

## Exhibit B: Factors Influencing Cost Increase

### Primary Drivers of Cost Increase

The following items and headings mirror the numbering and section titles used in the original clarification document and align line by line with the itemization in the Pricing tab of the Excel file.

#### *1. Steel Sheet Pile Wall*

Steel pricing increased materially since the original planning budget, including approximately \$290,000 in escalation between January 1, 2025 and January 1, 2026. In addition, the original budget did not include flowable fill. The final design uses flowable fill to backfill the wall from the mudline up to the bottom of the existing concrete wale to eliminate voids that would be difficult to fully address with conventional clean fill.

#### *2. Concrete Deck: Decrease from initial estimate*

Based on final design quantities and pricing, the concrete deck scope came in below the initial planning allowance.

#### *3. F Curb*

The initial budget only included curbing along the perimeter where sidewalks were anticipated on the L Pier. The final parking lot design includes additional curb lengths for islands and green space areas. Initial allowance assumed 2,644 LF. The final design includes over 3,000 LF of F curb and over 2,000 LF of D curb.

#### *4. Selective demolition*

The initial concept assumed a concrete overlay of the existing deck to the greatest extent possible. During design, the civil engineer evaluated conditions and determined that approach would not provide a durable long term solution. As a result, demolition quantities increased significantly and the entire parking deck must be removed and disposed.

#### *5. Sidewalks*

The initial budget assumed 4 inch thick sidewalk. The final design requires 6 inch sidewalks, increasing concrete quantities.

#### *6. Utilities: Decreased from initial estimates*

Utilities quantities and pricing came in below initial assumptions once plans were finalized and subcontractor pricing was received.

#### *7. Drainage*

Drainage scope and pricing were refined with final design. This line item reflects the finalized drainage requirements.

#### *8. Curb Stops: Decreased from initial estimates*

Curb pricing has reduced compared to initial assumptions.

#### *9. Striping: Decreased from initial estimates*

Striping pricing has reduced compared to initial assumptions.

#### *10. Railing*

Railing costs increased due to aluminum pricing escalation since 2024 and the final railing design selection. Multiple design options were considered with varying cost impacts. The selected railing matches other City of Panama City marine parks, including Snug Harbor Boat Ramp.

#### *11. Clean fill: Decreased from initial estimates*

Clean fill pricing has reduced compared to initial assumptions based on the final design.

#### *12. Mobilization*

Mobilization was not separately itemized in the original budget and was carried within the miscellaneous allowance. It is now explicitly defined and priced.

#### *13. MOT*

Maintenance of Traffic was not separately itemized in the original budget and was carried within the miscellaneous allowance. It is now explicitly defined and priced.

#### *14. Floating Turbidity*

Floating turbidity measures were not separately itemized in the original budget and were carried within the miscellaneous allowance. They are now explicitly defined and priced.

#### *15. Irrigation*

Irrigation was not included in the original budget because no green space was anticipated based on existing conditions. Final design includes landscaped areas requiring irrigation.

#### *16. Erosion Control*

Erosion control was not separately itemized in the original budget and was carried within the miscellaneous allowance. It is now explicitly defined and priced.

#### *17. Dumpster Enclosure*

A dumpster enclosure was not budgeted initially because no enclosure exists today. The final design includes this required feature.

## Cost Decreases and Offsets

Not all scopes increased. Several items came in below initial assumptions, helping offset overall cost growth:

- Concrete deck scope decreased from early estimate
- Utilities decreased
- Curb stops decreased
- Striping decreased
- Clean fill decreased

## Cost Reduction Opportunities

### *Sale of Demolished Concrete*

Demolished concrete from the parking deck may be sold as crushed concrete rather than disposed:

- Approximate quantity: 7,000 tons
- Estimated value if sold to aggregate vendor: \$10/ton
- Estimated value if sold direct to end user: \$25/ton

**Potential cost reduction:** • \$70,000 – \$175,000

### *Direct Purchase Option (DPO) Savings*

Potential savings identified through DPO include:

- Sheet piles (Nucor): **\$169,000**
- Walers: **\$5,400**
- Tie rods: **\$6,000**
- Parking deck concrete: **\$40,204**
- Sidewalk concrete: **\$5,700**

## Procurement and Market Outreach

Significant effort was made to competitively price the work with qualified vendors and subcontractors.

### *Major Vendors and Subcontractors Contacted*

#### **Sheet Piles, Walers, Tie Rods**

- Nucor – Quoted
- Meever – Quoted
- JD Fields – Quoted

#### **Electrical**

- Southern Electrical Services – Quoted
- Universal Electric – Quoted
- QUE Electric – Quoted
- System Services & Engineering – Did not quote
- Meyer Electric – In progress

#### **Water Utilities**

- GCUC – Quoted
- CBC – Quoted
- System Services & Engineering – Did not quote (not capable)
- American Sand – Plans sent, no quote received

#### **Sewer Utilities**

- GCUC – Quoted
- CBC – Quoted
- System Services & Engineering – Did not quote (not capable)
- American Sand – Plans sent, no quote received

#### **Parking Deck**

- GCUC – Quoted
- Tightline – Quoted
- Gorman – Quoted

- American Sand – Plans sent, no quote received

### **Railing**

- ACME – Quoted
- Advanced Marine – Quoted
- Robins Metal – Quoted