

Facilities Committee Meeting Minutes September 5, 2019

Meeting called to order at 6:30 pm. in Borough Hall, second floor conference room, by Council President Ziegler. Council President Ziegler indicated the meeting was properly noticed including on the bulletin board at Borough Hall and published in the official borough newspaper.

In attendance: Mayor Judah Zeigler, Council President Bill Ziegler, Police Chief Tom Rowe, Interim Administrator Andrea Wardrop, and Councilman Pat Fusco (arrived 6:35 pm). Absent: Councilman Greg Makroulakis.

The meeting was called to discuss:

--Quantitative analysis undertaken at direction of Council President Ziegler to determine the relative costs/value associated with either keeping current Borough Hall or building an incremental floor in the new municipal building to move Borough Hall there.

--What we learned from recent site visit to a modular building.

--To hear from Anthony Iovino, architect, re: most recent plans for proposed building and surrounding site.

--Discussion regarding next steps

--Setting next meeting date

Council President Ziegler presented the cost/value analysis conducted by Mr. Doug Rees a recognized finance expert (MBA Finance, University of Chicago, Certified Financial Analyst). The analysis, to be posted on the website for the public, shows after 20 years the total costs to build an additional floor to house

Borough Hall functions in the new building is completely recovered. During the next 30 years of the benchmarked 50 year new building's lifespan, Leonia would be saving money over what it would cost to continue to operate the re-purposed old building.

Mr. Rees' analysis took all the inputs from our Borough Administrator, Engineer, Treasurer/CFO, DPW leadership our architect and outside real estate professionals. Council President Ziegler thanked the Borough team and our outside professionals for their cooperation and due diligence in pulling the requested data together.

The following data was collected and included in the analysis: Incremental cost of an additional floor in the new building, incremental costs of additional floor operating expenses, the expected revenue received from the potential sale of the old building, and estimated ratable revenue from the potential sale of the current facility over a 50 year time horizon. This data was then compared to net costs for the renovation of the current facility (what it would minimally cost to bring it up to code/standards and undertake some basic renovations to make it more efficient.) Net costs were derived after including current building operating costs allowing for a comparison on a cash for cash basis between the build/retain options.

The cumulative outcome was a full recovery of the costs of building a new floor with twice the square footage as the current facility in the 20th year of a 50 year lifespan for the new building.

Council President Ziegler requested a poll of the Facilities Committee in light of the cost/value analysis. Council President Ziegler indicated he would be in favor of moving Borough Hall functions to the new building as long as we protect the current Borough Hall as its an historic and iconic structure. The governing body looks forward to working with the Leonia Historic

Preservation Commission to ensure the most comprehensive protections for the old building

Mayor Zeigler indicated his strong view that if we are to do something we should do it right. The incremental floor in the new building offers nearly double the size of the current for a reasonable up front investment which will be fully recovered in year 20 of a 50 year lifespan. Moving Borough Hall to the new building prepares Leonia best for the future. Mayor Zeigler was clear he is committed to fully protecting the current borough hall from demolition.

Councilman Fusco concurred and fully endorses an additional floor in the new building. He also wants to support any/all efforts to offer full protections against demolition of the current Borough Hall.

Police Chief Tom Rowe fully endorsed moving Borough Hall to the new building citing his experience working in the old building while he was Interim Borough Administrator and appreciating the much needed additional space the new building would allow.

Councilman Fusco reported on a recent site visit to a modular constructed building in Saddle Brook by Council President Ziegler, Councilman Fusco, the Borough Engineer, Chief Tom Rowe and Interim Administrator Andrea Wardrop. Councilman Fusco reviewed the merits of using modular construction including, strength of final product, lifespan of minimum 50 years, flexibility of design, increased speed to completion and \$1.7 million estimated real savings between the square foot cost of modular vs. conventional construction. The cost benchmarks we used on advice from Anthony Iovino, architect, were \$250 sq/ft modular vs. \$315 minimum conventional.

Anthony Iovino presented the most recent plans for proposed building and surrounding site. These plans will be made available on the website for the public.

Council President Ziegler reported the Fire Department had some concerns regarding the west side of the firehouse being used for parking and the access by vehicles to Borough Place from that parking lot. The Mayor requested the LVFD Chief to document these concerns so they can be best addressed.

A Facilities Committee update is set for the September 16th Mayor and Council meeting.

The next Facilities Committee meeting will be Wednesday September 18th in Borough Hall, second floor conference room.

The public portion was opened. Members of the public raised questions and/or asked about advisability of Court/Council Chambers being on the top floor vs. the bottom floor, why the building did not include 4th floor stressing (in case at some future time Leonia might want to build a 4th floor), questions regarding construction cost estimates, the use of pervious pavers, historic landmark designations and preservation protections, and whether another local governmental entity could use the current Borough Hall.

The meeting was adjourned at 7:35 pm

Respectfully submitted,

Bill Ziegler
Council President