

Minutes - Standing Policy Committee on Finance - December 1, 2016

REPORTS

**Item No. 7 Winnipeg Police Service Headquarters Redevelopment Project –
Financial Status Report No. 15 for the Period Ending September 30,
2016**

STANDING COMMITTEE DECISION:

The Standing Policy Committee on Finance concurred in the recommendation of the Winnipeg Public Service and received the following as information:

1. The financial status of the Winnipeg Police Service Headquarters Redevelopment Project, as contained in the report.
2. The report to Standing Policy Committee on Finance as the final financial status as the building occupancy permit on the Headquarters project.

Minutes – Standing Policy Committee on Finance – December 1, 2016

DECISION MAKING HISTORY:

Moved by Councillor Lukes,

That the recommendation of the Winnipeg Public Service be concurred in.

Carried

ADMINISTRATIVE REPORT

Title: WINNIPEG POLICE SERVICE HEADQUARTERS REDEVELOPMENT PROJECT – FINANCIAL STATUS REPORT NO. 15 FOR THE PERIOD ENDING SEPTEMBER 30, 2016

Critical Path: STANDING POLICY COMMITTEE ON FINANCE

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Erickson G. Chartier	J. Kiernan A. Stannard	M. Ruta	D. McNeil

RECOMMENDATIONS

That the financial status of the Winnipeg Police Service Headquarters Redevelopment Project as contained in this report be received as information.

That this report be received as the final financial status report to SPC Finance as the building occupancy permit has been received on the Headquarters project.

REASON FOR THE REPORT

Administrative Standard FM-004 requires quarterly reporting to the Standing Policy Committee on Finance.

EXECUTIVE SUMMARY

Since the last reporting to SPC Finance on September 15, 2016, the following is an update as to the status of the WPS Headquarters project.

Occupancy Permit

- The building occupancy permit for the WPS Headquarters was issued by City Development and Inspections Div. - permits branch on Friday October 21, 2016.

GMP Contract

- The final GMP contract amount has been finalized at \$156,309,172.23.
- The Contractor has completed all work including deficiencies as of September 22, 2016.
- The City's consultant engineer has certified the work is complete by the contractor.

- A final change order was issued for a credit amount of \$18 thousand for minor deficiency items identified and removed from the GMP contract.
- The GMP contract is now complete.
- The warranty period on the project expired on June 30, 2016 as per the Second Supplemental Agreement.
- Water Event Insurance Claim
- All water damage remediation work related to the August 21, 2014 water event has been completed by the contractor. This work has been certified by the City's consultant engineer.
- Partial advancement of funds (approx. 80%) has been received from our insurers on the water event insurance claim as an interim payment until the insurance company final review has been completed.
- The project team submitted a letter to insurance broker of City's position in consideration for recovery of the costs incurred by the City as a result of the water event and corresponding water damage remediation work.
- A separate financial report will be submitted once the Headquarters water event of August 21, 2014 insurance claim has been finalized with the insurance company.

IMPLICATIONS OF THE RECOMMENDATIONS

Final Report –This will be the last Quarterly Financial Status report to SPC Finance for this project. Report to be received as information.

HISTORY

In July 2011, Council approved an increase to \$162 million for the redevelopment of the WPS Headquarters building comprised of \$155 million for construction and construction period interest charges of \$7 million. The total approved budget for the project as approved by Council in July 2011 and disclosed in the 2012 Capital Budget was \$193.567 million, which included \$31.567 million for the purchase cost of the building. The purchase cost of the building is not included in this Report as it is not within the responsibilities of the Project Director and Project Team. The purchase cost of the building has been recorded in the City's financial statements with \$12.6 million being allocated to the Mail Sorting Plant at 245 Smith Street and \$18.967 million being allocated to the Office Tower at 266 Graham Avenue.

In July 2011, Council also delegated authority to the CAO to enter into a Guaranteed Maximum Price (GMP) Contract. On November 18, 2011, the City entered into a GMP Contract with Caspian Projects Inc. for \$137.1 million.

In December 2013, Council increased the project budget by \$16.2 million (*) bringing the total redevelopment cost to \$178.2 million and total project value (including purchase of the building)

to \$209.8 million. (*) - The increase in construction costs of \$17.2 million was partially offset by a \$1.0 million reduction of construction period interest expense.

On February 21, 2014, the City signed a Supplemental Agreement with Caspian Projects Inc. establishing a Total Contract Price of \$156,374,911.67, which is within the funding authorized by Council.

The WPS Headquarters passed all life safety testing on July 29, 2014. The City was to take possession of the building the week of August 25, 2014, following final inspection on August 20, 2014. However, due to water damage from the rain event that occurred on August 21, 2014, the main electrical service equipment and life safety systems on the lower levels, under the City inspections "Order to Comply" had to be recertified or replaced before an Occupancy Permit could be issued.

On December 10, 2014, Council approved the Insurance Recovery Report providing interim/bridging costs, setting aside an amount of \$2 million from the Insurance Reserve Fund in order to proceed with the required repairs in a timely matter and to cover any possible uninsured costs that may be required.

On February 12, 2015, the City signed a Second Supplemental Agreement with Caspian Projects Inc. for the remedial work related to water damage from the August 21, 2014 rain event.

In February 2015, approval was given to the contractor by Change Orders to complete the remediation work caused by the water damage including architectural, mechanical and electrical remediation work.

The building passed the Building Code Life Safety testing on June 17, 2015. The HQ project Interim Occupancy permit was attained on June 19, 2015. The Certificate of Substantial Performance, as defined under Provincial Legislation was issued to Caspian Projects Inc. on June 29, 2015.

The Municipal Accommodations Division took possession of the HQ building on July 17, 2015. The building safeguard work began in September of 2015 to address WPS operational building security requirements prior to WPS moving in. The majority of the building safeguard work was completed by March 29, 2016. Minor testing and certification is ongoing on some equipment.

The WPS commenced moving into the HQ building on December 15, 2015. WPS completed their move to the new Headquarters in July, 2016.

The Final Occupancy Permit for the WPS Headquarters Building was issued on October 21, 2016.

MAJOR CAPITAL PROJECT ADVISORY COMMITTEE

The Project Director reports to the HQ Steering Committee on a regular basis (bi-weekly). The Committee has been formed and its present members are:

Michael Jack, Chief Operating Officer

Mike Ruta, Chief Financial Officer

Art Stannard, Deputy Chief, Winnipeg Police Service

John Kiernan, Director of Planning, Property and Development (PPD)

Jason Ruby, Manager of Finance and Administration – Public Works

Reporting to the Committee are:

Jeff Dibley, PPD, Project Director

Abdul Aziz, Project Team Member – Winnipeg Police Service

PROJECT STATUS

The WPS Firearms Training Facility (FTF) at Wyper Road was completed in 2012, with WPS firearms training operations beginning in September 2012.

The WPS Headquarters project at 245 Smith Street has attained Substantial Performance. Contractor has completed all project deficiencies. Building occupancy permit has been issued. The WPS move into the new WPS Headquarters has been completed as of July 2016. The remaining work on the Construction GMP Contract has been completed and certified by the City's consultant engineer.

All remediation work resulting from the August 21, 2014 rain event has been completed and been certified for payment by the City's consultant engineer. Partial payment has been made to the contractor and any remaining amounts may be paid once all requested contract documentation is received to the City's satisfaction.

DESCRIPTION OF PROJECT

This project is for the redevelopment of the former Canada Post Mail Sorting Plant (which is now known as 245 Smith Street) for the new WPS Headquarters and the construction of a new WPS Firearms Training Facility at Wyper Road.

For clarity, the following activities are not within the responsibility of the Project Director and Project Team:

- Purchase of the Mail Sorting Plant and Office Tower from Canada Post Corporation.
- Management of the Office Tower at 266 Graham Avenue.
- Disposal of the Public Safety Building – 151 Princess Street.

Once fully occupied the new WPS Headquarters will house 14 Divisions and approximately 1,250 personnel. All six floors, plus two below-grade parking levels, at 245 Smith Street will have been redeveloped and provide approximately 630,925 square feet of space. The building has been redeveloped to 'as-new' condition and has an estimated useful life of 50 years.

The new Firearms Training Facility at Wyper Road includes a new 9,000 sq. ft. building for classroom training and an outdoor shooting range comprised of 36 firing lanes and 12 shotgun firing lanes.

The total project budget for redevelopment is \$178.2 million, including construction period interest.

PROJECT SCHEDULE

The following is a summary of key project milestones.

Key Milestones	Target	Actual
Firearms Training Facility - occupancy	Summer 2012	September 24, 2012
WPS Headquarters - occupancy	Fall 2015	December 15, 2015

Construction commenced on the Firearms Training Facility at Wyper Road in the fall of 2011. The facility attained substantial completion in fall of 2012 and has been operational by WPS since this September 2012. Construction on the WPS Headquarters building (245 Smith Street) started in the summer of 2012 and attained substantial completion on June 29, 2015.

The WPS operations commenced their move into the HQ building on December 15, 2015 and the move was complete in July 2016.

The move of all WPS personnel and equipment is being coordinated by WPS Operational Staff and is not within the responsibilities of the Project Director. The capital project had budgeted an allowance of \$500,000 for WPS moving expenses. Final move costs are \$141,780.49.

MAJOR CONTRACTS

The following is a table of major contracts awarded.

Bid Opportunity	Awarded To	Description	Award Date	Completion Date	Award/Contract Value
66-2010 Phase 1-3	AECOM Inc.	Professional Consulting Services for the Design and Development of the Winnipeg Police Service Headquarters at 266 Graham Avenue (former Canada Post Building) in Winnipeg	Aug 19, 2010	Feb 24, 2012	\$2,520,092.00
66-2010 Phase 4	AECOM Inc.	Professional Consulting Services for the Design and Development of the Winnipeg Police Service Headquarters at 266 Graham Avenue (former Canada Post Building) in Winnipeg.	Jan 4, 2011	Feb 24, 2012	\$2,820,446.00 (*)

Bid Opportunity	Awarded To	Description	Award Date	Completion Date	Award/Contract Value
833-2010 Phase 1	Caspian Projects Inc. & Akman Construction Ltd. *assigned to Caspian Projects Inc.	Construction Management Services for the Design and Development of the Winnipeg Police Service Headquarters at 266 Graham Avenue (former Canada Post Building) in Winnipeg.	Feb 10, 2011	June 5, 2012	\$50,000.00
833-2010 Phase 1 – Over expenditures	Caspian Projects Inc.	During the design process, the design engineer determined that additional invasive testing/inspection on the building was necessary to further the design process.	Dec 20, 2011	June 5, 2012	\$276,020.61
833-2010 Phase 1 – Over expenditures	Caspian Projects Inc.	During the design process, the design engineer determined that additional invasive testing/inspection on the building was necessary to further the design process.	June 5, 2012	June 5, 2012	\$113,937.99
833-2010 Phase 2&3 GMP	Caspian Projects Inc.	Guaranteed Maximum Price Contract for the redevelopment of 245 Smith Street and Firearm Training Facility at Wyper Road.	Nov 18, 2011	Sept 30, 2016	\$137,100,000.00
Over-expenditures (833-2010)	Caspian Projects Inc.	GMP Contract extended for the relocation/construction of new office space to accommodate an existing tenant in the Office Tower at 266 Graham Avenue displaced by the WPSHQ lobby and other renovations to the Office Tower at 266 Graham Avenue.	July 4, 2013	Sept 30, 2016	\$795,964.12
Over-expenditures (833-2010)	Caspian Projects Inc.	The City and Caspian Projects Inc. signed a Supplemental Agreement to the GMP Contract establishing a Final Contract Price of \$156,374,911.67.	Feb 21, 2014	Sept 30, 2016	\$18,478,947.55
Over-expenditures (833-2010)	Caspian Projects Inc.	Minor Change Orders have been issued reducing the base GMP contract to \$156,327,172.23.	Sept 15, 2015	Sept 30, 2016	(\$47,739.44)
Over-expenditures (833-2010)	Caspian Projects Inc.	Minor change orders during final inspections reduce the base GMP contract to \$156,309,172.23.	Sept 30, 2016	Sept 30, 2016	(\$18,000.00)

