

Name: Estimate Preparation for Major Capital Construction Projects  
Policy Number: 3-5006  
Origin: Facilities Management  
Approved: May 24, 2006  
Issuing Authority: Vice President, Finance & Administration  
Responsibility: Senior Director, Facilities Management  
Revision Date(s): June 1, 2015  
Effective Date: June 1, 2015

Policy:

Estimates for major capital construction projects where the estimated value of the project is \$2,000,000 or more or as directed by the  
ojects budget preparation outlined below  
ojecEstimate Preparation

use the SMU Project Cost estimate Excel Spreadsheet to develop the cost estimate

calculate the construction cost estimate using current known \$ per square foot construction values for each type of space.

include allowances for unknown costs such as environmental, underground utilities, infrastructure upgrades for the project and landscaping if required.

if this is an infrastructure project the estimate shall be developed based

finalize the scope of the project. All changes to the scope of the project shall require approval by the Vice President Finance & Administration.

the design consultant shall have obtained a sign off of the tender floor plans and scope of the project prior to tendering the project.

use the SMU Project Cost estimate Excel Spreadsheet to develop the cost estimate

update the Class B estimate using the tender prices.

review and add as required allowances for unknown hidden un-quantified probable costs such as environmental, underground utilities, infrastructure upgrades for the project and landscaping.

the estimate shall also include consulting fees at 10% of the construction estimate or as proposed, commissioning fees of 2% of the construction estimate, environmental hazardous assessment and monitoring fees, furniture estimate, building permit cost, miscellaneous printing costs, legal and insurance costs, HST of 5% of all costs and a contingency of 10% of all other costs including HST.