

21 April 2021

Mr. Mark Aakhus
Assistant Town Administrator
Town of Edisto Beach
2414 Murray Street
Edisto Beach, SC 29438



RE: Edisto Town Hall

Dear Mr. Aakhus:

We sent the conceptual rendering incorporating your comments a few days ago, but I wanted to follow-up to your question about the estimated cost of construction.

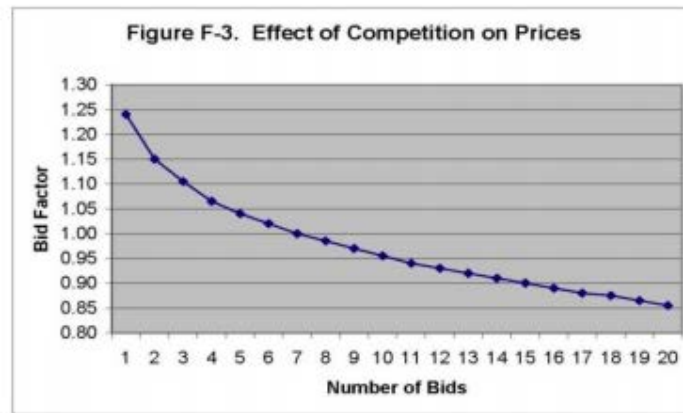
While it is expected that all construction will be completed as one phase, the project costs will vary based on the buildings. Inherently the fire station and EOC will have higher costs/sf than the Town Hall and office areas. For the purposes of this estimated cost analysis we are using average cost/sf for these spaces based on historical knowledge from similar recent projects. Also note that construction of the elevated buildings due to flood, and floodproofing areas that must be below flood impact costs and are reflected herein. Please note the following:

Common Shared areas:	3,000 GSF @ \$250 /sf.....	= \$ 750,000
Fire:	9,600 GSF @ \$ 600/sf.....	= \$ 5,760,000
Police:	2,300 GSF @ \$ 350/sf.....	= \$ 805,000
<u>Town Hall:</u>	<u>7,600 GSF @ \$400 /sf.....</u>	<u>= \$ 3,040,000</u>
Total Estimated Cost of Construction		= \$10,400,000
Escalation thru midpoint of construction (assume summer 2022)....		= \$ 265,650
Soft Costs (design fees, permit fees, regulatory reviews) @ 8%.....		= \$ 900,000
<u>FFE (furniture fixtures and equipment) @ 2% cost of construction</u>		<u>= \$ 208,000</u>
TOTAL		= \$11,773,650
CONTINGENCY @ 2.5%		= \$ 295,000
TOTAL ESTIMATED PROJECT COSTS		= \$12,100,000

The Construction market is currently quite volatile and both material and labor shortages are an ever increasing issue. Projections we have seen indicate cost fluctuations will continue. The estimate above is a rough estimate based on conceptual design, our experience with publically bid projects in the low-country of SC, and an assumption that there will be a high number of competitive bidders.

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It is our opinion that the current construction market may be less than competitive at both the General Contractor and Sub Contractor levels, which will impact pricing. One of several resources the Owner should consider when bidding is the “Effect of Competition on Prices” chart developed by the US Army Corp of Engineers. Additional project specific factors to consider, when applicable, are: anticipated mid-point of construction, difficult conditions, phasing, Liquidated Damages, limited or set-aside contracting requirements, etc. These multiple factors should also be considered whenever the project is delayed and/or market conditions change significantly.



Cost may vary depending on many factors including when the project is actually bid. RCA looks forward to assist the Town in navigating the many decisions that will be required as the project moves forward.

Please feel free to call me to discuss.

Respectfully,

Steve Coe, AIA, President