Bid Opportunity	Awarded To	Description	Award Date	Completion Date	Award/Contract Value
Single Source	Adjeleian Allen Rubeli Limited	Professional Engineering Services required by the City of Winnipeg Police Headquarters (Canada Post) Project.	Dec 23, 2011	Jan 1, 2014	\$4,400,000.00 (\$2,600,000.00 original contract) (\$1,800,000.00 over-expenditure April 25, 2012)
Over-expenditure -	Adjeleian Allen Rubeli Limited	Professional Engineering Services required by the City of Winnipeg Police Headquarters (Canada Post) Project.	June 8, 2012	Jan 1, 2014	\$150,000.00
Over-expenditure	Adjeleian Allen Rubeli Limited	Professional Engineering Services related to additional design services and revisions to contract drawings related to Tower/link requirements and Building Code Standards.	July 19, 2013	Jan 1, 2014	\$260,000.00
Over-expenditure	Adjeleian Allen Rubeli Limited	Professional Engineering Services required by the City of Winnipeg Police Headquarters (Canada Post) Project for services from January 1, 2014 to July 31, 2014 with follow-up in November 2014.	Mar 24, 2014	Feb 18, 2015	\$470,000.00
Over-expenditure	Adjeleian Allen Rubeli Limited	Professional Engineering Services required by the City of Winnipeg Police Headquarters (Canada Post) Project for additional trip for Final Inspection - August 17, 2014 to August 21, 2014.	Aug 21, 2014	Aug 21, 2014	\$18,000
Over-expenditure	Adjeleian Allen Rubeli Limited	Professional Engineering Services required by the City of Winnipeg Police Headquarters (Canada Post) Project for Total Performance Inspection – June 27-29, 2016.	June 9, 2016	June 29, 2016	\$8,614.80
201-2012	Integrated Designs Inc.	Commissioning of the Winnipeg Police Headquarters at 266 Graham Avenue.	Jun 19, 2012	Dec 30, 2013 (original estimate)	\$375,000.00
Over-expenditure	Integrated Designs Inc.	Contract extension to continue testing building systems until June 2015.	Dec 3, 2014	June , 2015	\$64,800
Direct Assignment	Duboff Edwards Haight & Schachter	Legal Services in the development of the GMP for the Winnipeg Police Services Headquarters and Second Supplemental Agreement.	Jul 21, 2011	June 2016	Services up to \$100,000.00. (\$49,498.37 paid)

Bid Opportunity	Awarded To	Description	Award Date	Completion Date	Award/Contract Value
Direct Assignment	Dunmore Corporation	Project Management Services for the Winnipeg Police Headquarters Project.	Jun 1, 2011	December 31, 2013	\$267,961.32
622-2013B	Quick Transfer Ltd.	Moving Services	June 11, 2014	Aug 16, 2016	\$141,780.49

(*) – plus \$81,866.84 paid to close out services.

The following table lists the major contracts awarded relating to remedial work from the water damage caused by the August 21, 2014 rain storm. These costs are being submitted as they are incurred to the insurers as part of the City's insurance claim.

Bid Opportunity	Awarded To	Description	Award Date	Completion Date	Award/Contract Value
Over-expenditure	Adjeleian Allen Rubeli Limited	Professional Engineering Services required by the City of Winnipeg Police Headquarters (Canada Post) Project related to the remedial work	Jan 14, 2015	September 22, 2016	(*)
Over-expenditure	Caspian Projects Inc.	A Second Supplemental Agreement for construction services related to the remedial work	Feb 12, 2015	September 22, 2016	(**)
1029-2014 Direct Assignment	QPS Evaluation Services Inc.	The assessment, testing and CSA recertification services of electrical equipment and systems related to the remedial work	Oct 22, 2014	Dec 31, 2015	\$51,500.00

(*) – The consultant engineer contract to AAR is on a time and materials basis related to the water event remediation work. Amount paid to September 30, 2016 is \$879,260.63.

(**) – The Supplemental Agreement establishes the dates for construction completion, with Change Orders to be issued by the City on an individual item basis. Change Orders issued to date total \$6,587,500.59. Amount paid to September 30, 2016 is \$5,532,847.69.

RISK AND MITIGATION STRATEGIES

The final invoicing on the GMP Contract has been received by the City and has been reviewed by the City's consultant engineer. The final contract amount of \$156,309,172.23 is within the Final Contract Price of \$156,374,911.67. This does not include the water remediation work.

The building hand-off risk has been greatly reduced by the City using a Commissioning Agent (Integrated Designs Inc. (IDI)) to ensure building systems are functioning properly. As disclosed

in previous reports (contracts tables), IDI has been involved with the project on an ongoing basis since 2012.

The project budget related to furniture, fixtures and equipment is sufficient to achieve building occupancy. Any additional work, finishes or building system safeguards will be completed using funds set aside in the annual capital budget.

Change Orders required to address the remediation work related to the August 21, 2014 water event have been issued to the construction contractor. The work has been completed and has been certified by the City's consultant engineer.

There is a possibility that the insurers will not cover all related costs/losses the City incurred due to the August 21, 2014 water event. The Insurance Reserve Fund has set aside sufficient funds to cover any interim/ bridging costs or any uninsured costs. A final project report will be submitted in regards to the insurance claim once finalized.

