



Fair Haven  
*New Jersey*

# Facilities Update

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DEPARTMENT OF PUBLIC WORKS (DPW), FAIR HAVEN POLICE  
DEPARTMENT (FHPD) & FAIR HAVEN COMMUNITY CENTER (FHCC)

13 MARCH 2023

# DPW Update

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## Architect:

Three (3) architects provided proposals

- Acari & Iovino (Little Ferry NJ)
- TM-Architects (Wall, NJ)
- Kaplan Gaunt Desantis Architects (Red Bank, NJ)

Key requirements of the Architect are renovation, recycling flow, AOC remediation, Fuel Tank replacement, removal of the six (6) commercial containers, and residential friendliness

All three (3) architects confirmed ability to meet project timeline (attempting to align economies of scale with FHPD/FHCC)

## Fire Suppression Possibility

American Water conducted their Hydrant Flow Test (HFT)

Pending Architect selection, a determination to be made that the Model Flow Test (MFT) supports (or does not) fire suppression

## AOCs: CME outlined the extent of work required

AOC-3: Floor Drains

- 35'x30' excavation, 7' below grade with additional sampling to confirm excavation limits

AOC-5: Hydraulic Lift

- During removal, LSRP present to collect soil samples to determine extent

of potential excavation, if any

AOC-6: Heating Oil UST

- The former heating oil UST located to the rear of the building, adjacent to Maple Avenue, should be closed and removed in accordance with NJAC 7:14B and NJAC 7:26F

AOC-7: Stormwater Drywells

- 20'x25' excavation, 7' below grade

If the building is demolished/removed during site redevelopment activities, it is recommended to remove the former 350-gallon waste oil UST previously abandoned in place below the floor of the DPW garage building.

**Schematic Phase Plan:** The plan would follow similar to FHPD/FHCC and include the following, to include a focus on Resident Engagement

- Plan Designed Based on DPW Program Requirements
- Discussions w/ Allen Street and Maple Avenue “soft” POCs
- 2 Open House Events – Site Specific
- Provide Schematic to GB, prior to Shift to Design Development

## Roof:

Team is working with RMS to provide documents for GB review, soonest

Pending completion of this, the project then goes out to bid and the contractor will have to post a performance and ultimately a maintenance bond

# DPW: Proposed Next Steps & Milestones

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## **27 March 2023 – Next Steps**

Pending selection of the Architect, conduct initial meeting  
Finalize Schematic Phase Plan, to include Resident Engagement

## **Roof Milestones w/ SWAG Dates (\*updated since 27 February)**

Bid Specifications Provided – March 2023 (targeting)  
Roof Project Authorized – March 2023 (targeting)  
Roof Project Awarded – April 2023  
Contractor Mobilization – April 2023  
Roof Construction – May 2023

## **Renovation Milestones w/ SWAG Dates**

Architect Identified – March 2023 (updated since 06 February)  
Architect Awarded – March 2023  
Schematic Drawings & Rendering Presented – April 2023  
Resident Comment & Feedback – April 2023  
Construction Drawings – May to July 2023  
Bidding – August 2023  
Evaluate Bids – September 2023  
Award & Contract Mobilization – October 2023  
Begin Renovations – November 2023  
Estimated Construction Time – 10 Months  
Estimated Completion Time – Summer 2024

# FHPD/FHCC: Updates

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## Planning Board:

- On 16 March, the team is briefing the Technical and Design Review Committee (TDRC)
- The goal is to target an April 2023 Planning Board Capital Review targeting a trigger for Construction Documents, pending recommendation and no further changes

## American Water/Fire Suppression:

- American Water completed the Hydrant Flow Test (HFT) as well as produced the Model Flow Test (MFT)
- TGP confirmed fire suppression is viable; next steps including TGP meeting with American Water to review Utility Plan
- Discussions with American Water are ongoing to determine if the 2" EOL main is updated on Fisk in a manner conducive to the new FHPD and FHCC

## JCPL

- Efforts with JCPL staged and ready; require 6-week lead time to complete process to mitigate wires/poles in question prior to construction

## BFI Furniture:

- Meeting with State Contract vendor on 14 March to continue programming process; BFI intends to provide a proposal for GB review
- Pending GB approval of furniture cost range, BFI to then meet with key stakeholders to refine programming

