



## Covid-19 Construction Costs, By Marianne Schaefer

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Construction costs in New York were already notoriously high before the coronavirus pandemic hit. When shut-down projects were allowed to reboot in June, the city and state put specific requirements in place, which drove costs up even further. Co-op and condo boards are on the hook for those added costs. "All contractors have to implement a COVID-19 plan, which is in addition to your safety plan," says Vincent Salvatoriello, chief operating officer at Skyline Builders Group. "First of all, that new plan requires an additional staff member, a full-time position." That person's primary responsibility is training workers on safety and maintaining a log that monitors each worker. All workers have to sign in, have their temperature taken, and report whether or not they felt sick; at the end of the shift, they all have to sign off. "This COVID-19 log has to be on site," Salvatoriello says, "and ready for a presentation when the Department of Buildings (DOB) comes to inspect a construction site".

The additional salary for an extra person and the equipment is only the beginning of the pandemic-related added expenses boards are facing. "Just when we thought we had that settled, then the DOB comes with a new initiative," Salvatoriello says. "They demand a COVID-19 sanitizing station at every construction site. If you work on a building that has active water, then you need to provide a separate change and wash area for hand washing and sanitizing. If you do not have that, then you need to set up a separate station with sanitizers, hand wipes, everything of that nature other than the running water. And you need the portable toilets." Salvatoriello estimates the monthly cost for the sanitizing station and the supplies at a minimum of \$11,000, based on a 25-person crew.

Kristopher Popovic, account executive at Century Management Services, is overseeing several construction projects where the costs have gone up substantially. "I have a basement foundation project which cost about \$500,000, and at least an additional \$15,000 is going toward the COVID-19 safety requirements," he says. "At another site we were replacing the cooling plant, and we had to place people in hotel rooms and sanitize those rooms. Then we have a window project in one of my buildings where we have to spend thousands of dollars per unit to sanitize after the vendors leave. Instead of \$200,000, we are now paying another \$25,000 to \$30,000 just to sanitize these apartments after the vendors leave."

The costs keep coming. Workers need personal protective equipment, such as masks and safety glasses, which Salvatoriello estimates at about \$1,000 per month on average. "Don't forget to add the legal fees," adds Popovic. "Now you need riders and action plans which have to be drafted, and it's a \$10,000 fine every time an inspector shows up on site and somebody is not wearing a mask."

All these hurdles add time to a construction project. "All the sanitizing will slow down the workers for sure," Salvatoriello says. "And when you work outside or in a non-airconditioned building and it's 95 degrees outside, and you're wearing your hard hat, and your safety glasses, and your mask, it becomes unbearable." Popovic notes that these unwelcome new costs are unavoidable. "Boards need to keep in mind that those are all life-safety measures that need to be done," he says. "There is nothing you can do. You have to deal with it."

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