

Pilon, Janet

Subject: Information Update - 50 Main Street East (PW18021)(FCS18024)

Importance: High

From: D'Angelo, Rom

Sent: March-24-18 10:55 AM

To: DL - Council & Support Staff <dlcouncil@hamilton.ca>

Cc: McKinnon, Dan <Dan.McKinnon@hamilton.ca>; Wunderlich, Nancy <Nancy.Wunderlich@hamilton.ca>; Ellis, Robyn <Robyn.Ellis@hamilton.ca>; Warner, Janet <Janet.Warner@hamilton.ca>; Gagliardi, Mary <Mary.Gagliardi@hamilton.ca>; Zegarac, Mike <Mike.Zegarac@hamilton.ca>; Paparella, Stephanie <Stephanie.Paparella@hamilton.ca>; Briatico, Tom <Tom.Briatico@hamilton.ca>

Subject: Information Update - 50 Main Street East (PW18021)(FCS18024)

Importance: High

Good Morning Mayor Eisenberger and Members of GIC,

At the General Issues Committee on March 21st, 2018, staff were directed to provide additional information as it related to recommendation (a) for the request of additional budget of \$1.438 M.

Please refer to chart below as a high level summary and if required further details are provided in the attached document.

A summary of the overall project costs, including contingency, can be found in the table below:

Description	2016/2017 Budget without Contingency	Contingency Used within Approved Project Budget	Total within Approved Budget	Actual Costs & Forecast to Dec. 2018	Forecasted Shortfall
Eastern Construction SubTotal (including floors 3-5)	\$28,720,261	\$3,304,741	\$32,025,002	\$32,908,000	\$882,998
Other Construction & Soft Cost SubTotal	\$3,749,998	\$24,998	\$3,774,996	\$4,329,998	\$555,002
Total Project Costs	\$32,470,259	\$3,329,739	\$35,799,998	\$37,237,998	\$1,438,000

The historical approval prior to the March 2018 report (PW18021) (FCS18024) was \$35,799,998 of approved project budget.

Further details can be found in Table 1 and Table 2 in the attached document.

NOTE: The project was a construction management project delivery model; there were 44 bid packages within 6 bid sets of this Construction Management contract..

- 20 of the 44 packages came in over-budget,
- 11 came in under-budget and

- 13 came on-budget.

Of the packages which came in over-budget, 11 of the 20 over budget packages were over-budget as a result of unforeseen conditions and/or required increase of scope.

If you require further information please contact myself or Robyn Ellis, Manager, Strategic Planning, Capital & Compliance, at Extension 2616.

Should you wish to discuss this further one-on-one prior to Council next Wednesday, Robyn and myself are more than willing to make ourselves available to accommodate your schedule.

Thank-you,
R



Hamilton
Public Works

Rome D'Angelo, C.E.T.; CFM
Director,
Energy, Fleet & Facilities Management Division
Public Works Department

City of Hamilton
Lister Block
28 James Street North, 5th Floor
Hamilton, ON L8R 2K1
Office: 905.546.2424 ext 4617
rom.dangelo@hamilton.ca

Table 1: Eastern Construction Costs	2016/2017 Budget without Contingency	Contingency Used within Approved Budget	Total within Approved Budget	Actual Costs & Forecast to Dec. 2018	Forecasted Shortfall (Eastern)
Description					
Asbestos Abatement	\$383,472	\$583,472	\$966,944	\$966,944	\$0
Demolition	\$733,492	\$471,269	\$1,204,761	\$1,204,761	\$0
HCE Underground Pipe	\$0	\$0	\$0	\$349,998	\$349,998
Main Sewer Line Replacement & services	\$0	\$275,000	\$275,000	\$275,000	\$0
Generator in lieu of Alectra delay	\$100,000	\$190,000	\$290,000	\$290,000	\$0
Removal of contaminated soil	\$0	\$30,000	\$30,000	\$30,000	\$0
Unanticipated lead removal	\$0	\$20,000	\$20,000	\$20,000	\$0
Accommodation renos, floors 3 to 5 (approved by Council June 2017)	\$2,100,000	\$0	\$2,100,000	\$2,633,000	\$533,000
Cooling Tower & Chiller	\$0	\$1,605,000	\$1,605,000	\$1,605,000	\$0
Other tender variance (e.g. elevator)	\$0	\$130,000	\$130,000	\$130,000	\$0
Other Construction	\$25,403,297	N/A	\$25,403,297	\$25,403,297	\$0
Eastern Construction SubTotal	\$28,720,261	\$3,304,741	\$32,025,002	\$32,908,000	\$882,998

Table 2: Other Construction & Soft Costs	2016/2017 Budget without Contingency	Contingency Used within Approved Budget	Total within Approved Budget	Actual Costs & Forecast to Dec. 2018	Forecasted Shortfall (Other)
Description					
Design, engineering & due diligence	\$1,636,000	\$0	\$1,636,000	\$1,780,000	\$144,000
Alectra electrical feed upgrade	\$186,153	\$0	\$186,153	\$223,135	\$36,982
IT	\$210,000	\$0	\$210,000	\$210,000	N/A
Remaining contingency & remaining fees*	N/A	\$24,998	\$24,998	\$399,018	\$374,020
Moving Costs and Furniture	\$300,000	\$0	\$300,000	\$300,000	N/A
Due Diligence, Permits & Internal fees (e.g. SPA, Building Permit, PM fee, etc.)	\$1,417,845	\$0	\$1,417,845	\$1,417,845	N/A
Other Construction & Soft Cost SubTotal	\$3,749,998	\$24,998	\$3,774,996	\$4,329,998	\$555,002

Table 3: Overall Project Costs at 50 Main St. East	2016/2017 Budget without Contingency	Contingency Used within Approved Project Budget	Total within Approved Budget	Actual Costs & Forecast to Dec. 2018	Forecasted Shortfall
Description					
Eastern Construction SubTotal (including floors 3-5)	\$28,720,261	\$3,304,741	\$32,025,002	\$32,908,000	\$882,998
Other Construction & Soft Cost SubTotal	\$3,749,998	\$24,998	\$3,774,996	\$4,329,998	\$555,002
Total Project Costs	\$32,470,259	\$3,329,739	\$35,799,998	\$37,237,998	\$1,438,000

*As of January 2018