## LSRP:

- CME confirmed 2 out of 3 AOCs focused on Floor Drain not of concern
- CME final analysis confirmed no evidence of discharge (one side of the UST in question)
- Next steps focused on removing old fuel immediately

## Bond and Finance:

- Discussion ongoing to confirm overall cost of FHPD/FHCC, ordinance applicability, and financing
- Partial additional funding beyond the bond issuance has been included in the MCIA's note program (part of 13 March GB Meeting)

## Fisk Chapel

- The team plans to provide a briefing to the small group at Fisk Chapel to determine next steps specific to short/long-term parking solutions
  - If Fisk Chapel is a no-go, a new parking solution, potentially on 3<sup>rd</sup>, is required to be revisited

## IT Engagement

- Updated IT component received; pending review from Fair Haven's IT Administrator; meeting requested with TGP's Technology Consultant

## Noise Ordinance

- We are continuing to research if our local noise ordinance requires an update based on the new FHPD and FHCC

# Owner's Rep Discussion

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We are approaching an inflection point where an Owner's Rep is advantageous from a scope, cost, and schedule perspective

- Review Construction Documents during development, as opposed to after
- Pre-procurement of materials to alleviate supply chains
- Direct liaison between Contractor and TGP/Facilities/GB through project completion
- Management of FHPD, FHCC, and DPW building efforts

An Owner's Rep is also advantageous from a value add and risk mitigation perspective

The focus is to maximize an economies of scale approach as we target work on FHPD, FHCC and DPW

An Owner's Rep discussion is to take place in Executive Decision (no decision are to be made)

# Gabel Associates Updates

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## FHCC Solar – Gabel No-Go Analysis

- Due to the orientation, only half of this roof faces south, so only half of the roof can produce solar electricity
- Solar must be built a safe distance from the edge of the roof, further reducing the available space
- The roof is pitched, which means any system will require attachments
- Gabel's recommendation is to avoid roof penetrations
- Gabel assesses adding this facility will not make the portfolio of potential projects any more attractive to possible power purchase agreement providers

## Solar Cash Flow Analysis

- The analysis is for a 25-year period
- Assumed that Fair Haven would pay the professional fee out of pocket
- Fair Haven will not be paying any tax and will receive ITC of 30%
- For the debt payment, Gabel assumed the total cost minus the professional cost will be the amount financed at 4% over 15 years
- 25-year cumulative cashflow from Solar Portfolio is equal to \$89,904 (\$299.68/month)

Both FHPD and FHCC designed to support a solar roof, irrespective of go/no-go as of today's requirements

# Gabel – Cash Flow Analysis

Economic Variables	
In Service Date	1/1/2024
Solar Installation	\$180,000
Consulting	\$25,000
Legal and Engineering	\$70,000
Utility Interconnection	\$0
Development Costs	\$0
<b>Project Tax Basis</b>	<b>\$275,000</b>
Land Cost	\$0
<b>Total Solar Cost</b>	<b>\$275,000</b>
Avg Installation Cost (\$ per W-DC)	\$2.50
Year 1 Forecast Energy Avg Value (\$/kWh)	\$0.1000
Energy Escalation (%) Avg Compound rate	1.5%
SREC II value (\$ per MWh)	\$130.00
SREC Period (Years)	15
Capital Recovery Period	0
Economic Analysis Period	25
Federal Tax Rate	35%
State Tax Rate	9%
Annual O&M Costs (\$/kW)	\$25.00
Inverter Replacement - n/a w/ 20-yr	
Warranty	\$0
Est Insurance Costs (0.5% of Install Cost)	\$900
Insurance Escalation (%)	3.0%
O&M Escalation (%)	2.0%
Discount Rate	5.0%

Economic Incentives	
Federal Tax Credit (Treasury Grant)	30%
Depreciation (years)	5

