

**Guaranteed Maximum
Price
March 15, 2022**



AGENDA

Guaranteed Maximum Price (GMP)

Total Project Budget

Financial Impacts

Next Steps





GUARANTEED MAXIMUM PRICE

March 8, 2022

The 203 Project

Carrboro, NC

Building Area = 109,338 SQFT

		Amount	Total	Cost/SF
Cost of the Work				
Subcontract Base Bid		\$28,796,592		\$0.00
Subtotal Cost of Work		\$28,796,592	\$28,796,592	\$263.37
Contingencies				
Construction Contingency	4.97%	\$1,505,178		\$13.77
Subtotal Contingencies		\$1,505,178	\$30,301,770	\$277.14
General Conditions				
Labor		\$0		\$0.00
Subtotal General Conditions	LSUM	\$1,900,577	\$32,202,347	\$294.52
Bonds & Insurances				
CMAR Insurances & Bonds	2.10%	\$726,297		\$6.64
Subcontractor Default Insurance	1.25%	\$359,957		\$3.29
Subtotal Bonds & Insurances		\$1,086,254	\$33,288,602	\$304.46
Fees & Allowances				
Construction Management Fees	3.75%	\$1,296,959		\$11.86
Subtotal Fees & Allowances		\$1,296,959	\$34,585,560	\$316.32
Cost of the Work with Accepted Alternates				
Accepted Alternates:				
E-1: EV-Ready Parking Spaces (Shared)		\$25,224		\$0.23
L-1: Soil Cells (Town of Carrboro)		\$41,600		\$0.38
QT-1: Theatrical Drapes (Town of Carrboro)		\$39,683		\$0.36
PBA/A-2: Corbin-Russwin Mortise Locksets		\$0		\$0.00
PBA/E-1: Communications Equipment		\$0		\$0.00
Subtotal Cost of Work with Accepted Alternates		\$106,507	\$34,692,067	\$317.29
GMP Total with Alternates			\$34,692,067	\$317.29

Total Project Costs

03/01/22 Total Project Budget (Updated with GMP)			
	Town	Orange County	Total
A. Construction			
Total Construction & CMAR	\$15,490,004.00	\$19,202,063.00	\$34,692,067.00
B. Design			
Architectural Fees (Ratio of CBO/OC Sq. Ft. = 44.52/55.48)	\$752,074.13	\$937,220.87	\$1,689,295.00
Supp. Architectural Fees (Ratio of CBO/OC Sq. Ft. = 44.52/55.48)	\$252,784.56	\$315,015.44	\$567,800.00
	\$1,004,858.69	\$1,252,236.31	\$2,257,095.00
C. FFE & Contingency			
Furniture , Fixtures and Equipment (FF&E)	\$1,688,850.00	\$802,225.00	\$2,491,075.00
Owner's Contingency (5%) @ Ratio of CBO/OC 44.52/55.48	\$772,245.00	\$962,358.00	\$1,734,603.00
Subtotal FFE&Contingency	\$2,461,095.00	\$1,764,583.00	\$4,225,678.00
TOTAL Project Budget	\$18,955,957.69	\$22,218,882.31	\$41,174,840.00

*Total operating cost for the building is estimated to be \$180,000 per year
Town share is approximately \$80,000 for utilities, maintenance and custodial services*

Financial Impacts



Fund Balance Impact

Total General Fund Balance	\$ 17,818,427
Non spendable	\$ (275,060)
Restricted	\$ (2,757,728)
Unassigned FB Available	\$ 14,785,639
Unassigned FB % of Expenditures	68.4%
GF Actual Expenditures	\$ 21,615,387
Carrboro Share of Total Costs	\$ 18,955,957
Cash for 203 Project	\$ (6,360,957)
FF & E (including solar)	\$ (1,688,850)
Contingency	\$ (772,245)
Construction	\$ (3,899,862)
Remaining Unassigned FB	\$ 8,424,682
% of Expenditures	39.0%
Amount to Borrow	\$ 12,595,000

Scenario 2 - Bank Placed	
Sources of Funds	
Par Amount	12,595,000
Total Sources of Funds	12,595,000

Uses of Funds	
Project Fund	12,494,863
Cost of Issuance	100,000
Additional Proceeds	137
Total Uses of Funds	12,595,000

Debt Service					
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Population</u>	<u>DS Per Capita</u>
2023	-	269,795	269,795	21,295	13
2024	663,000	333,768	996,768	21,295	47
2025	663,000	316,198	979,198	21,295	46
2026	663,000	298,629	961,629	21,295	45
2027	663,000	281,059	944,059	21,295	44
2028	663,000	263,490	926,490	21,295	44
2029	663,000	245,920	908,920	21,295	43
2030	663,000	228,351	891,351	21,295	42
2031	663,000	210,781	873,781	21,295	41
2032	663,000	193,212	856,212	21,295	40
2033	663,000	175,642	838,642	21,295	39
2034	663,000	158,073	821,073	21,295	39
2035	663,000	140,503	803,503	21,295	38
2036	663,000	122,934	785,934	21,295	37
2037	663,000	105,364	768,364	21,295	36
2038	663,000	87,795	750,795	21,295	35
2039	663,000	70,225	733,225	21,295	34
2040	663,000	52,656	715,656	21,295	34
2041	662,000	35,086	697,086	21,295	33
2042	662,000	17,543	679,543	21,295	32
Total	12,595,000	3,607,020	16,202,020	-	761

Next Steps

- March 21 – Construction Management meeting with neighboring businesses and residents
- March 25 – Request to set public hearing on financing
- April 5 – Hold public hearing and adopt preliminary resolution on financing
- April 6 – Submit application to NC Local Government Commission (LGC) for May 3 approval
- May 3 – Town Council to adopt resolution approving financing
- May – Groundbreaking

Orange County Proposed Options – Skills Development Center

Orange County is considering removing the Skills Development Center from the building (12,000sf) to reduce costs.

- Option 1 – Remove one story of building and one level of parking deck
 - 7-month delay for redesign and re-bid
 - Construction cost savings are estimated at \$3.8M
 - Additional design costs estimated to be \$600K
 - Cost per square foot goes up
 - Town's cost for same space goes up
- Option 2 – Redesign building
 - 17-month delay for redesign and re-bid
 - Construction cost savings are unknown
 - Additional design costs estimated to be \$1.5M
 - Town's cost likely will increase as a result of escalation

Questions

