

ADOPTED by Council at its meeting held March 19, 2012 [M161-2012]

/AA

Windsor, Ontario March 19, 2012

**REPORT NO. 55** of the  
**ENVIRONMENT & TRANSPORTATION STANDING COMMITTEE**  
of its meeting held February 22, 2012

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**Present:** Councillor Hatfield, Chair  
Councillor Payne  
Councillor Sleiman  
Councillor Valentinis

**Regrets:** Councillor Halberstadt

That the following recommendations of the Environment and Transportation Standing Committee **BE APPROVED:**

Moved by Councillor Sleiman, seconded by Councillor Valentinis,  
**THAT** the MRO Steering Committee (Environmental and Transportation Standing Committee ) **RECEIVE** the Project Update dated January 19, 2012 for the new Maintenance, Repair & Overhaul (MRO) Service Hangar facility at the Windsor International Airport for information.

Carried.

Clerk's Note: The administrative report authored by the Project Administrator dated January 30, 2012 entitled "MRO Service Hangar, Steering Committee – Project Update" is attached as background information.

Livelihood #15736, APM/10883

  
CHAIRPERSON

  
DEPUTY CLERK

NOTIFICATION:				
Name	Address	Email Address	Telephone	FAX



**THE CORPORATION OF THE CITY OF WINDSOR**  
**Environment & Transportation Standing Committee - Administrative Report**



**MISSION STATEMENT:**

*"The City of Windsor, with the involvement of its citizens, will deliver effective and responsive municipal services, and will mobilize innovative community partnerships"*

<b>LiveLink REPORT #: 15736 APM/10883</b>	<b>Report Date: January 30, 2012</b> (PW#3253/ls-02/09/12:ebr)
<b>Author's Name: Tom Graziano</b>	<b>Date to Standing Committee:</b> <b>February 22, 2012</b>
<b>Author's Phone: 519 255-6100 ext. 1734</b>	<b>Classification #:</b>
<b>Author's E-mail:</b> <b>tgraziano@city.windsor.on.ca</b>	

**To:** Environment & Transportation Standing Committee

**Subject:** MRO SERVICE HANGAR  
 Steering Committee - Project Update

**1. RECOMMENDATION:** City Wide:  Ward(s): \_\_\_\_\_

THAT the MRO Steering Committee (Environmental and Transportation Standing Committee) **RECEIVE** the Project Update dated January 19, 2012 for the new Maintenance, Repair & Overhaul (MRO) Service Hangar facility at the Windsor International Airport for information.

**EXECUTIVE SUMMARY:** N/A

**2. BACKGROUND:**

On March 1, 2011, Council Resolution CR90/2011 approved an agreement with Amico Design Build Inc. to design and construct a Service Hangar and related site services at the Windsor International Airport.

The service hangar will be owned by the City of Windsor and operated by Premier Aviation (Windsor) Inc. as a Maintenance, Repair, and Overhaul (MRO) facility for servicing aircraft. The project is partially funded by the federal government and was scheduled to be complete by the end of 2011.

**3. DISCUSSION:**

The project is nearing completion and this report is intended to provide an overall Project Update. Attached is Appendix A – MONTHLY PROJECT UPDATE dated January 19, 2012 which provide additional details for information.

**4. FINANCIAL MATTERS:**

Included in Appendix A – MONTHLY PROJECT UPDATE is Schedule A which provides an unaudited financial summary of the project.

The project is expected to be completed within approved budget.

**5. CONSULTATIONS:**

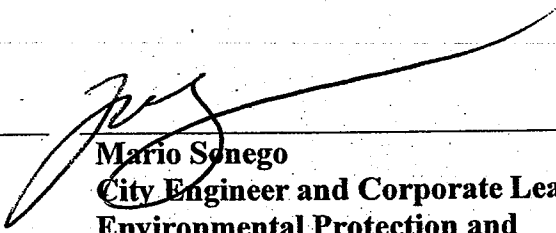
MRO Executive Committee:

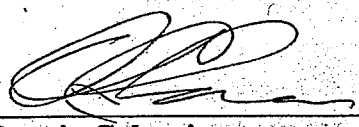
Federica Nazzani  
Janice Guthrie  
George Wilkki  
Mario Sonogo  
France Isabelle-Tunks


**6. CONCLUSION:**

The Project Update Report is provided for information. The project is proceeding and anticipates meeting the scheduled completion date.

