



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

ANGELICA ALLEN-McMILLAN, Ed.D.
Acting Commissioner

October 25, 2021

Mrs. Susan Speirs, Superintendent
Dennis Twp School District
601 Hagan Road
Clermont, NJ 08210

RE: PRELIMINARY ELIGIBLE COST: (PEC) DETERMINATION OF A SCHOOL FACILITIES PROJECT FOR A DISTRICT NOT REQUIRED TO USE THE AUTHORITY TO UNDERTAKE THE PROJECT, PURSUANT TO N.J.S.A. 18A:7G-5 AND DETERMINATION OF PRELIMINARY ELIGIBLE COSTS PURSUANT TO N.J.S.A. 18A:7G-7.

THIS PROJECT DOES NOT IMPACT EDUCATIONAL ADEQUACY AND IS NOT SUBJECT TO DOE FINAL EDUCATIONAL ADEQUACY REVIEW.

**State Project No. 1080-040-22-1000 Systems Rehabilitation
Dennis Twp Primary School
Dennis Twp School District
CAPE MAY COUNTY**

Dear Mrs. Speirs:

Your district has submitted an application for a school facilities project pursuant to Section 5 of the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (EFCFA or Act) and the New Jersey Department of Education implementing regulations at N.J.A.C. 6A:26-1 et seq. (Regulations). This project application has been deemed complete by the New Jersey Department of Education Office of School Facilities (Department), has been reviewed under the Act and the Regulations, and, as a result, the Department now makes the following determinations regarding the above referenced project.

I. DEPARTMENT DETERMINATIONS:

1. This school facilities project qualifies as a school facilities project eligible for State support under the Act.
2. This school facilities project is consistent with the District's approved long-range facilities plan (LRFP) as approved or as amended as of February 26, 2020.
3. This school facilities project meets the educational adequacy requirements, if applicable.
4. This school facilities project, which is not subject to educational adequacy requirements, meets the schematic plans requirements, if applicable.
5. This school facilities project is consistent with the District's applicable approved programmatic model contained in the District's approved LRFP, if any, or with the facilities efficiency standard (FES) and the area allowances per FTE student, and does not exceed the model or the FES, as applicable, except for spaces for which the District is not seeking State support.
6. This school facilities project, if in whole or in part is inconsistent with the FES or the applicable approved programmatic model, has been granted a waiver for having demonstrated that the inconsistency will not adversely affect the educational adequacy of the school facility.
7. This school facilities project or a portion of this project, if it qualifies for State support as new construction, it is because it is needed for unhoused students or for another educational adequacy purpose.
8. This school facilities project or a portion of this project if it qualifies for State support as rehabilitation, it is because it is required to keep the school facilities functional for its original purposes or for new purposes but does not increase the gross square footage of the school facility and does not include any routine maintenance or required maintenance but may include capital maintenance.
9. This school facilities project is not ranked as to priority.
10. This school facilities project may be subject to the environmental assessment or environmental impact statement requirements of Executive Order 215.
11. If this school facilities project is a new school, it therefore must incorporate the guidelines developed by the United States Green Building Council known as "Leadership in Energy & Environmental Design (LEED), Version 2" or appropriate update.
12. This school facilities project has not been determined to be an Emergent Project by the Department in concert with the Executive County Superintendent.

II. DESCRIPTION OF THE APPROVED PROJECT:

The approved school facilities project consists of the following components (**any ineligible scopes of work are noted and in bold with associated ineligible costs**):

- Roof Replacement - New Standing Metal Seam Roof System (Hugger Over Existing) with SBS Low Sloping Roof System
- Ceilings, Patching, Painting, etc.
- HVAC Classroom Casework - Remove Existing Casework and Replace with New Units including Stainless Steel Drop Sinks
- HVAC-Chiller Replacement - Remove Gas-Fired Unit - New (2) Boiler(s) and Water-Cooled Chiller, Pumps, Valves, Electric (Dehumidification)
- HVAC-VAV Units (17) - Modify Existing Reheats and Install New Bipolar Ionization and Merv (13) Filters
- HVAC-BAS Controls - New DDC Control System
- HVAC-New Breakers, Connections and Panel Modifications

New Construction:

N/A

Rehabilitation:

Total Eligible GSF:	Rehabilitation:	50,000
Total Ineligible GSF:		0
<hr/>		
Total GSF:		50,000

III. PRELIMINARY ELIGIBLE COSTS (PEC) FOR THE APPROVED PROJECT:

The District's aid percentage as defined in section 3 of the Act, N.J.S.A. 18A:7G-3 is as noted in table below, and State share will driven by that percentage (calculated differently for Debt Service Aid than for Grant Projects), and State share will not be less than 40% at final eligible costs.