Year	Costs		Expenses			Electricity Avoided Cost Savings	Revenue		EBITDA Pre-Tax Earnings	Federal ITC 30% ITC	DEBT Debt Service Payment	Cashflow	
	Capital Investment	Total Costs	Insurance Expenses	O&M Expenses	Total Expenses		SREC Revenue	Total Revenue				Net Cashflow	Cumulative Cashflow
0 2023	\$95,000	\$95,000			\$0				(\$95,000)	\$0	\$0	(\$95,000)	(\$95,000)
1 2024	\$0	\$0	\$900	\$1,800	\$2,700	\$9,000	\$11,700	\$20,700	\$18,000	\$82,500	\$16,189	\$84,311	(\$10,689)
2 2025	\$0	\$0	\$927	\$1,836	\$2,763	\$9,089	\$11,700	\$20,789	\$18,026	\$0	\$16,189	\$1,837	(\$8,852)
3 2026	\$0	\$0	\$955	\$1,873	\$2,828	\$9,180	\$11,570	\$20,750	\$17,922	\$0	\$16,189	\$1,733	(\$7,120)
4 2027	\$0	\$0	\$983	\$1,910	\$2,894	\$9,271	\$11,440	\$20,711	\$17,817	\$0	\$16,189	\$1,628	(\$5,492)
5 2028	\$0	\$0	\$1,013	\$1,948	\$2,961	\$9,363	\$11,440	\$20,803	\$17,841	\$0	\$16,189	\$1,652	(\$3,840)
6 2029	\$0	\$0	\$1,043	\$1,987	\$3,031	\$9,456	\$11,440	\$20,896	\$17,865	\$0	\$16,189	\$1,675	(\$2,165)
7 2030	\$0	\$0	\$1,075	\$2,027	\$3,102	\$9,549	\$11,310	\$20,859	\$17,758	\$0	\$16,189	\$1,568	(\$597)
8 2031	\$0	\$0	\$1,107	\$2,068	\$3,175	\$9,644	\$11,310	\$20,954	\$17,780	\$0	\$16,189	\$1,590	\$994
9 2032	\$0	\$0	\$1,140	\$2,109	\$3,249	\$9,740	\$11,310	\$21,050	\$17,801	\$0	\$16,189	\$1,611	\$2,605
10 2033	\$0	\$0	\$1,174	\$2,151	\$3,325	\$9,837	\$11,180	\$21,017	\$17,691	\$0	\$16,189	\$1,502	\$4,107
11 2034	\$0	\$0	\$1,210	\$2,194	\$3,404	\$9,934	\$11,050	\$20,984	\$17,581	\$0	\$16,189	\$1,391	\$5,498
12 2035	\$0	\$0	\$1,246	\$2,238	\$3,484	\$10,033	\$11,050	\$21,083	\$17,599	\$0	\$16,189	\$1,410	\$6,908
13 2036	\$0	\$0	\$1,283	\$2,283	\$3,566	\$10,132	\$11,050	\$21,182	\$17,616	\$0	\$16,189	\$1,427	\$8,335
14 2037	\$0	\$0	\$1,322	\$2,328	\$3,650	\$10,233	\$11,050	\$21,283	\$17,633	\$0	\$16,189	\$1,443	\$9,778
15 2038	\$0	\$0	\$1,361	\$2,375	\$3,736	\$10,335	\$10,920	\$21,255	\$17,518	\$0	\$16,189	\$1,329	\$11,107
16 2039	\$0	\$0	\$1,402	\$2,423	\$3,825	\$10,437	\$1,245	\$11,682	\$7,857	\$0	\$0	\$7,857	\$18,964
17 2040	\$0	\$0	\$1,444	\$2,471	\$3,915	\$10,541	\$1,245	\$11,786	\$7,870	\$0	\$0	\$7,870	\$26,834
18 2041	\$0	\$0	\$1,488	\$2,520	\$4,008	\$10,645	\$1,245	\$11,890	\$7,882	\$0	\$0	\$7,882	\$34,717
19 2042	\$0	\$0	\$1,532	\$2,571	\$4,103	\$10,751	\$1,230	\$11,981	\$7,878	\$0	\$0	\$7,878	\$42,595
20 2043	\$0	\$0	\$1,578	\$2,622	\$4,200	\$10,858	\$1,230	\$12,088	\$7,887	\$0	\$0	\$7,887	\$50,482
21 2044	\$0	\$0	\$1,626	\$2,675	\$4,300	\$10,965	\$1,230	\$12,195	\$7,895	\$0	\$0	\$7,895	\$58,377
22 2045	\$0	\$0	\$1,674	\$2,728	\$4,402	\$11,074	\$1,215	\$12,289	\$7,887	\$0	\$0	\$7,887	\$66,264
23 2046	\$0	\$0	\$1,724	\$2,783	\$4,507	\$11,184	\$1,200	\$12,384	\$7,877	\$0	\$0	\$7,877	\$74,141
24 2047	\$0	\$0	\$1,776	\$2,838	\$4,615	\$11,295	\$1,200	\$12,495	\$7,881	\$0	\$0	\$7,881	\$82,021
25 2048	\$0	\$0	\$1,830	\$2,895	\$4,725	\$11,407	\$1,200	\$12,607	\$7,883	\$0	\$0	\$7,883	\$89,904
<b>TOTAL</b>	\$95,000		\$32,813	\$57,655	\$90,468	\$253,953	\$181,760	\$435,713		\$82,500	\$242,841	\$89,904	\$29,482
<b>NPV</b>													