  
Tom Graziano  
Project Administrator

  
Mario Sonogo  
City Engineer and Corporate Leader  
Environmental Protection and  
Transportation

  
Onorio Colucci  
Chief Financial Officer/City Treasurer  
and Corporate Leader Finance and  
Technology

  
George Wilkki  
City Solicitor and Corporate Leader  
Economic Development and Public Safety

TG/lp

**APPENDICES:**

**APPENDIX A – MONTHLY PROJECT UPDATE (January 19, 2012)**

**DEPARTMENTS/OTHERS CONSULTED:**

**Name:**

**Phone #: 519            ext.**

**NOTIFICATION :**

Name	Address	Email Address	Telephone	FAX

**THE CORPORATION OF THE CITY OF WINDSOR**  
**Construction of Airport Service Hangar - MRO - Project 7-101024**

Project Update as at: **JANUARY 19, 2012**

**Inaudited Financial Statement**

BUDGET ITEM	BUDGET \$	Received/Spent to Date	Commitments To-Date	Planned Commitments	Total Spent & Committed	Variance SURPLUS / (DEFICIT)	Comments
<b>REVENUE</b>							
Transfer from Reserve Funds (sale of city border properties + city contingency)	\$ 18,041,945	\$ 12,000,000	\$ -	\$ 6,041,945	\$ 18,041,945	\$ -	In-Camera - Nov 1, 2010 (M307-2010); Open Session - March 1, 2011 (C90/2011)
Fed Dev Grant	\$ 4,000,000	\$ 4,000,000	\$ -	\$ -	\$ 4,000,000	\$ -	Project must expend \$4M by March 31, 2011
Recovery of Expenses	\$ -	\$ 384	\$ -	\$ (384)	\$ 0	\$ 0	
Holdback Payable	\$ -	\$ 1,925,121	\$ -	\$ (1,925,121)	\$ -	\$ -	
<b>Subtotal Revenue</b>	<b>\$ 20,041,945</b>	<b>\$ 17,925,121</b>	<b>\$ -</b>	<b>\$ 4,091,724</b>	<b>\$ 22,017,645</b>	<b>\$ 4,091,724</b>	
<b>EXPENSES</b>							
<b>General</b>							
Survey	\$ 2,000	\$ -	\$ 2,000	\$ -	\$ 2,000	\$ -	
Advertising (Tenders) and Miscellaneous	\$ 2,000	\$ 2,000	\$ -	\$ -	\$ 2,000	\$ 0	
Capital Recoveries	\$ 375,000	\$ 59,289	\$ 315,711	\$ -	\$ 375,000	\$ -	
<b>Subtotal General</b>	<b>\$ 379,000</b>	<b>\$ 61,289</b>	<b>\$ 317,711</b>	<b>\$ -</b>	<b>\$ 379,000</b>	<b>\$ 0</b>	
<b>Professional Fees</b>							
Consultant - Building - Design/Tender	\$ 95,000	\$ 95,000	\$ -	\$ -	\$ 95,000	\$ -	
Consultant - Building - Construction Management & Inspection	\$ 218,000	\$ 143,233	\$ 74,767	\$ -	\$ 218,000	\$ -	
Consultant - Site Servicing - Design/Tender	\$ 259,000	\$ 259,000	\$ -	\$ -	\$ 259,000	\$ -	
Consultant - Site Servicing - Construction Management & Inspection	\$ 270,000	\$ 246,767	\$ 23,233	\$ -	\$ 270,000	\$ -	
Testing and Inspection	\$ 5,000	\$ -	\$ 5,000	\$ (384)	\$ 5,000	\$ (0)	
Interest Charges	\$ -	\$ 384	\$ -	\$ (384)	\$ 0	\$ (0)	
<b>Subtotal Professional Fees</b>	<b>\$ 846,000</b>	<b>\$ 743,384</b>	<b>\$ 103,000</b>	<b>\$ (384)</b>	<b>\$ 846,000</b>	<b>\$ (0)</b>	
<b>Construction Costs</b>							
Building (Capped by Service Agreement)	\$ 15,237,430	\$ 14,188,995	\$ 1,048,435	\$ -	\$ 15,237,430	\$ -	Operator Maximum capital outlay for Building: \$16,212,430 (includes \$225,000 for consulting costs incl in prof fees above)
Building Contingency	\$ 500,000	\$ 118,428	\$ 50,000	\$ 331,572	\$ 500,000	\$ -	
Building permit	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ 250,000	\$ -	
Site servicing	\$ 4,829,515	\$ 4,638,161	\$ 191,354	\$ -	\$ 4,829,515	\$ -	City covers entire cost of site servicing (incl. Consultant fees)
<b>Subtotal Construction Costs</b>	<b>\$ 20,816,945</b>	<b>\$ 19,195,584</b>	<b>\$ 1,289,789</b>	<b>\$ 331,572</b>	<b>\$ 20,816,945</b>	<b>\$ -</b>	
<b>GRAND TOTAL EXPENSES</b>	<b>\$ 22,041,945</b>	<b>\$ 20,138,958</b>	<b>\$ 1,402,789</b>	<b>\$ 331,188</b>	<b>\$ 22,041,945</b>	<b>\$ (0)</b>	
<b>GRAND TOTAL REVENUES</b>	<b>\$ 20,041,945</b>	<b>\$ 17,925,121</b>	<b>\$ -</b>	<b>\$ 4,091,724</b>	<b>\$ 22,017,645</b>	<b>\$ 4,091,724</b>	