Pursuant to N.J.S.A. 18A:7G-7 the following is the PEC for the approved school facilities project:

PEC Calculations:

Preliminary Eligible Cost Calculations for SP#:				1080-040-22-1000	Dennis Twp Primary School	
	Functional Capacity (FC)	Projected Enrollment (PE)	Unhoused Students (UH)	Area Allowance / FTE Student (AA)	****Maximum or Actual Gross Square Footage (GSF)	Preliminary Eligible Cost (PEC)
*New Construction	0	0	0	0.00	Max: 0	\$ -
					Actual:	\$ -
Other Eligible Costs for Educational Adequacy (Based on \$143/SF)					0	\$ -
**Rehabilitation						\$ 4,979,000.00
TOTAL PEC						\$ 4,979,000.00
Ineligible Excess Costs (Based on \$143/SF)					0	\$ -
Ineligible Excess Costs (Based on estimated actual cost for rehabilitation)						\$ -
<i>TOTAL Ineligible Excess Costs</i>						\$ -
Total Project Cost						\$ 4,979,000.00
<i>*New construction costs are calculated using \$143.00 per square foot times the GSF.</i>						
<i>**The rehabilitation costs are compiled from the architect's line item cost estimate of the scope of work to be performed during the school facilities project.</i>						
FY 21 DAP =		0.0000%		or 40% whichever is greater.		40.0000%
<i>***State share for grant funding, assuming the district elects to receive a grant pursuant to N.J.S.A. 18A:7G-15 instead of state debt service aid pursuant to N.J.S.A. 18A:7G-9. State share is calculated based on the district aid percentage (DAP) at the time of approval as defined in N.J.S.A. 18A:7G-3.</i>						
<i>****The preliminary eligible costs for new construction will be calculated based on the maximum allowable additional gross square footage or the actual gross square footage, whichever is smaller. The final eligible costs may not equal preliminary eligible costs, pursuant to the district's right to appeal preliminary eligible costs under N.J.A.C. 6A:26-3.6. A change in final eligible costs will mean a change in State and local share of those costs.</i>						

version 2021a

PEC Table Notes:

- New construction cost is calculated based on \$143.00 per square foot times the GSF.
- Rehabilitation cost is based on architect's line item cost estimate of scope of work to be performed during school facilities project. Costs were reviewed and approved by the Department.
- PEC for new construction is calculated based on maximum allowable additional gross square footage based on Unhoused Students, or actual gross square footage, whichever is smaller.

IV. ACTIONS TO BE TAKEN:

A. Introduction: If a district constructs the school facilities project, the district will receive State support in the form State debt service aid (pursuant to N.J.S.A. 18A:7G-9). The district also has options on whether to accept or appeal the Department's determinations of space eligible for State support and PEC. Further, the district will need to take certain actions depending on whether the project is subject to educational adequacy requirements. Please note that the above review is limited to the spaces in the approved programmatic model for the above-referenced school facilities project.

B. District elected options: Thirty (30) days from the date of this PEC letter, the Department will issue a FEC letter with “debt service” as the State funding source. If the District does not agree with these elections, they must notify the Department prior to this action. If no letter is issued in that time period, the PEC becomes the FEC.

The following information is only for Districts Non- acceptance of PEC elections.

The District has the option to defer the acceptance of the PEC **only on new construction** (related to \$143/sf). If the District chooses to defer a decision they must develop detailed plans and specifications by a design professional. At this time the District may appeal to the Commissioner of the Department for an increase in PEC (based on \$143/sf) in an amount not to exceed 10% of the PEC, if such plans indicate that the cost of constructing the approved school facilities project exceeds the PEC as determined by the Commissioner.

C. Educational adequacy and Uniform Construction Code review.

If the other capital project does not require final educational adequacy review, the district is not required to make a final educational adequacy submission to the Department or pay the Department final educational adequacy review fees. **The district may advance the project, including review for Uniform Construction Code (UCC) compliance as required to the local municipal code enforcing agency.** If the local code enforcement agency declines to perform the plan review or is not classified at the appropriate level for the project in question, then the project may go to an appropriately classified local code enforcement agency or to the Department of Community Affairs. Because of added security requirements, plans and specifications for the construction of new schools will continue to be reviewed by the Department of Community Affairs.

