

Proposed New Central Library: Review of Building & Construction Costs

The construction costs identified in the KPMG SPL Business Case document (pages 108 and 109) appear reasonable in consideration of the building type, size, and limited program definition identified in the business case. The estimated construction costs include soft costs (professional services), construction, furniture, fixtures and equipment, contingency, taxes, sustainability premium, accessibility premium, public art, and inflation.

The calculation of \$70 million in construction, \$470 per sq. ft. x 149,000 sq. ft., includes the noted list but does not distinguish percentage of gross construction area (149,000 sq. ft.) associated with the lower (\$275 per sq. ft.), and higher (\$600 per sq. ft.) cost index ranges to assess the accuracy of the \$70 million projection. Land purchase, site development (including surface and underground parking allocations), and Corporate Project Management fees are costs that have not been defined nor included in the \$470 per sq. ft. construction calculation but have been included elsewhere in the Library's comprehensive estimates.

The table below provides a comparison of capital costs from the City's recent development experiences that are comparable to the KPMG SPL Business Case.

	Library Business Case	Police HQ	Remai Modern
Capital Cost (\$/sq. ft.)	\$470.00 (2019, \$275 to \$600 per sq. ft. cost index range)	\$275.00 (2015, Actual)	\$775.00 (2018, Actual)

The Remai Modern and Saskatoon Police Service Headquarters projects included soft costs, construction, furniture, fixtures and equipment, sustainability premium and accessibility premium. Contingency, taxes (PST), public art, and inflation allocations are not included in the comparable developments. It is important to highlight that the costs of these facilities will vary due to the significant difference in building requirements and amenities.

For example, the building mechanical system for the Remai Modern is extremely robust and complex in comparison with the Police HQ, due to the need to maintain strict environmental tolerances for the art on display and in storage within the building.

To conclude, the comparable facilities are within the cost index ranges noted in the KPMG SPL Business Case.