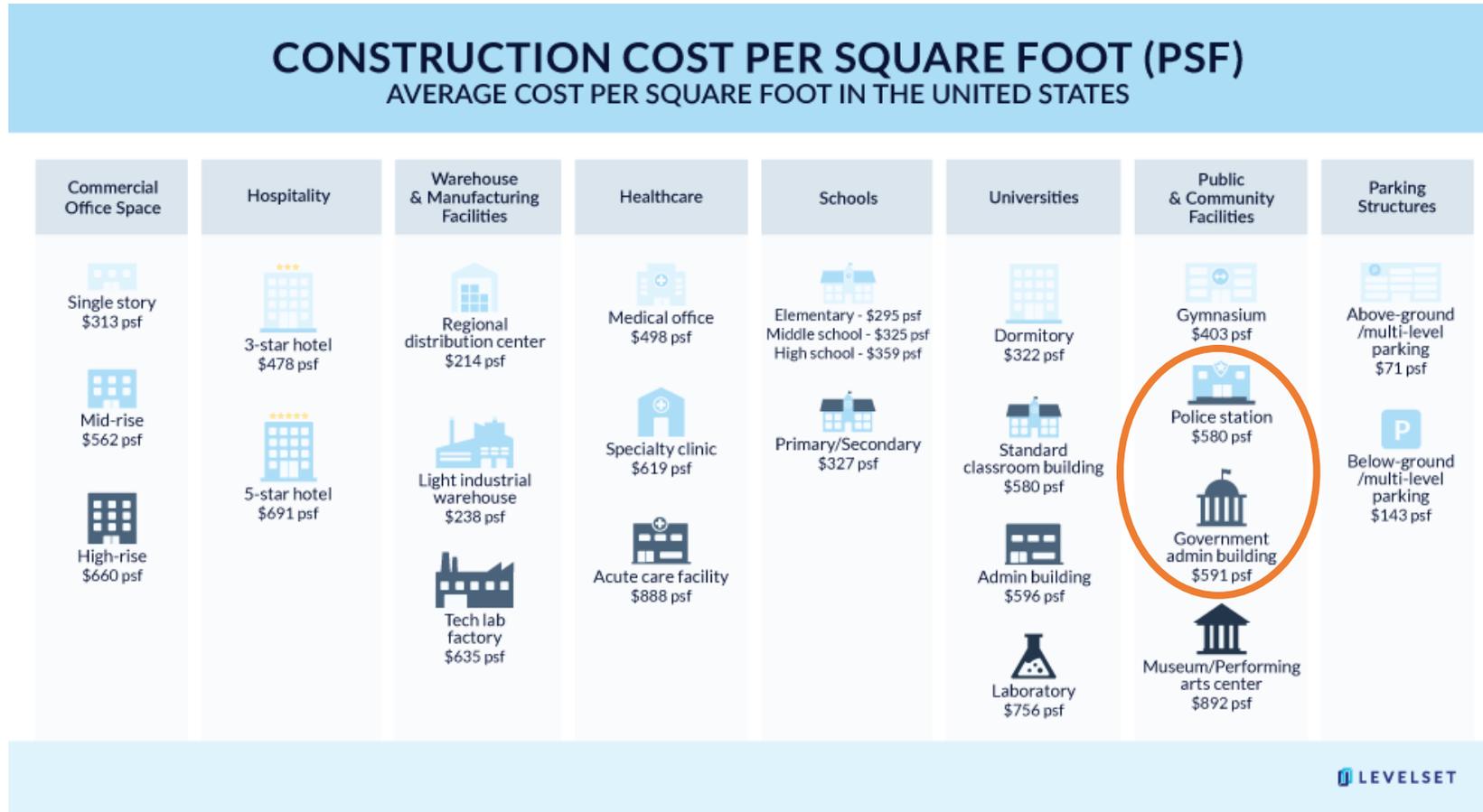
How do our project costs stack up?