If the school facilities project requires final educational adequacy approval, the district needs to apply to the Department for such approval or a portion of such approval and submit the total review fees in the amount as determined under N.J.A.C. 6A:26-5.5, as per the FEC, to the Department prior to proceeding with review of its construction documents for UCC conformance.

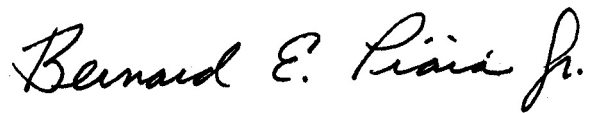
Note: The district must demonstrate to the Department that extraordinary circumstances require an award of the entire approval project scope in separate phases.

D. Executive Order 215. School facilities projects meeting certain State assistance percentage (at least 20% of total project costs) and cost thresholds (total construction costs in excess of \$1 million) and not otherwise exempted (exemptions include rehabilitation and new construction not increasing the building’s capacity by more than 25 percent) are required to comply with E.O. 215, including the preparation and submission of an environmental assessment or an environmental impact statement as applicable, prior to site preparation and/or construction activity.

E. Final eligible costs and local support. A district may not seek approval of the local support (e.g., school bonds, lease purchase, etc.) for the school facilities project until the Department has notified the district of the FEC for the project. Also, no school facilities project may be constructed unless, if there is a local support amount, such local support has received approval as set forth in N.J.A.C. 6A:26-3.7. However, a district may seek approval of the estimated local share in its annual budget prior to a determination of FEC, pursuant to N.J.A.C. 6A:26-3.6.

Please contact me with any questions you may have regarding this matter at (609) 376-3701 or by email to bernie.piaia@doe.nj.gov.

Sincerely,



Bernard E. Piaia, Jr., Director
Office of School Facilities

BEP:clb

Approved e-Plans Under Separate Cover

c: Angelica Allen-McMillan, Acting Commissioner
Cathy Bravo, TES, Office of School Facilities
Judith DeStefano-Anen, Office of the Executive County Superintendent, Cape May County
Kateryna Bechtel, Office of the Executive County Business Official, Cape May County
Paige Sharp-Rumaker, District Business Administrator
Robert N. Garrison, Jr, Garrison Architects, District Consultants

DISTRICT MAY FILL OUT AND EMAIL BACK A COPY OF THIS FORM to your NJDOE facilities manager to assist the department to establish project's FEC:

ATTACHMENT "A"

TO: Bernard E. Piaia, Jr. Director or NJDOE-FACILITIES DISTRICT PROJECT MANAGER:

Office of School Facilities Projects
NJ Department of Education
PO Box 500
Trenton, NJ 08625-0500

RE: **ESTABLISHMENT OF FEC FOR DEBT SERVICE AID REQUEST**

RESPONDING TO LETTER "PRELIMINARY ELIGIBLE COST: DETERMINATION OF A SCHOOL FACILITIES PROJECT FOR A DISTRICT NOT REQUIRED TO USE THE AUTHORITY TO UNDERTAKE THE PROJECT, PURSUANT TO N.J.S.A. 18A:7G-5 AND DETERMINATION OF PRELIMINARY ELIGIBLE COSTS PURSUANT TO N.J.S.A. 18A:7G-7"

DISTRICT: _____

COUNTY: _____

PROJECT NUMBER: _____

Dear Mr. Piaia:

Pursuant to the New Jersey Department of Education ("Department") letter approving the above-referenced school facilities project and the determining preliminary eligible costs ("PEC"), the District elects the following options and determinations on the construction and funding of such project. As requested, please find enclosed the board resolution signed and sealed authorizing the District to the following:

A. District decision on Department determination on spaces inconsistent with the facilities efficiency standards or the applicable programmatic model in the district's approved Long-range facilities plan (**check only one**):

- District accepted and agreed to locally fund any excess (space) costs
- District revised its school facilities project and resubmitted it for Department review
- District requested additional space eligible for State support
- Not applicable

If the District accepted and agreed to locally fund any ineligible (excess space) costs as indicated on this form, the Department will be better able to expedite the determination of final eligible cost (FEC) for the school facilities project. If the District selected any of the other options, and

