

**Subject:** RE: Community Center Budget Sub Categories

**From:** Meredith Hauck <mhauck@merriam.org>

**Date:** 7/20/2018 11:12 AM

**To:** "David Neal" <david@nealformerriam.com>

**CC:** Chris Engel <cengel@merriam.org>

Good morning David,

The breakdown of the preliminary budget in the Master Plan was:

Community Center with Indoor Aquatics: \$17,000,000

Outdoor Aquatics: \$4,425,000

Site Construction: \$1,800,000 (\$175K for demolition and \$1.625m for site work)

Contingency: \$2,322,500

Total: \$25,547,500

In the Master Plan, there was a budget for the building with indoor aquatics, and budget for the building with outdoor aquatics, and a budget for the building with both. The budget for the building with both was simply the first and second options combined. These numbers aren't as clean as they look though because the sq.ft. for spaces that support outdoor aquatics (pump rooms, lifeguard space, etc.) are partially included in the outdoor aquatics numbers. So in order to adhere as closely as possible to the original intent of the community and maximize the aquatics budget, when our team set the master project budget, we said that the aquatics bucket in our budget for both indoor and outdoor aquatics should be \$4,425,000 and simply include the deck space and any actual pool amenities - the support spaces would be carried as part of the community center budget.

The other caveat I will add to this is that this was a preliminary budget set in 2016 escalated to being at the midpoint of construction in summer 2018. Once you factor in 5% inflation factor (the current standard for non-residential construction is 5-5.5%) that would take the \$25.5 budget to \$27.5 at the midpoint of construction in late 2019. We also are still unsure what impact the steel tariff will have on our construction costs. We also already know that the \$1.625m for site work is low based on the borings that we've done - rock is very close to the surface on this site and it looks like our site work costs will be closer to \$2.5m based on these conditions, and we are still carrying a contingency to help cover unforeseen conditions that we may encounter once we actually start moving dirt. So right off the bat, we have almost \$3 million that we need to absorb into the construction budget.

I say all this to reinforce that although the Master Plan preliminary budget provided good guidance for us, our primary focus is to deliver upon the full set of amenities identified in fitness/gym, aquatics, and community space. We've worked very hard to design a concept for the building and site that delivers on this, while accounting for all of the compounding factors and still comes in on budget.

I'm happy to discuss any of this more with you. I'm also still working on compiling some of the other information you requested in separate emails and will send that over later today.

Meredith

--

Meredith Hauck  
Assistant City Administrator  
City of Merriam  
9001 W. 62nd Street • Merriam, KS 66202  
Direct: 913-322-5515  
City: 913-322-5500  
Cell: 816-739-3676

-----Original Message-----

From: David Neal [<mailto:david@nealformerriam.com>]  
Sent: Friday, July 20, 2018 9:37 AM  
To: Chris Engel <[cengel@merriam.org](mailto:cengel@merriam.org)>  
Cc: Meredith Hauck <[mhauck@merriam.org](mailto:mhauck@merriam.org)>  
Subject: Community Center Budget Sub Categories

Chris,

One of the other questions I asked (or think I asked) was what are the budget sub-categories that you have been working with in the new community center design assumptions? I heard \$4.4 million for aquatics at the work session. What are the other sub category breakdowns that added up to the overall construction budget shown within the \$25,547,500 'Construction Costs' shown on the 'preliminary costs' slide in the work session presentation?

Also, for the \$4.4 million, how much was budgeted for indoor aquatics versus outdoor?

Thanks,

--Dave