

Karen Conroy

From: Rick Burroughs <rickb@blackriverdesign.com> on behalf of Rick Burroughs
Sent: Friday, February 14, 2020 3:26 PM
To: Karen Conroy
Subject: RE: Ltr from Black River Design on Soft Costs

Dear Karen,

I have no doubt that some of the costs that I have estimated are high. Some are also most likely too low. The real way to get to the bottom of the costs is to make sure that we are very clear as to what we are talking about for costs. Your example does not surprise me, costs vary widely depending on type and quality and the total amount of door hardware for each opening. For example some doors have cylinder, some have mortised hardware. There are several grades of quality that can effect both the cost and the durability of the hardware. In addition there are hinges, closers, door openers, weather stripping, and exit devices. It was beyond our scope to check and verify all of these items, that verification will come at a later stage.

I have tried to err on the high side and I hope that I am slightly high on overall costs, the danger is that we don't want to be so high that this exercise loses credibility.

The soft costs as listed in our Preliminary Scope / Budget Summary are all of the costs of the project that are not directly related to the construction costs. They are:

Fees: Architectural and engineering fees. For single items that you can handle in house these are not always needed. For all other items it is short sighted not to hire these services as we have seen on the Elementary School roof.

Contingency: This is money that we recommend that you hold aside to cover the risk that a project will increase in value due to changes, unforeseen items, inflation, estimating and other external forces that we can not know now. The smaller the project the higher the percentage and the more complex the project the higher the percentage. I would keep this large for now, you can reduce the amount as we know more because the risk reduces.

Other: These are costs that are hard to pin down now but will be required such clerk of the works (if needed), moving and storage, permitting, legal costs and insurance costs to name a few. As we discover more detail all of these should be budgeted so that a clear cost can be determined.

I hope this helps but please feel free to give me a call,
Truly,
Rick

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