- Projected construction costs are 40% below the national average for police station and government administration building construction
- Projected total costs are 16% - 60% below the cost of other recent New Jersey municipal public safety projects

Benchmarking data as of 9.8.23

Our projected construction cost of \$357 per square foot is 40% below the national average



“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](#)

Our projected total cost of \$419 per square foot is 16% - 60% below that 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>under construction</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><i>only includes construction costs</i></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
River Vale Public Safety Facilities, \$15M (18,000 sf) – <i>Bids failed in July 2023</i> <i>Additional \$6M funding to be requested, which would bring projected total cost to \$21M</i>	\$1167/sf

The Homestretch

We anticipate completing the work necessary to obtain a Certificate of Occupancy and move in before year-end.

The renovated and expanded Borough Hall & Public Safety Facilities will provide employees and the public with a safe, healthy, functional, and code-compliant operating environment.

We are well on our way to completing a project that has been on the Borough's to-do list for decades.

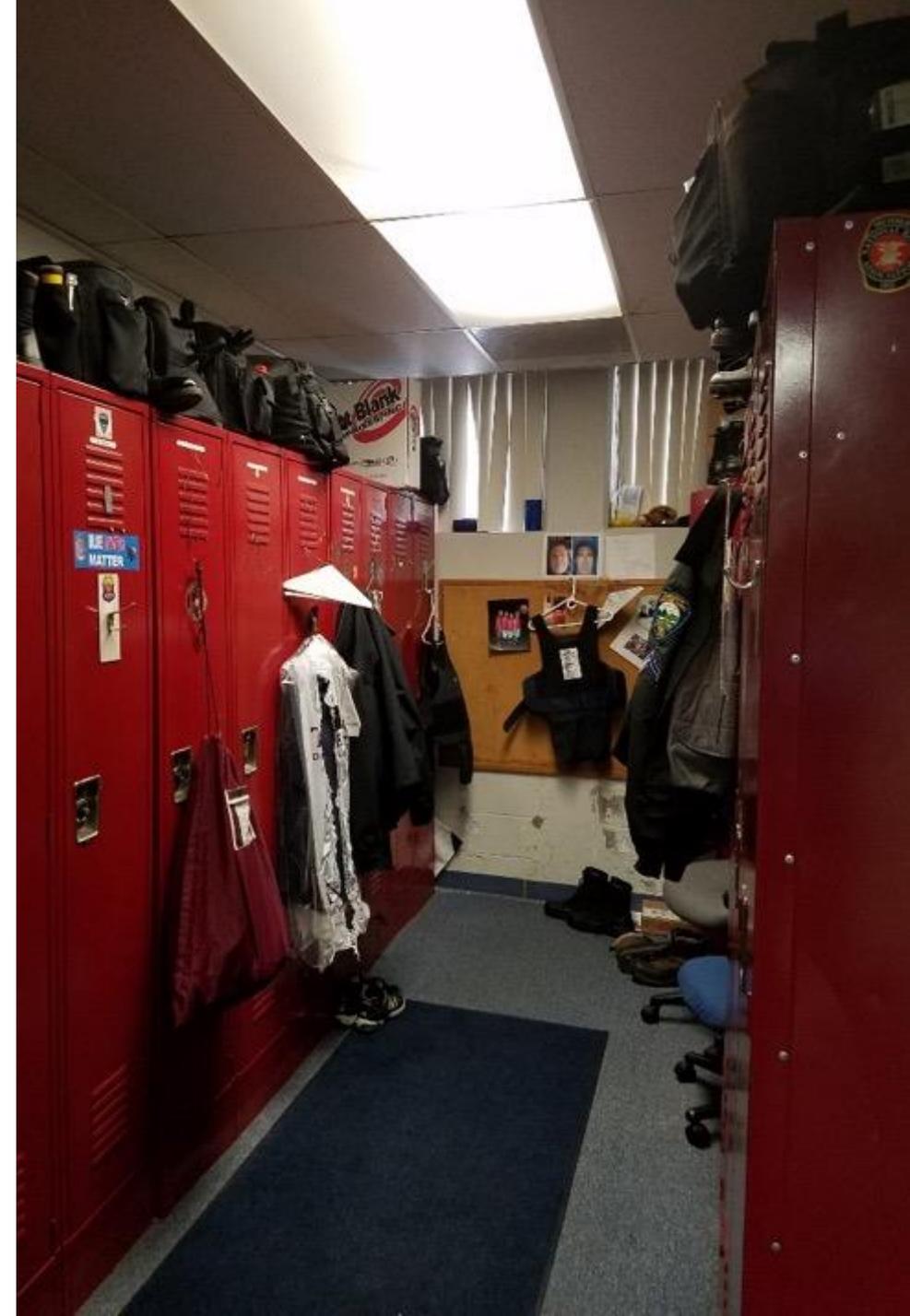
The Borough Hall & Public Safety Facilities Project was undertaken to fix serious deficiencies with the old building