COST PER SQUARE FOOT

In the meeting of SPC on Finance on March 13, 2014, it was requested that the Public Service include the cost per square foot in the next status report and every report thereafter.

<u>Cost per Square Foot - Detailed Calculation (*)</u>					
			11-Dec-13	30-Jun-15	30-Sep-15
			Report to Council	Quarterly Status to SPC Finance	Quarterly Status to SPC Finance
WPSHQ - Project Budget - Redevelopment			\$ 178,200	\$ 178,200	\$ 178,200
Building purchase			\$ 31,567	\$ 31,567	\$ 31,567
			\$ 209,767	\$ 209,767	\$ 209,767
less:					
Office Tower - <i>final</i>			\$ (18,967)	\$ (18,967)	\$ (18,967)
Gun range - <i>forecast</i>			\$ (7,421)	\$ (8,103)	\$ (8,103)
Construction interest - <i>forecast</i>			\$ (6,000)	\$ (5,513)	\$ (5,513)
Redevelopment cost (**)	A		\$ 177,379	\$ 177,184	\$ 177,184
Building size (sq. ft.)	B		606	631	631
Cost per square foot	A divided by B		\$ 293	\$ 281	\$ 281
(*) - in thousands except for 'Cost per Square Foot', which is in dollars.					
(**) - includes land & FFE / does not include construction interest					

As the building is not yet complete, the cost per square footage is based on both forecasted costs as well as estimated square footages available at the time of report. However, as the building is near completion and within the budget amount, the cost per square foot is not expected to change significantly.

Forecasted costs, as well as estimated square footages may be updated in future reporting and may be subject to change. Once the building has been constructed, the building is expected to be physically measured to determine as-built square footage.

COST OF BORROWING

In the meeting of SPC on Finance on March 13, 2014, it was requested that the Public Service include the Cost of Borrowing in future quarterly reports.

Cost of Borrowing, amounts in thousands				
	Amount	Issue Date	Maturity	Rate
Issued				
	\$ 50,000	7/3/2012	11/15/2051	3.85%
	\$ 8,586	10/4/2012	11/15/2051	3.76%
	\$ 43,992	8/20/2013	11/15/2051	4.39%
	\$ 52,568	9/12/2014	11/15/2051	3.91%
	<u>\$ 155,146</u>			
		<i>Weighted average rate for debt issued</i>		4.02%

All authorized borrowing on the project has now been completed.

FINANCIAL ANALYSIS - as at September 30, 2016 (All figures are in \$000)

Project Component	Revised Budget	Value/Cost Estimate	Variance Revised Budget to Value/Cost Estimate	Change in Variance from Last Report
Engineering, design and other costs	\$ 15,891	\$ 16,781	\$ 890	\$ 18
Construction				
- Building redevelopment	\$ 135,808	\$ 135,877	\$ 69	\$ (18)
- Shooting range facility	\$ 8,097	\$ 8,103	\$ 6	\$ -
- Furniture, fixtures & equipment (including security)	\$ 10,569	\$ 10,411	\$ (158)	\$ -
	\$ 154,474	\$ 154,391	\$ (83)	\$ (18)
Office Tower renovations charged to project	\$ 1,835	\$ 1,515	\$ (320)	\$ -
sub-total	\$ 172,200	\$ 172,687	\$ 487	\$ -
Corporate charges - to represent construction period interest	\$ 6,000	\$ 5,513	\$ (487)	\$ -
Total	\$ 178,200	\$ 178,200	\$ -	\$ -

note: Office Tower renovations of \$1,918 less \$403 allocated to the Office Tower based on square footage.
GMP contract of \$156,309 = \$154,391 (above) + \$1,918.

SUMMARY

The project is forecasted to remain within the amended budget as costs related to the water damage, caused by the August 21, 2014 rain storm, have been submitted through City insurance claim under the City's Course of Construction insurance policy.

The GMP contract work has been completed with the final value of the GMP contract amount being \$156,309,172.23. This is \$65,739.44 less than the value of the amended GMP contract amount as per the supplemental agreement. This revised amount is credit provided by the contractor for those items deleted from the final contract or for work completed as part of building safeguards work. The City's consultant engineer completed a final site inspection on June 29, 2016 and certified all identified deficiency work has now been completed by the contractor.

The building occupancy permit for the WPS Headquarters was issued on Friday October 21, 2016 by City Dev. and Inspections division permits branch.

