

**Key Colony Beach - City Hall Actual Construction Costs - Assumed 20 year time frame - Adjustments to T. Harding Summary**  
*(The violet description and amounts in Columns A-D are the KCB summary unchanged. Column E recalculates the City projections using real numbers. Columns H - L calculate building costs of the two bids received as well as three design proposals using the same variables.)*

Assumed Key Items to Summary	A	Financing can be accomplished at 5¼ % rate - if rate increases it will generate a higher interest component	4.75%						
	B	Since the amount scheduled for financing is less than the estimated new City Hall cost, it implies that the city has ready access to the remaining approximately \$3,740,000 "reserve" for the new building construction.							
	C	Combined Unforeseen/Change Order Rate	20.0%						
		Adjusted Rate of Inflation	4.75%						
	D	Trailer Rental will continue for the 730 day project life, assuming inflation at Inflation rate							
	E	The "asbestos removal" contract amount is suspect at either 28 hours of labor and no disposal fee or 40¢/s.f. inclusive cost.							
	F	Unable to confirm the amount claimed as cash on hand--it does not appear in the fund balances of the most recent annual financial statement and likely uses all "hurricane reserves."							
	G	Furniture already procured for trailer houses?							
Item Description	Amount	Comments	Recalculated Amount Based on City Budget		Amount Based on H-O-B LLC Quote	Amount Based on Persons Services Quote	Amount Based on Restoring/rebuilding City Hall	Amount Based on Proposal 4	Amount Based on Proposal 5
1 Current city hall asbestos removal (Note A)	\$3,495.00	Formal estimate received	\$111,932.50	Estimate covered testing only-abatement estimated at \$10-15/s.f. (industry standard = \$5-20/s.f.)	\$111,932.50	\$111,932.50	\$111,932.50	\$111,932.50	\$111,932.50
2 Current city hall demolition	\$100,000.00	No formal estimate yet	\$178,500.00	Estimated at 8675 s.f. * \$20/s.f + \$5,000 for lot clearing and prep	\$178,500.00	\$178,500.00	\$178,500.00	\$178,500.00	\$178,500.00
3 New Building	\$8,375,000.00	Budgeted amount	\$8,375,000.00		\$8,375,000.00	\$12,487,948.70	\$2,528,750.00	\$5,034,000.00	\$2,500,000.00
4 Parking lot, landscaping, lighting		Plan to include in budget quote	\$512,265.60	Estimated at \$8/s.f. complete	\$512,265.60	\$512,265.60	\$200,000.00	\$200,000.00	\$200,000.00
5 Inside office furnishing (Note G)	\$142,000.00	Initial estimate complete	\$142,000.00	City initial estimate	\$142,000.00	\$142,000.00	\$142,000.00	\$142,000.00	\$142,000.00
6 Continued trailer rentals (Note D)		Expenses covered in yearly budget	\$153,562.50	Actual current expense from FY2022-23 Budget Summary	\$153,562.50	\$153,562.50	\$153,562.50	\$153,562.50	\$153,562.50
7 Building communication electronics	\$50,000.00	No formal estimate yet	\$50,000.00	Use City's WAG from Column C	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
8 Outside seating and park furnishing	\$10,000.00	No formal estimate yet	\$10,000.00	Use City's WAG from Column C	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
9 Engineering Support Services	\$93,600.00	Hardin's guess of 6 hours/week							
On Site Project Manager recommended by review team		Not included	\$1,675,000.00	Industry std of 20% of project bid	\$1,675,000.00	\$2,497,589.74	\$505,750.00	\$1,006,800.00	\$500,000.00
Building Engineering Services: Mechanical, Electrical and Structural		Not included	\$586,250.00	Industry std of 7% of project bid	\$586,250.00	\$874,156.41	\$177,012.50	\$352,380.00	\$175,000.00
Building Engineering Services: Site LEED consultation		Not included	\$83,750.00	Industry std of 1% of project bid	\$83,750.00	\$124,879.49	\$25,287.50	\$50,340.00	\$25,000.00
10 Architect support Services	\$150,000.00	Review current contract	\$25,000.00	SWAG	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
11 Accounting Support Services	\$25,000.00		\$150,000.00	Industry std of 1.5% of project bid	\$125,625.00	\$187,319.23	\$37,931.25	\$75,510.00	\$37,500.00
12 Legal Support Services		Not included	\$25,000.00	Use City's WAG from Column C	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00	\$25,000.00
			\$100,000.00	SWAG based on City V-B contract	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00	\$100,000.00
13 Change Orders (Note C)	\$400,000.00	Assume 5% of total costs	\$1,675,000.00	Assumed 5-10% overrun for unforeseen items + 10-15% for change orders	\$1,675,000.00	\$2,497,589.74	\$505,750.00	\$1,006,800.00	\$500,000.00
Performance Bond		Not included		Assumed 15% additional charge for H-O-B addenda	\$1,256,250.00				
14 Inflation costs as project is executed (N)	\$400,000.00	Assume 5% of total costs	\$335,000.00	Based on industry standard + 1% Inflation	\$335,000.00	\$499,517.95	\$101,150.00	\$201,360.00	\$100,000.00
			\$658,029.88		\$716,543.94	\$948,942.84	\$226,882.62	\$404,786.69	\$224,841.01
Financing cost (Note A, B)		Not included	\$4,957,324.19	Total financing over mortgage life	\$5,572,056.09	\$8,486,249.66	\$751,739.29	\$1,710,701.67	\$0.00
15 Total Expenses	\$9,130,495.00		\$19,803,614.67		\$21,708,735.64	\$29,912,454.35	\$5,856,248.16	\$10,838,673.36	\$5,058,336.01
Claimed Cash on Hand (Note F)			\$5,848,298.28		\$6,022,893.28	\$6,022,893.28	\$6,022,893.28	\$6,022,893.28	\$6,022,893.28
Less grants lost					\$0.00	\$0.00	\$2,282,859.28	\$0.00	\$0.00
Possible Cash on Hand			\$5,848,298.28		\$6,022,893.28	\$6,022,893.28	\$3,740,034.00	\$6,022,893.28	\$6,022,893.28
Amount to be financed over 20 years: Revised Total less cash on hand			\$8,997,992.20		\$10,113,786.26	\$15,403,311.41	\$1,364,474.87	\$3,105,078.41	\$0.00
Interest calculation for amount to be financed over 20 years, assuming monthly payments			\$4,957,324.19		\$5,572,056.09	\$8,486,249.66	\$751,739.29	\$1,710,701.67	\$0.00
Interest calculation for amount to be financed over 20 years, assuming annual payments			\$5,137,937.63		\$5,775,066.47	\$8,795,434.76	\$779,127.90	\$1,773,028.79	\$0.00