

**Pennington Borough Council
Special Meeting – June 26, 2019**

Mayor Lawver called the Special Meeting of the Borough Council to order at 6:30 pm. Borough Clerk Betty Sterling called the roll with Council Members Chandler, Griffiths, Marciantie and Mills. Mrs. Gnatt arrived after the roll call and Mrs. Semple was absent.

Also present were Borough Administrator Eileen Heinzl, Public Safety Director Bill Meytrott, Public Works Superintendent Rick Smith, Chief Financial Officer Sandra Webb and Borough Attorney Walter Bliss.

Mayor Lawver announced that notice of this meeting has been given to the Hopewell Valley News, Trenton Times and was posted on the bulletin board in Borough Hall and on the Borough web-site according to the regulations of the Open Public Meetings Act.

Mayor Lawver asked everyone to stand for the Flag Salute.

Mayor Lawver announced that notice of this meeting has been given to the Hopewell Valley News, Trenton Times and was posted on the bulletin board in Borough Hall and on the Borough web-site according to the regulations of the Open Public Meetings Act.

Mayor Lawver announced that the Closed Session on the Licenses Agreement for Cugino's on the agenda for later in the meeting is cancelled.

Council Discussion

Borough Hall Repairs/Renovations - Mayor Lawver thanked Ronica Bregenzer, Architect for the Borough Hall Renovation project and Chris Strunk from Strunk Albert, HVAC consultant for coming to make a presentation to Council.

Mayor Lawver stated that this process began in the Spring of 2017 and it has taken a lot longer than anticipated. Mayor Lawver stated that the project has not been managed as well as it could have been however some significant unanticipated issues and changes have come up along the way. Mayor Lawver stated that Ms. Bregenzer has encountered some additional work that was out of the original scope and while we had hoped to be having this conversation a year ago, here we are tonight.

Mayor Lawver stated that no decisions will be made tonight, but he is hoping to review the history and the process undertaken so far, review the two options that have been developed and the cost estimates for both options, and identify the key information and decisions that are needed to make a timely decision on the direction going forward.

Mayor Lawver stated that in the Spring of 2017, the HVAC system was progressively failing, there was condensate leaking into offices, we were unable to keep constant temperatures, there were hot and cold spots, and increasing costly repairs. Mayor Lawver stated that the system was at the end of its useful life at 22 years old. Mayor Lawver stated that we are reliant on outdated, proprietary technology to manage the system and licensing of that technology costs about \$10,000 per year. Mayor Lawver stated that over the years there have been reports that the HVAC system was not properly sized when the building was constructed back in 1995 leading to higher operating costs.

Mayor Lawver stated that other building systems are also showing signs of disrepair. Mayor Lawver stated that the roof is in need of repair and there are leaks in areas such as the children's section of the library. Mayor Lawver stated that the windows are leaking and trim is rotting, flashing and gutters are deteriorating and the women's restroom needs serious attention.

Mayor Lawver stated that there is increasing pressure from the State to bring the building into compliance with the addition of a Sallyport for the Police Department, requirements for the Municipal Court from the AOC and ADA compliance particularly with the front doors to the building.

Mayor Lawver stated that before spending considerable funds on replacing the HVAC system, Council decided to conduct a complete needs analysis for the building so that the HVAC system would support how the building will be used in the next 20 years. Mayor Lawver stated that three architects were interviewed and Ronica Bregenzer was selected for the project. Mayor Lawver stated that Ms. Bregenzer has experience with developing municipal buildings and she included cost estimates in her bid. Mayor Lawver stated that Ms. Bregenzer was asked to complete the task in phases:

- Phase 1 Needs Assessment
- Phase 2 Develop three concept designs and narratives that address the needs assessment
- Phase 3 Estimate the costs for each concept design by Becker & Frondorf
- Phase 4 Review options with Council to determine path forward.

Mayor Lawver stated that part of phase 2 was the hiring of a mechanical engineer to develop HVAC recommendations and other related engineering concepts.

Mayor Lawver stated that in the Winter and Summer of 2018, Ms. Bregenzer conducted detailed interviews with all users of the building, she researched current state specifications and she reviewed findings and

confirmed final needs assessment with the Borough Administrator, Mayor and the Public Works Committee Chair. Mayor Lawver stated that three initial concept plans were designed. Mayor Lawver stated that concept 1 remained within the current footprint of the building, concept 2 allowed for a small addition to the Police Department and concept 3 allowed for a larger addition the Police Department and an addition to the Library. Mayor Lawver stated that concept 3 was rejected outright and Ms. Bregenzer was instructed to focus on concepts 1 and 2.

Mayor Lawver stated that in the Fall of 2018 through Spring of 2019 it was determined that in order to construct a Sallyport for the Police Department, the transformer would need to be moved at an estimated cost of between \$100,000 and \$200,000. Mayor Lawver stated that the Borough has approached the Pennington School requesting a gift of the land behind the building to provide room for leaving the transformer in place and replacing any lost parking. Mayor Lawver stated that in February of 2019 the Pennington School agrees to grant 40', not the 60' that was requested but they are asking for additional time limit free parking spots on Delaware Avenue and Green Street.

Mayor Lawver stated that HVAC options were reviewed with the mechanical engineers, Strunk, Albert, the Borough Administrator, Public Works Superintendent and the Public Works Committee. Mayor Lawver stated that Ms. Bregenzer finalized two options that she will present tonight. Mayor Lawver stated that Option 1 addresses the Sallyport and deferred maintenance that needs to be taken care of and Option 2 would cover full compliance and current unmet needs as well as necessary repairs to the building.

Mayor Lawver asked Ms. Bregenzer to make her presentation on Options 1 and 2. Ms. Bregenzer thanked Mayor and Council and stated that she has enjoyed working with the Borough staff. Ms. Bregenzer stated that Mayor Lawver did a great job explaining the process and where we are now. Ms. Bregenzer stated that the current building is about 24 years old and is about 8,577 square feet. Ms. Bregenzer stated that she began with meeting with all Borough Staff, the Administrative Office of the Court, Emergency Management about the Generator, the Borough Engineer and from that they came up with a list of requirements and needs. Ms. Bregenzer states that the single biggest items were the HVAC and the need for storage and workspace. Ms. Bregenzer stated that the Police Department is very tight and the administrative offices are required to keep a lot of paper and documents and they are out of space. Ms. Bregenzer stated that she brought in Strunk Albert to look at the HVAC system and with all of this information they put some designs together.

Ms. Bregenzer stated that no one asked for anything that was not a requirement or a necessity. Ms. Bregenzer took Council through a power point presentation detailing the two options. Ms. Bregenzer stated that starting with option two, which requires acquisition of property from the Pennington School. Ms. Bregenzer stated that this option includes a closed in Sallyport and parking in the rear for employees. Ms. Bregenzer stated that this option includes an addition of space for the Police Department which allowed for restructuring of current space to allow for more work space for the administrative offices. Ms. Bregenzer reviewed proposed changes to the Police Department and Administrative offices. Ms. Bregenzer stated that some ADA compliance issues were addressed for the Municipal Court and both men's and ladies rooms were brought into compliance with ADA requirements. Ms. Bregenzer stated that this option provides for replacement of the windows, the roof and the HVAC system.

Mr. Marciante expressed concern with the parking request from the Pennington School. Mr. Marciante stated that taking spaces from the merchants is not a good idea. Mrs. Chandler stated that by putting parking in the back of the building for Police cars and employee parking, spots would free up in the municipal parking lot. Mayor Lawver stated that after this presentation parking will be on the list of things to be addressed. Mr. Griffiths requested that each Council Member be given an allotted time to speak so that the conversation does not get zig-zagged. Mayor Lawver asked that we let Ms. Bregenzer finish her presentation first then Council can get into a discussion.

Ms. Bregenzer stated that option 2 will add about 1400 in square feet, 520 of which is the Sallyport. Ms. Bregenzer stated that Becker & Frondorf came and walked the building to come up with estimated costs.

Ms. Bregenzer reviewed option 1 which basically leaves the building as is with the addition of the Sallyport which will still require moving the transformer. Ms. Bregenzer stated that there is an estimated amount for moving the transformer until PSE&G comes out and provides a real number. Ms. Bregenzer stated that option 2 does not require moving the transformer. Ms. Bregenzer stated that the Sallyport in this option is closed in with chain link fencing. Ms. Bregenzer stated that nothing else in the building would change other than the necessary repairs. Ms. Bregenzer stated that the generator is also included and is provided for under a FEMA grant. Ms. Bregenzer stated that once a decision is made as to what repairs and/or renovations will be done, they will consult with the AOC and the DOC to ensure compliance with police and court requirements.

Mayor Lawver stated the Ms. Bregenzer was the only architect interviewed who brought with her an independent estimator, Becker & Frondorf. Mayor Lawver stated that they have worked on projects ranging from \$50,000 to \$200,000,000 up and down the east coast and they have over 40 years of experience providing cost estimates.

Mayor Lawver stated that something to keep in mind when talking about costs for the project is that because we are a municipality we must adhere to prevailing wage rules which means that this project will cost more for the Borough than it would if you or I were doing similar work on our homes or businesses.

Mayor Lawver stated that the nature of the project limits the length of time for debt payoffs to ten years and he reviewed the estimated pay off amounts per year at various percentage rates. Mayor Lawver also reminded Council that one penny on the tax rate adds about \$51,000. Mayor Lawver stated that next Council will see a high level of projected costs for the work, but they are guaranteed to change.

Mayor Lawver stated that Council needs to come up with a direction for the project before we can get a good idea of what the cost will be.

Ms. Bregenzer displayed some cost estimates for each option including engineering and other professional costs. Ms. Bregenzer stated that what she attempted to do by estimating these professional costs was to give a true cost of the building, not just the construction costs.

Mr. Griffiths asked for a breakdown of costs for each phase of the work such as the HVAC, the Roof, the Sallyport etc. Ms. Bregenzer stated that this in the documents provided by Becker & Frondorf.

Mr. Marciante asked how we can be sure that putting a new HVAC unit in the ceiling again that it won't cause the same problems. Chris from Strunk Albert stated that he has been up in the attic and one the unit is oversized and two it was installed incorrectly and there is no room to maneuver to make repairs or replacements to the current equipment. Mr. Strunk spoke briefly on what he is proposing and how it would work better for maintenance purposes. Mr. Strunk stated that the zoning would be similar to what is in place now. Mrs. Chandler asked what if the Borough decides to go with option one but then down the road the Borough decides to make the footprint of the building bigger how would that work with the system that is installed under option one. Mr. Strunk stated that their design would allow for additions later on. Mr. Strunk stated that one of the worst things that can be done is to put in an oversized system because there is excessive cycling which leads to short equipment life and it really causes a humidity problem. Mr. Strunk stated that the system he is designing would allow for expansion.

Mrs. Chandler asked why the term of the loan is ten years. Mrs. Webb stated that is the useful life per the Bond Ordinance. Mr. Griffiths stated that the numbers are higher than the numbers that were discussed at the finance meeting. Ms. Bregenzer stated that the original numbers did not include engineering and professional costs.

Mayor Lawver stated that there are several things that need to be decided before a decision can be made and one is the useful life listed in the ordinance. Mrs. Webb stated that the useful life of the projects in the ordinance were averaged to come up with ten years. Mr. Griffiths stated that this is municipal finance in New Jersey and we just have to accept it.

Ms. Bregenzer stated that as we move through the process the next step would be to design the project and the estimates would be reviewed after that step and then the bid specs and again the estimates would be reviewed so that we can try to stay as close to the preliminary estimate as possible. Mr. Griffiths asked if there is a task time line for the project. Ms. Bregenzer stated that is easy enough to do. Ms. Bregenzer stated that she asked Becker & Frondorf to give her an idea of what it would cost to do a complete new building and it would be \$350 per square foot.

Mayor Lawver asked how we move forward and what issues need to be resolved before a decision can be made. Mayor Lawver stated that at best we are looking at 2020 or 2021 for this project where we expected it to be at least by 2018. Mayor Lawver stated that the following items are on his list to be addressed:

- Resolve the parking request with the Pennington School
- Address the funding question to see if the term can be extended
- Develop a true time line
- Determine if the Borough wants to continue having a police department for the next 20 years
 - A lot of money will go into the police department with this project
 - Determine the value to the taxpayers of having a police department
- Is it viable for Pennington to remain independent
- Should the project be split up to be more affordable
- Update the cost analysis for Municipal Court
 - Explore joint court
 - Rent space in another municipality
- Keep ADA retrofitting in this project

Mayor Lawver stated that he would circulate his list of items that need to be discussed.

Mayor Lawver called for a brief three minute recess.

Burd Street Reconstruction Project – Mrs. Heinzl stated that the Borough received an extension to award the Burd Street road project to July 17th, 2019. Mrs. Heinzl stated that two bids were received and they are both in the low \$700,000. Mrs. Heinzl stated that we received a DOT grant in the amount of \$345,000 and we have been approved from the I-Bank for a loan in the amount of \$408,000. Mrs. Heinzl stated that Council authorized that the engineering costs would be charged to capital. Mrs. Heinzl stated that the issue that both the Public Works Committee and the Finance Committee discussed was how to bring the project down to closer to the DOT grant award. Mrs. Heinzl stated that she spoke to Lynn Rankin of the DOT and she suggested that the Borough request an additional four month extension from the DOT to reject the current bids, redefine the scope of work and re-advertise the project. Mrs. Heinzl stated that the project would be

split into two phases Burd Street 2A and 2B. Mrs. Heinzel stated that Burd Street 2A would be funded by the \$345,000 grant and then we would apply for funding to do Burd Street 2B at a later date. Mrs. Heinzel stated that the July meeting agenda will have a resolution rejecting bids and authorizing re-advertisement. Mrs. Heinzel stated that option 2 is to accept the low bid and proceed with borrowing money from the I-Bank to fund the balance of the project. Council discussed the two options and it was decided that the bids should be rejected and the project should be scaled back and rebid.

Mr. Meytrott stated that Mercer County has completed paving of Eglantine Avenue and they should be starting on Ingleside soon.

At 8:31pm, with no further business to come before Council, Mr. Griffiths made a motion to adjourn, second by Council Member Marciante.

Respectfully submitted,

Elizabeth Sterling
Borough Clerk