The WPS staff move was completed in July of 2016 at a final cost of \$141,780.49, which is less than the initial budget allowance of \$500,000.00 on the project.

Since last reporting to Committee, a change order for a final credit amount of \$18,000.00 on the base GMP Contract was issued for minor deficiencies not completed by the contractor and addressed during the building safeguards work.

As at September 30, 2016 there was \$999 thousand in unspent monies on the project, as disclosed on-line in the City Month Capital Expenditures Report. It should be noted that this report does not reflect all financial commitments. There is approximately \$500 thousand committed to building safeguard work that is funded by the HQ project and procured through Materials Management competitive bid process. No further work will be authorized to the HQ project at this date. Once invoices on the building safeguards work have been received and final costs determined, it is the recommendation and intent, with appropriate approval (relevant SPC), the remaining HQ capital project funds be transferred to the 2016 building safeguards project.

The costs and payments the City incurred for the water remediation work related to the water event of August 21, 2014 is not reflected in the financial analysis above. A separate reporting on the total costs and recovery amount related to the water event will be submitted once the insurance claim has been finalized with the insurance company.

The WPS building safeguard work is not part of this project and therefore not reflected in the financial analysis above.

FINANCIAL IMPACT

Financial Impact Statement

Date: November 18, 2016

Project Name:

**Winnipeg Police Headquarters Redevelopment
Project**

COMMENTS:

There is no financial impact as this report is for information only.

"Original Signed By"

Mike McGinn, CPA, CA
Manager of Finance

CONSULTATION

None required.

OURWINNIPEG POLICY ALIGNMENT

N/A

SUBMITTED BY

Department: Planning, Property & Development / Winnipeg Police Service
Prepared by: Jeff Dibley – PPD – Project Director
Jason Ruby – Corporate Finance, Manager of Capital Projects
Date: November 21, 2016

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Winnipeg Police Services Headquarters Project
as at September, 2016

Project Component	Capital Budget			Capital Expenditure Forecast				Surplus (Deficit)	Variance Last Report	Change in Variance
				Actual Costs			Total			
	Original	Adjustment	Revised	To June 30 2016	2016	2017	Forecast	From Revised Budget		
Engineering, design and other costs	\$ 17,900	\$ (2,009)	\$ 15,891	\$ 15,889	\$ 577	\$ 315	\$ 16,781	\$ (890)	\$ (872)	\$ (18)
Construction										
- Building	\$ 116,227	\$ 19,581	\$ 135,808	\$ 135,752	\$ 125	\$ -	\$ 135,877	\$ (69)	\$ (87)	\$ 18
- Range	\$ 6,573	\$ 1,524	\$ 8,097	\$ 8,103	\$ -	\$ -	\$ 8,103	\$ (6)	\$ (6)	\$ -
- Furniture, fixtures, equipment (including security)	\$ 14,300	\$ (3,731)	\$ 10,569	\$ 10,411	\$ -	\$ -	\$ 10,411	\$ 158	\$ 158	\$ -
	\$ 137,100	\$ 17,374	\$ 154,474	\$ 154,266	\$ 125	\$ -	\$ 154,391	\$ 83	\$ 65	\$ 18
Office Tower renovations charged to project (*)	\$ -	\$ 1,835	\$ 1,835	\$ 1,515	\$ -	\$ -	\$ 1,515	\$ 320	\$ 320	\$ -
sub-total	\$ 155,000	\$ 17,200	\$ 172,200	\$ 171,670	\$ 702	\$ 315	\$ 172,687	\$ (487)	\$ (487)	\$ -
Corporate charges - to represent construction period interest	\$ 7,000	\$ (1,000)	\$ 6,000	\$ 5,513	\$ -	\$ -	\$ 5,513	\$ 487	\$ 487	\$ -
Total	\$ 162,000	\$ 16,200	\$ 178,200	\$ 177,183	\$ 702	\$ 315	\$ 178,200	\$ -	\$ -	\$ -

Explanatory Notes:

- This project is for redevelopment of the former Canada Post Mail Sorting Plant at 266 Graham Avenue and for the development of a new shooting range at Wyper Road. For clarity, the scope of this project does not include the purchase of the Building at 266 Graham Avenue, management of the office tower at 266 Graham Avenue or the disposal of the Public Safety Building.

(*) - Office Tower renovations of \$1,918 less \$403 allocated to the Office Tower based on square footage.
GMP contract of \$156,309 = \$154,391 (included in construction above) plus \$1,918.

All figures are in \$000