Andrew Lawson

From: Jeff Best <jbest@lk-architecture.com>
Sent: Tuesday, March 16, 2021 8:47 AM

To: 'Mike Bellis'; Andrew Lawson; Randy Frazer; ttapia@arkansascityks.gov; Josh White

Subject: FW: Poligon Proposals-Arkansas City, KS.

Attachments: Wilson Park CHE 24.5 x 122 with gutters Proposal.doc; Wilson Park CHE 28.5 x 104

Proposal.doc

Follow Up Flag: Follow up Flag Status: Completed

Gentlemen,

Last Thursday I sent this information out to you all. My Poligon Rep. sent me a note this morning that he is being informed consistently that steel prices are continuing to climb. I am sorry that this has a timeline but if a Purchase Order isn't received by Poligon before **April 10th**, the original quote will be voided and the structure subject to the increase in steel pricing. He said he didn't need to have a partial payment, just a Purchase Order commitment by that date.

I believe that you have John McMaster's contact information if you would like to discuss this more with him directly. May not be a bad idea for the City to reach out to him anyway as you will be working directly with John on this structure. You will also need to make a final decision on paint and roof colors.

Please let me know if you have any questions or if I can facilitate this in any way.

Thank you,

Jeff Best, ASLA, RLA
Director of Landscape Architecture



345 Riverview, Suite 200
Wichita, KS 67203
T 316.268.0230 Ext: 297
F 316.268.0205
jbest@lk-architecture.com
http://www.lk-architecture.com

This email is confidential and may contain privileged information intended only for the person(s) or entity to whom it is addressed. If the reader of this message is not the intended recipient, you are hereby notified that you have received this message in error and that any review, dissemination, use, distribution, copying and/or disclosure in parts or whole of this email and/or the attachments in any form by any means is strictly prohibited. If you have received this email in error, please notify the sender by a reply email or call (316) 268 0230 and remove this email and all related material from your digital infra structure

From: Jeff Best

Sent: Thursday, March 11, 2021 4:14 PM

To: 'Mike Bellis' <mbellis@arkansascityks.gov>; Andrew Lawson <alawson@arkansascityks.gov>; Randy Frazer

<rfrazer@arkansascityks.gov>; ttapia@arkansascityks.gov; Josh White <jwhite@arkansascityks.gov>

Cc: 'John McMaster' <johnnymac1205@gmail.com> **Subject:** FW: Poligon Proposals-Arkansas City, KS.

Good afternoon all.

I have received the two requested quotes for variation to the original market structure. As you can see from the attached and the explanation below, steel prices are rising significantly which have impacted both of the variations (shorter structure & gutter provisions). Thankfully, the original structure was quoted prior to these price increases and this quote is good until **APRIL 10th**. After April 10th, the original structure will be repriced to current steel pricing which will be a significant increase.

I think that the decision on this is pretty obvious but I wanted to provide you will all the information so that you can make the best decision for the City.

Please let me know how you would like to proceed.

Thank you,

Jeff Best, ASLA, RLA
Director of Landscape Architecture



345 Riverview, Suite 200
Wichita, KS 67203
T 316.268.0230 Ext: 297
F 316.268.0205
jbest@lk-architecture.com
http://www.lk-architecture.com

This email is confidential and may contain privileged information intended only for the person(s) or entity to whom it is addressed. If the reader of this message is not the intended recipient, you are hereby notified that you have received this message in error and that any review, dissemination, use, distribution, copying and/or disclosure in parts or whole of this email and/or the attachments in any form by any means is strictly prohibited. If you have received this email in error, please notify the sender by a reply email or call (316) 268 0230 and remove this email and all related material from your digital infra structure

From: John McMaster < johnnymac1205@gmail.com>

Sent: Thursday, March 11, 2021 3:46 PM
To: Jeff Best < jbest@lk-architecture.com >
Subject: Poligon Proposals-Arkansas City, KS.

Jeff,

Please find attached (2) separate proposals for the shelter for Wilson Park for the City of Arkansas City, KS.

I had earlier today sent you an email detailing the rising costs of steel across the country. This has adversely affected the cost of the buildings at Poligon. For any of the structures that I have proposed to you, you must understand that these are all steel buildings. The columns are steel, the beams & trusses are steel, along with eave beams, roof, etc. Everything on the building is steel.

With that being said, it is all about the *timing* of the quotation. Poligon has a company policy of honoring their quotations for 60 days. Since I sent you the proposals, the high costs of the existing steel was not originally incorporated into that price. That is the reason for the discrepancies now in the pricing.

You will see that it is actually now more expensive to order a shorter structure than one that is approximately 20' longer, which makes no sense. Same frame, same trusses, same design. The only thing that is different is the length of the building. Why would anyone order a structure that is exactly the same design, 20' shorter, and have to spend more money? Nobody would. And with good reason. This is the effect that the rising cost of steel has produced.

Also, by adding gutters & downspouts, the costs of the building escalated even more because of the change in design & loads that are required. The costs of the gutters are not the problem. In the big scheme of things, the gutters & downspouts are approximately only 7K dollars of the 198K cost. It is not something that you can just throw onto the frame for an additional 7K dollars. The horizontal eave beams around the entire perimeter of the structure have to be strengthened. You are adding a distance of close to 250 linear feet of added steel support.

When it is all said & done, you will have to add 30K dollars worth of steel to put on 7K dollars worth of guttering.

That doesn't make too much sense to me. Also, it is very rare when gutters & downspouts are added to pavilions.

It is just an added cost to something that is not necessary nor needed.

As I mentioned earlier in this email, there is a date that Poligon will hold the price for until the expiration date

of the proposal. On the 2 quotes that I have attached, both of these are valid for 60 days, until May 10, 2021.

After that date, I would expect that the costs will be higher if I were to give you a proposal for the exact same structures.

If there is a "silver lining" in all of these quotations, it is that the quote that I sent to you on Feb. 9, 2021,

for \$169,470.00 is good until April 10th, 2021, 60 days after the quotation. After that date, a new quotation

would have to be originated into the

quotation process. Realistically, you are probably looking at an increase

of anywhere between 20-30K for the exact same structure. I have spoken with Poligon Corporate & they have discussed with me in confidence that they are having to take a big bite out of the cost of the structures. After April 10, there will be no wiggle room on any costs. Any existing or potential customer must understand that after a

very good discount and Poligon honoring their price, they are ultimately getting their structure at an excellent value. As I mentioned above, it is all about the *timing*.

One very important thing you have to fully understand. **NO CHANGES SHOULD BE MADE TO THE STRUCTURE** that was

quoted on 2-09-21 without having to incur the back loaded costs of the price increase. If any changes were to be made, the proposal would have the current date & updated price and would be valid for 60 days from that date.

The good news is that I have already supplied to you a very detailed, preliminary drawing for that quotation.

That proposal has all the bells & whistles that you had originally requested, including extending the eave height, gable trusses on both ends, cutouts, and also anchor bolt cover plates on all columns.

April 10 is on a Sunday, so I would need to have a P.O. in my hands no later than Thursday, April 8.

A new quotation with the revised, increased price would have to be generated before a Purchase Order could be received after that date.

Please relay to your customer that I will need colors, a tax exempt certificate, and the P.O. needs to be made to Recreation Resource, Inc. If and when a purchase order is received, I will send out a 25% down payment invoice so that the structure can get in line for production.

Please do not hesitate to contact me with any questions that you or your customer may have.

Thanks very much Jeff.

Regards,

John McMaster Recreation Resource, Inc.