

Blue Ridge Mountain EMC

New Headquarters Project Summary

November 24, 2015

Updated: January 14, 2016

BRMEMC New HQ Project Summary

- ▶ In September, 2015, the Board of Directors of BRMEMC asked Staff to produce a summary document detailing the total final costs associated with the EMC's new headquarters facility and campus. The intent of this work was to provide a "fact sheet" that could be shared with the membership that would summarize in simple, easy to read language the total impact to the membership of this project. Staff has made every effort to accurately and with the highest level of transparency provide details on the project cost.
- ▶ It bears mentioning that none of those individuals who were directly involved in the building project (at the Staff level) are currently employed by BRMEMC. This made some of the effort to aggregate information concerning total project impacts much more time consuming and complicated.
- ▶ For questions concerning any of the data provided, please contact BRMEMC's Interim General Manager, Dan Brewer at (706) 379-3121.



BRMEMC New HQ Project Summary



▶ HQ Facility History (with EMC demographics)

- ▶ **1955** - Original Building Constructed
 - ▶ 6,491 meters/7,800 members/31 employees/1,501 miles of line
- ▶ **1971** - Original Building (renovated)
 - ▶ 11,266 meters/14,910 members/51 employees/2,088 miles of line
- ▶ **1995** - Original Building (renovated & addition)
 - ▶ Operations & Engineering employees relocated to old Brumby sewing plant building
 - ▶ 29,533 meters/29,015 members/124 employees/3,874 miles of line
- ▶ **2012** - New BRMEMC headquarters opened
 - ▶ 49,227 meters/42,000 members/195 employees/5,907 miles of line
- ▶ **Today** - 50,861 meters/44,231 members/198 employees/6,015 miles of distribution line.

▶ Original plan was to remodel/renovate the old HQ building...

- ▶ **Following cost analysis and careful evaluation, several key factors were considered that ultimately led to the decision to move:**
- ▶ Constraints on the existing real estate at the old HQ (EMC owned only 14 acres). Needed additional 11 acres not available. Limited real estate would have required a +\$1 million, two-story parking deck & two-story office including an elevator.
- ▶ Old HQ was divided by both Brasstown Creek Road and Sycamore Street. Relocation of the road would add cost of over \$1 million.
- ▶ Security at the old HQ was virtually non-existent with the general public having access to and within most buildings and grounds. Directly influenced by having two public roads within the property. Control of inventory was challenged by unrestricted access.
- ▶ Safety of the general public was at risk due to comingling of heavy trucks with passenger vehicles onsite.
- ▶ At the end of the project we would still have had an old, but renovated building...

▶ New HQ Timeline

- ▶ **January 2008** - New property purchased
- ▶ **August 2009** - Panattoni Construction Co. the Phase I Contractor began clearing & grading
- ▶ **October 2010** - Evergreen Construction Co. the Phase II Contractor began construction of buildings
- ▶ **October 15, 2012** - Buildings substantially complete
- ▶ **October 29, 2012** - BRMEMC opened new headquarters facility to the membership

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- ▶ Property Purchase = \$3,966,876.79 for 102 acres
 - ▶ Purchased January 29, 2008 for \$3,850,000
(See breakout of costs on following page)
- ▶ Initial Estimates & Contracts
 - ▶ Phase 1 - Georgia DOT Improvements
 - ▶ Panattoni Construction = \$1,076,690.00
 - ▶ Phase 1 Sitework
 - ▶ Panattoni Construction = \$4,126,936.32
 - ▶ Phase 2 - Building Construction
 - ▶ Evergreen Construction = \$18,327,868
- ▶ Total Initial Contracts Awarded = \$23,531,494.32
- ▶ Total Paid for HQ Project = \$27,283,684.80
(Total includes all costs plus contracts - See details on next page)
- ▶ Total Other Itemized Costs = \$1,857,268.29
(Total includes technology, dispatch and furnishings costs. Some expenses would have been incurred regardless of building project- See details on next page)
- ▶ No unpaid balances remain except retainage currently held in the amount of \$77,500
- ▶ Total drawn from USDA-RUS (to date) = \$24,998,655.54
- ▶ Weighted interest rate on 30-year funds drawn from USDA-RUS = 2.36% (Note: one final draw remaining)
- ▶ **Grand Total Cost of Property & Headquarters Project: \$33,107,829.88**



