

COST ESTIMATES FOR LONG RANGE PLANNING

Claud Lacey, LRPC

The cost estimates for the Long Range Planning Committee's recommendations are not exact due to the variables involved with each project. More reliable estimates will only be available when the appropriate site is selected and hard construction drawings and plans are completed for study. Realistically this will not be done until immediately before the initiation of a project. For some of the identified projects, this will be a number of years from now. Consequently, the estimates were made by the LRPC with the understanding that all of the limitations be understood and acknowledged. The POA Board needed preliminary working cost estimates to help determine how much money should be generated in a capital reserve fund.

Method of Determining Cost Estimates

1. The facility size, in square feet, of each of the recommended projects where expansion or a new building is recommended was estimated. The estimate was based upon the projected operational needs determined by POA management. These estimates included growth in POA staff, memberships, and other requirements.
2. Square foot cost construction estimates were taken from the Construction Cost Tables published by the Building Safety Journal in August 2007. Multiplying the square foot cost listed in the table by the square foot size estimates for each of the facilities generated a base cost number. The estimates vary by building type.
3. An additional 20% was added to the total cost to cover potential land cost, site preparation, and other non-structural costs like furnishings. A higher number was used because experience has shown mountainous terrain can significantly increase site preparation cost, and consequently become a significant portion of the total project cost. The committee also concluded that for a long term working estimate it is best to be too high rather than too low.
4. To cover other contingency cost such as inflation, another 15% was added to the estimated project cost.

Exceptions

In several instances like the Tennis Center renovation/expansion and the Golf Maintenance Facility, data from paid consultants was available. In these cases their estimates were used.

The Parks and Trails Committee submitted a 10-year budget request of \$500,000. (\$50,000/year). The LRPC included their budget request in the total cost estimate.

The total cost estimate does not include operational equipment, roads, nor does it include projects that would cost less than \$100,000.

Total

The total LRPC 10-year estimate for identified projects is between \$10-11 million. Again, this is a working estimate for planning purposes. As each project is initiated, it is expected that the POA Leadership at that time will make the appropriate facility cost decisions using current data and an up to date business case.