- 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

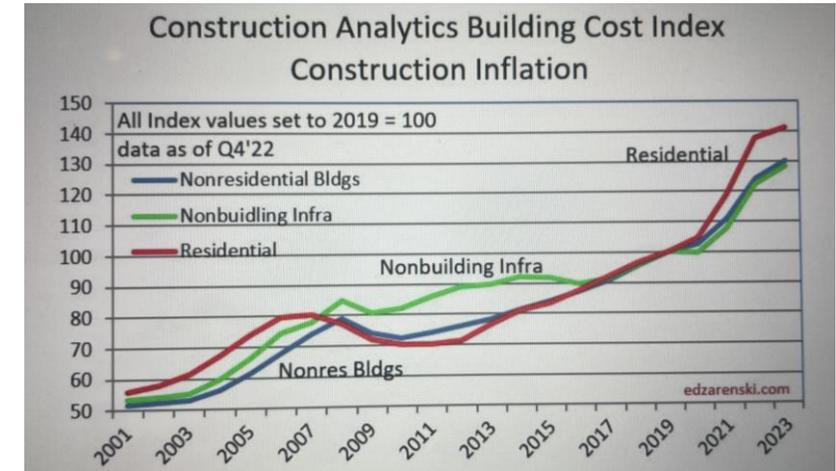
In August 2023, an additional \$1M was authorized due to:

Rising Costs:

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

The total project budget includes all 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
- Bonding Costs
- Contingency

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

1. Significant Supply Chain Issues, including:

- Exterior Windows: Over 9 months for manufacture and delivery.
- HVAC Roof Top Units: Over 19 months for manufacture and delivery. All accessory equipment and materials still have not been delivered.

2. A Tight Labor Market for Construction Workers

- A shortage of skilled, qualified workers has slowed progress.

3. Extra Time Sourcing Materials & Labor to Manage Expenses

- The project team has not simply accepted price increases due to supply chain issues and inflation. The team continues to work hard to find and evaluate cost-saving alternatives.
- In addition, numerous construction materials were value engineered to reduce project costs. These items included exterior windows & doors, lighting, and interior finishes.

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. The 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 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.

Project Management & Oversight

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).

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 Borough 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.

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 appropriate oversight, and with keen attention to managing costs and delivering a quality end-product. Total project costs stack up favorably vs. other recent New Jersey municipal public safety projects and vs. nation-wide police and government administration construction costs.

Bottom-line, we are well on our way to completing a project that has been on the Borough's to-do list for decades. The renovated Borough Hall will provide employees and the public with a safe, healthy, functional, and code-compliant operating environment.

Benchmarking Sources (1/2)

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/>

Benchmarking Sources (2/2)

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/>

River Vale Public Safety Facilities, estimated \$15M (18,000 sf) – Bids failed, new projection \$21M

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