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May 17, 2020

Council President Giattino et al.

I hope this letter finds you all well and healthy during this difficult time. We are writing today in reference to Ordinance No. B-264. This ordinance, sponsored by Councilwoman Vanessa Falco, is being heard for Second Reading and should it pass, will repeal Chapter 54, Article IV: City Engineer. It is our understanding that the intent of this ordinance is to create savings in the 2020 Hoboken City Budget. After carefully reviewing the work of the Engineering Division, should this ordinance pass, it will in fact create just the opposite: the City will not recognize any savings in the 2020 budget, a myriad of costs will increase, and services will be reduced.

For background, since 2012 the City of Hoboken has undertaken a number of significant improvement projects requiring an engineer to oversee and certify their development. Projects such as the Washington Street Redesign, the Southwest Park, and the Northwest Pop-Up Park. Over the course of the last eight years as these projects advanced, the administration and the City Council identified two major bottlenecks:

- An exorbitant cost for engineering oversight, as a private sector consultant had to be hired on each project and,
- A lack of institutional knowledge and capacity in construction administration and project development.

As such, Mayor Bhalla, with the support of the City Council, created an Engineering Division to bring this expertise in-house, employ universal supervision to all City projects, and reduce costs across the board. It has done just that, in fact between \$150,000 and \$300,000 has been saved by the City of Hoboken thanks to having an in-house engineer.

Since its inception in early 2018, the Engineering Division has overseen projects of every size and scope - every pothole, every road re-pavement, every water main repair and our capacity to swiftly and effectively manage these situations has significantly increased. Every situation, no matter how small, is more efficiently and economically addressed because we have a department that has a holistic, birds-eye view of the City.

As the City looks ahead at the ambitious agenda in the coming years, it is imperative to have an engineer on staff to bring that view to the management of our various projects, including, but not limited to: the Northwest Resiliency Park, City-wide Water Main Replacements (\$5m/year in perpetuity), Rebuild by Design (beginning in fall of 2020), and all road resurfacing.

A FAIR AND WELCOMING COMMUNITY

Currently, all projects administered by the engineering division require "Professional Engineer" oversight. If the Engineering Division were to be eliminated by the City Council, the City would once again contract for these costs to maintain the projects. This would result in:

- A significant increase in costs; the costs for the remainder of this calendar year alone costs would increase a minimum of 2.5X.
- A lengthier timeline for new, and existing projects, due to mandated processes for hiring engineering consultants. This too could potentially lead to even greater overall project costs.

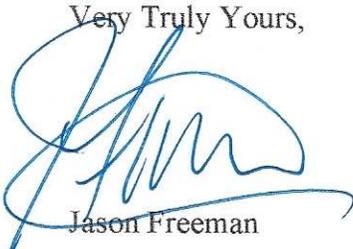
The chart below demonstrates the rates of third-party engineers used by the City in the past compared to the hourly rate of Kimberli Craft.

Position	Firm	Hourly Rate	Ratio to Engineering Salary
City Engineer	Hoboken (Kimberli Craft)	\$74.48	N/A
Senior Engineer	CDM Smith	\$210.00	2.8
Senior Engineer	Boswell	\$177.00	2.4
Senior Engineer	Engenuity	\$200.00	2.7

In addition, the Engineering Division oversees all municipal grant applications and state aid packages for project development. **Since its creation, these grant awards have more than doubled.** Without a certified "Professional Engineer" to certify and stamp these applications we would be unable to apply for, let alone receive this funding, which totals in the millions.

Eliminating this vital division will only be detrimental to the City of Hoboken. Project management will be less efficient and costs will significantly increase. The residents of Hoboken will have to bear both the financial and quality of life burdens.

Very Truly Yours,



Jason Freeman



Caleb Stratton