**IRR 11.3%**

# FHPD/FHCC: Key Next Steps

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Continue to work with the Construction Official towards provision of substantially complete drawings (targeting official review during Construction Document phase)

Tour one more PD TGP built (targeting week of 20 March)

Work with the Borough's Community Tree Expert (CTE) to review the trees to remain and provide a memo

Continue engagement with Fisk Chapel on developing a short/long term parking plan, as well as begin design of the landmark (meeting 14 March)

Work with TGP to generate a parking analysis, including parking demand, existing parking, proposed parking, and off-street parking (meeting 14 March)

Finalize the components of the FHCC Kitchenette to ensure compliance

- Confirm Health Department requirements, if any and as applicable

Initiate Owner's Representative next steps (pending GB Executive Session discussion)

Determine the feasibility of the Town's technology vendors conducting the install of technology, vice the Contractor (requires mapping out power and internet)

- Follow-up with key technology POCs

Provide final input on the type of flooring for the FHCC based on the FHCC Program Requirement



# FHPD/FHCC: Key Next Steps (continued)

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Work through logistical planning of the project site components, including staging of materials and ingress/egress to the eventual construction site

Work with TGP to understand the extent of Natural Gas versus Electric usage

Work to have UST fuel for FHPD removed immediately

Continue to work with American Water to determine replacing the 2" main on Fisk Street

Continue to manage the DRAFT Project Plan

Work through the Noise Ordinance component, to include State specific to emergency generators

Receive initial cost from BFI and outline next steps, to include refining furniture program requirement

Brief the Technology & Design Review Committee, and incorporate recommendations

- All updated recommendations to be provided to GB, as appropriate

Present the FHPD/FHCC to the Planning Board for capital review

- Shift from Design Development to Construction Documents post Planning Board Capital Review
- Coincides with no further substantive changes

Continue research into multi-purpose wall

# FHPD: Schedule

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## Redesign – 4 Months (Initiated 03 February)

- Schematic Design (1 Month) (Complete)
- Design Development (1 Month) (Current Stage)
- Construction Documents (2 Months)

## Bidding – 1 Month

## Evaluate Bids & Finalize Overall Costs – 1 Month

- Building Construction (FHPD and Community Center)
- Site Work (Stormwater Regs, Demolition)
- Residential Aesthetics
- Landscaping
- Environmental Remediation (including removal of the underground tank and remediation of the building and site)
- Bonding Costs
- Furniture Costs
- Temporary Electric Service
- Off-Site Improvements
- Inspection Fees (although the Borough may choose to waive Bldg. Dept. fees, there are still testing fees (for concrete, steel, etc.) that the Borough will incur.)

- Relocation Costs (unless all work of moving from the existing building into the new buildings will be handled by Borough staff)
- Owner-Furnished Equipment (telephone system, etc. Note: The building will include conduits, but not wiring or equipment)
- Contingencies (including inflation allowance)
- Construction Management (if the Borough decides to retain one in conjunction with the construction of this project)
- EV Charging Provisions (beyond the “infrastructure” called for in the site design)
- Solar array (and associated engineering)
- Fire Suppression System

## Award & Contractor Mobilization – 1 Month

## Start Construction – September/October 2023

## Estimated Construction Time – 12 Months

## Estimated Demolition Time – 2 Months

## Estimated Construction Complete – Fall 2024/Winter 2025