## APPENDIX A

MONTHLY PROJECT UPDATE		
<b>Project Name:</b>	MRO Service Hangar	
<b>Project Lead:</b>	Tom Graziano	
<b>Date:</b>	January 19, 2012	
<b>Status:</b>	Final Month of Construction	
<b>Budget: (Identify Budget Pressures or Savings)</b>		
<p>The Design Build contract for the MRO was approved by Council (CR 90/2011) on March 1, 2011 with a fixed price of \$20,816,945.</p> <p>The overall project budget is \$22,041,945.</p> <p>Unaudited Financial Statement attached as Schedule A</p>		
<b>Deadlines/Milestones:</b> (Identify milestones met, lags or deviations from schedule; pressures on deadlines)		
<p><u>Milestones:</u></p> <p>March 7 – Contractor mobilizes on site, commences hangar design and site works.</p> <p>Mar 31 - CAF Federal Government Funding Deadline</p> <p>May 25 – WUC awarded contract the 900mm diameter water main on County Road 42 from Walker Rd to Concession 8. Construction estimated to be 90% complete. New water supply now available to Hangar with only restoration remaining.</p>		
<b>Contractor's Interim Schedule Dates</b>		
Note: progress reflects actual construction; engineering, material orders, deposits, and fabrication are not included in the percent complete.		
<b>Activity</b>	<b>Scheduled Completion Date</b>	<b>% Complete</b>
Earthwork	May 2	98%
Underground Utilities	May 17	98%
Building Design	Jun 13	98%
Granular Pavement Bases	Jun 23	100%
Pave Taxiway and Aprons	Aug 22	100%
Pave Access Rd & Parking Lot	Aug 25	100%
Foundations	Jun 17	100%
Structural Steel	Jul 15	100%
Hangar Siding and Roof	Jul 27	100%
Office Siding and Roof	Sep 9	100%
Hangar Concrete Floor	Oct 12	100%
Building Mechanical & Electrical	Nov 11	98%
Office Interior Finishes	Nov 18	98%

**Nov 30 – Original Contract Substantial Completion / Turn over to Operator (extension granted to January 19, 2012)**

**Jan 19 – Anticipated Completion.**

**Feb 13 – Anticipated completion deficiencies/changes.**

**Comments:**

- Due to the delay for the Fall Protection and Bridge Crane changes, those installations may not be complete until February 13, 2012. It is not anticipated that this will impact Premier's initial occupancy.
- Premier attended the site and conducted a functional review of the facility on January 10, 2012. Awaiting comments. Additional changes may be requested.
- A final inspection is expected to take place in late January 2012 to identify contract deficiencies.

**Key Issues:**

- Premier was requested to provide a copy of their insurance policy to compare to the City's policy and coordinate coverage responsibilities between the two parties. Risk Management working with Premier and their insurer to finalize coverage.
- Premier has not confirmed that they want to proceed with the security (i.e. CCTV and card access) proposal and price as quoted by Amico. The price is \$117,673 over the \$100,000 allowance in the contract.
- The date of Substantial Completion was communicated to Premier to be January 19, 2012. A formal communication will be required to document the turn-over process and expectations.