

March 29 Council Meeting – RBHC Update

The Revised Borough Hall Committee provided an update on the cost estimate for the redesigned building.

- The cost estimate of \$4,310,000 presented at the March 15 meeting was a top-down order of magnitude budget which yielded an approximate \$720,000 reduction in costs from the best bid of \$5,039,000 for the original larger building design. The March 15 estimate did not include any design contingency under the assumption that a more detailed review would generate the opportunity for such a contingency
- The newest estimate, based on a bottom-up line item costing, shows a building cost of \$3,818,256, which then afforded the committee the opportunity to establish a \$491,744 design contingency and still stay within the March 15 estimate of \$4,310,000.
- The architect and engineering effort for the next 30 days will be to finalize the entire design and develop the best estimate of the construction costs. It is highly likely that some portion of the contingency will be used to offset issues that will inevitably arise as the building goes to final design.
- At the April 26 council meeting, the council will be asked to approve a resolution accepting the final plans and authorizing the architect to begin the bid process by preparing the bid package. The council will also have a resolution moving the first reading of the bond issuance.

Correction – as part of the Q&A at the meeting, the question arose as to the cost of the court moving to Lavallette. The answer that was given included the total costs of the court which includes the judge's fees and other costs that would be incurred no matter the court was being held. The correct answer to the incremental cost of sharing the court with Lavallette is approximately \$7,000 per year not the stated \$47,000 which is the total cost of the court activity.