



## **HENSEL PHELPS**

Plan. Build. Manage.

School Name:

Project: M200 OMFE

### **General Summary - PART B (Day 1): Contingency & Fee**

1. Current Project Budget (prior to buyout completion): \$218,697,122
2. Suggested Contingency values:
  - a. Design – 3%
  - b. Buyout – 4%
  - c. Construction – 4%
3. Anticipated Final Project Margin: 5%

Provide blanks above and brief narrative below:

In a team effort the project team has been able to compile a bid/estimate that we feel meets the owners needs and requirements. We are also confident that we will have few losses once we head into the buyout phase hence why we have gone with a conservative value of 4% for the buyout contingency. Being that this is a design build project, we do however anticipate some potential risks with the design and construction scopes. Some examples of design/construction risk we currently foresee are:

1. Unforeseen site conditions related to soil usability e.t.c
2. Successful integration of the complex specialty train equipment's into the projects (arch, MEP) design, any mishaps would affect construction schedule down the line - ensuring that design captures.
3. Sequencing/Coordination of Installation of work in the OMF shop with the complex mezz floor plan.

With these risks in mind, we opted to be less conservative with an 8% contingency to cover these and any other potentials (design and construction) risks that are unforeseen currently.

For the fee percentage we will attempt to achieve a 5% fee percentage keeping in mind that any risks not foreseen currently will have to be offset from this fee percentage.