

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 12, 2004

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER *ps*

SUBJECT: BUDGET MEMO #36 : FRANCIS HAMMOND AND GEORGE WASHINGTON
MIDDLE SCHOOL PROJECT BUDGETS AND EXPENSES

This memo responds to Councilwoman Woodson's request for information regarding the construction budgets for the middle school expansion projects at Francis Hammond and George Washington. Currently, there are potential claims and disputes surrounding both of these projects and details of the financial and other issues are, therefore, severely limited. Schools staff have indicated that they will report back to the City when final resolution on these projects is reached.

Francis Hammond

At the time the contract was awarded, the budget for the Hammond project was \$16.7 million. During FY 2002, approximately \$641,000 was transferred from various Schools project accounts, increasing the working project budget to \$17.3 million. Structural problems with the auxiliary gym and change orders due to design deficiencies contributed to the increases. A solution for the structural problems with the auxiliary gym is still being worked out. At this time total obligations on the project are approximately \$17.0 million with \$0.6 million in pending back charges, which, if collected, would leave an estimated project cost of approximately \$16.4 million. However, the various parties involved in this construction project have a number of outstanding claims against one another. Thus, the project's final cost will not be known for some time. The budget included a contingency for the Hammond project at the time of the contract award of 5.65%, or approximately \$1.0 million.

George Washington

The budget for the GW project, at the time the contract was awarded, was \$21.8 million. Transfers from various Schools project accounts in FY 2004 equaled \$1.1 million, for a total current working project budget of \$22.9 million. Poor soil conditions at the site and the need to construct firewalls between the existing buildings and the new construction areas contributed to the increases. In addition, the firewall problem caused a lengthy suspension of work on the project until a Code-compliant remedy was developed. A rephasing of the project and an accelerated schedule were required to complete the project in time for the September 2003 opening. Current obligations on this project are approximately \$22.7 million. Due to outstanding claims, the final cost of this project also will not be known for some time. The budget included a contingency for the GW project at the time of the contact award of 5.4%, or approximately \$1.3 million.

cc: Rebecca Perry, Superintendent, ACPS
