

Staff Review of Construction Costs

Demolition:

Project Budget:	\$1,200,000 dollars
Project Bid Amount:	\$1,391,100 dollars

The budget was established by discussions between contractors and CH2MHill. This variation is due to the following

- Scope of demolition was increased to include property to be turned over to the School District
- Project estimate is in 2010 dollars and not adjusted for CPI
- Economy is stronger since 2010 and costs have risen

Construction

Engineers Estimate of Probable Cost:	\$7,480,000 dollars (see attached 2012 estimate)
	\$6,499,105 dollars (see attached 2010 estimate)
Project Bid Amount:	\$7,030,320 dollars (without alternate bid items)
	\$7,319,120 dollars (with alternate bid items A and D)
Grant funding Applied for:	\$6,242,588 dollars (includes A/E work)

Initial Grant funding was applied for starting in 2006 and subsequent funding was applied for to meet the engineers estimate.

**CITY OF KEY WEST
PUBLIC TRANSPORTATION FACILITY
OFFICE/MAINTENANCE FACILITY & BUS WASH**

SUMMARY - PROBABLE CONSTRUCTION COST

ESTIMATED PROBABLE CONSTRUCTION COST	
Contingency	\$350,000
Office/Maintenance Building	\$4,750,000
Fuel Facility (To be relocated from existing site)	\$0
Bus Wash Facility	\$250,000
Site Development Work	\$1,450,000
Furniture & Special Equipment	Not Included
Estimated Probable Construction Cost Subtotal	\$6,800,000
KW Factor @ 10%	\$680,000
ESTIMATED PROBABLE CONSTRUCTION COST	\$7,480,000

BASIS & ASSUMPTIONS

Development Area ±3.87 acres

Intent of estimate is to provide a conceptual level cost estimate

Quantities and unit-prices are subject to change pending design progress

Estimate includes an estimate contingency factor due to the stage of design

Estimate excludes demolition of the existing facilities

Estimate excludes existing Bldg. & Site Environmental Remediation & Mitigation, if required

Estimate excludes removal/remediation of any existing chemicals and/or oil in the soil, if required

Estimate excludes asbestos abatement, if required

Estimate is based on normal bidding circumstances and current market conditions

Estimate assumes that the entire project is to be let under a single contract

Estimate assumes the fuel facility along with specialty equipment will be relocated from the current facilities

Estimate assumes City to provide/deliver all fill for the project. Cost of furnishing & delivering fill to the site is not included (estimated cost ±\$825,000).

Estimate assumes project will be provided with an alternate power supply (generator) in the future. Cost of generator is not included (estimated cost ±\$150,000).

Estimate excludes furniture and special equipment (estimated cost ±\$250,000).

January 29, 2013

VIA E-Mail

Birchard Ohlinger, P.E.
City of Key West
3140 Flagler Avenue
Key West, FL 33040

Subject: **City of Key West – Public Transportation Facility Project
Bid No. 001-13**

Mr. Ohlinger:

Chen Moore has reviewed the base bid for design and construction of the Key West Public Transportation Facility. To the best of our knowledge, through our review and verification where feasible, the bid amount is fair and reasonable. We recommend the award of the contract to Douglas N. Higgins, Inc.

Should you have any questions, please do not hesitate to contact me my cell phone at 954.650.0164 or send me an electronic message at obello@chenmoore.com.

Respectfully submitted,



Oscar R. Bello, P.E.
Project Manager

Enclosure
ORB/mw

cc: