




HAMILTON POLICE SERVICE

INFORMATION REPORT

TO:	Chair and Members Hamilton Police Services Board
BOARD MEETING DATE:	April 23, 2021
SUBJECT:	Reallocation of Capital Funding for East End Roof and Air-Cooled Chiller Replacement
REPORT NUMBER:	21-043
SUBMITTED BY:	Ryan Diodati, Acting Chief of Police
SIGNATURE:	

EXECUTIVE SUMMARY

- Through PSB 19-103 (HPS Projected Capital Expenditures 2020-2029), the 2020 roof replacement for East End Station was approved and budgeted as part of City's 2020 Capital Budget in the amount of \$400,000.
- Through PSB 20-099 (HPS Projected Capital Expenditures 2021-2030), the 2021 roof replacement for Central Station and the 2021 Air-Cooled Chiller replacement for East End Station were approved and budgeted as part of City's 2021 Capital Budget.
- The approved budget was \$200,000 for Central Station roof replacement and \$500,000 for the East End Air-Cooled Chiller replacement.
- The East End roof replacement was originally intended to start in 2020. However, due to the roof work required around the chiller, it was determined that there would be a duplication of costs for the decommissioning and recommissioning of the chiller for each project. Therefore, the replacement of the roof was delayed to 2021 to occur congruently with the chiller replacement.
- Two separate procurement processes took place for this work:
 - C9-03-20 - Supply of the Air Chilled Split Refrigeration System
 - C9-03-21 - General Contractor Required for Roof and Chiller Replacement
- Contract C9-03-20 - Supply of Air Chilled Split Refrigeration System was awarded for a total contract price of \$374,000 (excluding HST).
- Contract C9-03-21 - General Contractor Required for Roof and Chiller Replacement was awarded for a total contract price of \$665,137 (excluding HST).
- The total project cost is over budget in the amount of \$157,426 (including non-recoverable HST). (See Appendix A)

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- The \$200,000 initially intended for Central Station roof replacement is being reallocated to fund the East End project and the Central Station roof repairs will be deferred to 2022.
- The HPS Capital Expenditures report for 2022 will be adjusted to reflect the reallocation of funds and additional funds will be requested towards the Station 10 Roof Replacement.

INFORMATION

Through PSB 19-103, \$400,000 was approved and budgeted as part of the City's 2020 Capital for the East End roof replacement. In addition, through PSB 20-099, a total of \$700,000 was approved and budgeted as part of the City's 2021 Capital for the East End Air-Cooled Chiller replacement (\$500,000) and Central Station roof replacement (\$200,000).

The East End roof replacement was originally intended to start in 2020. However, due to the roof work required around the chiller, it was determined that there would be a duplication of costs for the decommissioning and recommissioning of the chiller for each project. Therefore, the replacement of the roof was delayed to 2021 to occur congruently with the chiller replacement.

Two separate contracts were issued for the work. Contract C9-03-20 for the Supply of the Air Chilled Split Refrigeration System was issued in January 2021 to ensure delivery of the system due to anticipated lead times of 12 to 14 weeks. The contract closed on February 10, 2021 and was awarded in the amount of \$374,000 (excluding HST).

Contract C9-03-21 General Contractor Required for Roof and Chiller Replacement closed on March 29, 2021 and was awarded in the amount of \$665,137 (excluding HST).

Total project cost for the East End Roof and Chiller Replacement equals \$1,039,137 (excluding HST), \$157,426 (including non-recoverable HST) over budget. The bids received came in over the estimated budget. Contributing factors include a significant material price increase in the past year and additional costs for having to operate under the COVID impact. It is imperative that the work at the East End station be completed as both the roof system and the chiller are at end of life.

Therefore, the \$200,000 initially intended for Central Station roof replacement is being reallocated to fund the East End project and the Central Station roof repairs will be deferred to 2022.

The HPS Capital Expenditures report for 2022 will be adjusted to reflect the reallocation of funds and additional funds will be requested towards the Station 10 Roof Replacement.

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APPENDICES AND SCHEDULES ATTACHED

Appendix "A" - Cost Breakdown

Projects	Budget	Contact	Non-Refundable HST Portion	Total Contract Price	Under/(Over)
East End - Roof	400,000	665,137	11,706	676,843	(276,843)
East End - Chillers	500,000	374,000	6,582	380,582	119,418
Central - Roof	200,000	-	-	-	-
Total	1,100,000	1,039,137	18,289	1,057,426	(157,426)

RD/A.Filice

cc: John Randazzo, Director – Finance, Chief Financial Officer
Doris Ciardullo, Director – Fleet and Facilities

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