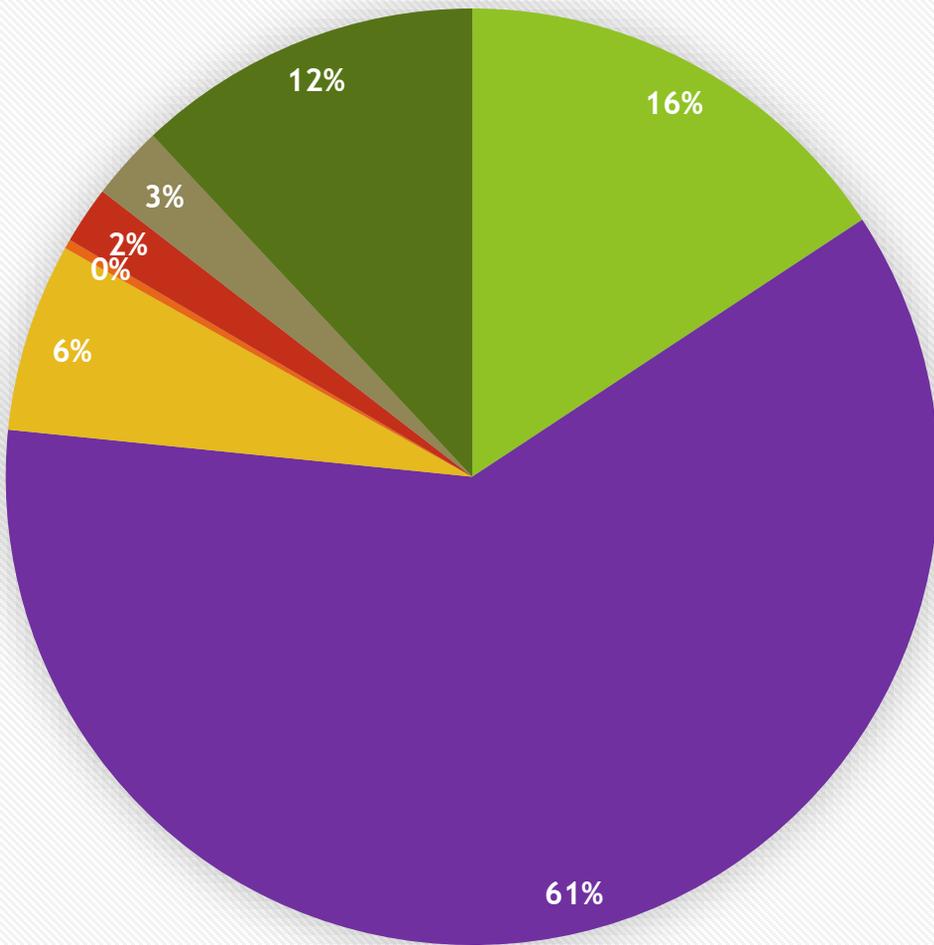
BRMEMC New HQ Project Summary

BRMEMC New HQ Construction Cost Summary

TOTAL LAND COST		
Property Purchase Price		3,850,000.00
Survey, Legal, Interest, Closing Costs, etc.		116,876.79
Grand Total Land Cost:		3,966,876.79
Total Contract-Related Costs (Phase 1 & 2)		
Pannattoni Construction		5,203,626.32
Evergreen		18,250,368.00
Millard, Inc. (architect)		1,676,125.97
Byers Well Drilling (geothermal)		604,286.80
Geo Hydro Engineers		440,920.28
Tri State Utility (lighting)		105,566.20
Towns County Water & Sewer		41,107.31
Denny Patton Construction		19,435.00
Patton Excavating		6,410.00
MacTec Engineering & Consulting		11,174.58
Blairsville Surveying		17,043.75
Estes Equipment		28,219.00
BRMEMC Materials, Labor, Transp., etc.		846,250.45
Big A Fence Company		2,500.00
Connected Fibers		6,033.54
Taylor & Taylor Construction (gravel)		2,115.12
Interstate Welding		3,242.84
Patterson & Dewar Engineers		2,537.78
Blue Ridge Mountain Surveying		2,931.25
Nichols Appraisal		2,500.00
OTHER CONTRACT-RELATED COSTS:		
Advertising/local papers	4,682.49	
Minor Materials(Building Permit, Local Vendors)	6,608.12	
Total Other:		11,290.61
Grand Total Construction-Related Costs:		\$27,283,684.80
OTHER ITEMIZED HQ COSTS		
Technology (Servers, networking, wireless, etc.) #		\$364,669.90
Dispatch (AV/AV Wall, consoles, chairs, etc.) #		\$317,016.67
Interior Design, Furnishings & Materials		\$66,846.80
Workspace Furnishings & Materials		\$1,108,734.92
Grand Total Other Itemized HQ Costs:		\$1,857,268.29
Grand Total All New Headquarters Costs:		\$33,107,829.88
* All Minor Materials (expenditures under \$1,000 each)		
# Several items in this category were planned purchase regardless of the EMC building project, including some computer equipment, and dispatch equipment. These items were budgeted in BRMEMC's regular budget, and were not itemized in the construction budget.		

BRMEMC New HQ Project Summary

Total HQ Cost by Major Category



- Phase 1 (DOT & Sitework)
- Phase 2 (Buildings)
- Professional/Technical Services
- Lighting
- Local Construction & Geothermal
- BRMEMC Material, Labor, etc
- Property

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- ▶ A comprehensive planning process (including appraisals, environmental evaluation, etc.) is currently being undertaken regarding the old headquarters campus in an effort to ascertain fair market value, and maximize financial returns on behalf of our members. BRMEMC will likely offer this property (roughly 14 acres) for sale upon completion of this process.
- ▶ New headquarters campus includes attached acreage that was purchased as a requirement to obtain the property (owners would only sell entire acreage), and BRMEMC does not intend to use these attached parcels. These parcels are also currently being evaluated for sale, and will likely be offered for sale in the near future.
- ▶ Several members have asked about the mound of dirt that remains on the corner of US Highway 76 and Timberline Drive. This dirt was initially intended to be used as needed at the old headquarters facility, and also for the Georgia DOT in their planned Young Harris by-pass construction. It was also less expensive to leave the dirt onsite rather than hauling it to another location.



BLUE RIDGE MOUNTAIN EMC
NEW HEADQUARTERS FACILITY
Young Harris, Georgia

MAY 10 2012

Blue Ridge Mountain Electric Membership Corporation

P.O. Box 9

875 Main Street East

Young Harris, Georgia 30582

Phone: (706) 379-3121 or (828) 837-1017

www.brmemc.com