



August 2, 2021

Dean Mealy, II CPPO
Town of Palm Beach – Purchasing Division
951 Old Okeechobee Road, Suite 'D'
West Palm Beach, FL 33401

RE: Town-Wide Undergrounding of Utilities Program – Construction Cost versus Master Plan Opinion of Probable Construction Cost Summary
KHA Job No. 044063229

Dear Dean,

This letter provides a summary of the construction cost proposals received since the Master Plan Opinion of Probable Construction Cost (OPC) was updated in 2019. In the time since the update, cost proposals have been received for five phase areas of the program: Phase 3 South, Phase 4 North, Phase 4 South, Phase 5 North, and Phase 5 South. A summary table of the cost proposals versus the Master Plan OPC is provided below:

Phase Area	Construction Cost Proposal	Master Plan OPC	Difference	% Difference
3S	\$8,029,384.83	\$7,710,000.00	\$319,384.83	+4.0%
4N	\$5,043,009.99	\$5,360,000.00	(\$316,990.01)	-6.3%
4S	\$8,803,506.00	\$6,400,000.00	\$2,403,506.00	+27.3%
5N	\$7,347,435.31	\$6,960,000.00	\$387,435.31	+5.3%
5S	\$8,102,327.89	\$8,940,000.00	(\$837,672.11)	-10.3%
Totals	\$37,325,664.02	\$35,370,000.00	\$1,955,664.02	+5.2%

As shown in the table above, while there is volatility in the individual phases, the overall construction costs for these five phases is within 5.2% of the updated, pre-pandemic Master Plan OPC. Additionally, it should be noted that Phase 4 North has seen a cost savings of over \$200,000 since approval of the Guaranteed Maximum Price for this phase through the elimination of the chicanes in this phase. This cost savings is not reflected in the above table, but if it was included the overall difference would drop below 5 percent. There is a similar opportunity for savings in both Phases 5 North and South should some or all of the planned chicanes be eliminated.

Should you have any questions or comments, please do not hesitate to contact me at (561) 840-0820.

Sincerely,
KIMLEY-HORN AND ASSOCIATES, INC.

A handwritten signature in blue ink, appearing to read 'K. Schanen', is positioned above the printed name.

Kevin Schanen, P.E.
Sr. Vice President

Cc: File

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