

Project Contingency Update

February 13, 2024

**CORAL
GABLES**[®]
THE CITY BEAUTIFUL



CONSTRUCTION CONTINGENCY



A construction contingency is an amount of money that is generally set aside or made available to cover unexpected costs beyond an original contract amount.

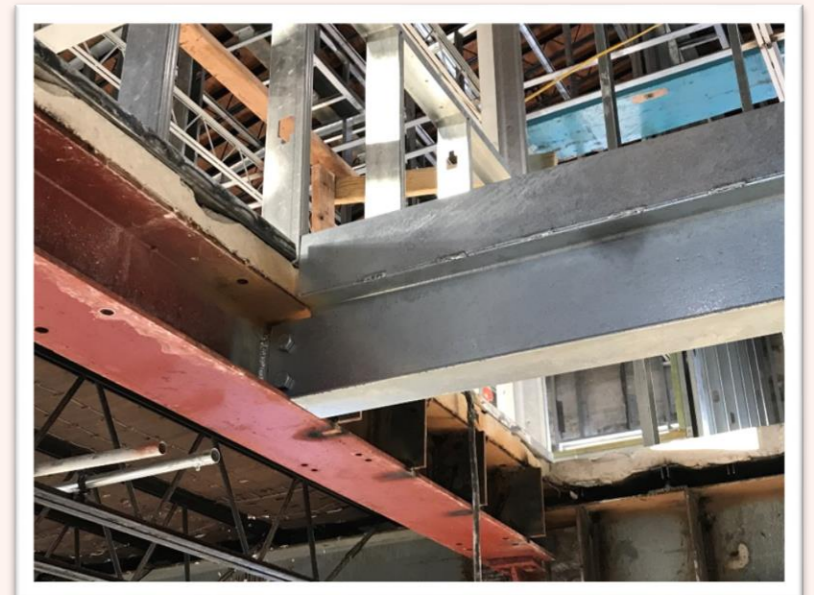
A 10% contingency is common local industry practice. Twenty (20) percent and higher contingencies may be recommended for the remodeling of older and historical structures as these types of projects have a higher degree of uncertainty due to preexisting conditions that may not be visible until demolition. Recent supply chain and price escalation issues have placed a strain on construction budgets and the respective contingencies. Additional improvements are occasionally added to projects at the request of residents or the end user.

More recently, the City of Coral Gables has moved away from the practice of including contingencies in contract documents as a means to avoid disclosure of the totality of the available funds during contract negotiations.

PROJECT SAMPLES

2

2



Roof and reinforcement deficiencies
at 427 Biltmore Way

Country Club roof
redesign and
relocation of
existing
electrical
conduits

PROJECT CONTINGENCY



➤ New Public Safety Building		
• Original Contract Amount	-	\$52,250,000
• Owner's Contingency	-	\$250,000
• Construction Manager's Contingency	-	\$1,210,000
• Original Contingency Percentage	-	3%
• Additional Change Orders	-	\$3,468,654
• Change Order Percentage	-	10%
➤ Fire Station 2 / Trolley Depot		
• Original Contract Amount	-	\$10,500,000
• Owner's Contingency	-	\$941,704.04
• Original Contingency Percentage	-	10%
• Additional Change Orders	-	\$1,044,502.18
• Change Order Percentage	-	21%
➤ 427 Biltmore Way		
• Original Contract Amount	-	\$2,485,735
• Change Orders*	-	\$859,496.60
• Change Order Percentage	-	35%

****Does not include artwork related expenses.***

PROJECT CONTINGENCY



➤ Fink Studio		
• Original Contract Amount	-	\$1,779,114.17
• Change Orders	-	\$254,928.20
• Change Order Percentage	-	14%
➤ Country Club Roof		
• Original Contract Amount	-	\$1,375,000
• Owner's Contingency	-	\$55,566.82
• Original Contingency Percentage	-	4%
• Additional Change Orders	-	\$32,011.99
• Change Order Percentage	-	7%
➤ S. Alhambra Forcemain		
• Original Contract Amount	-	\$1,761,593
• Change Orders	-	\$80,780.40
• Change Order Percentage	-	5%

PROJECT CONTINGENCY



➤ Cocoplum PS#1		
• Original Contract Amount	-	\$2,240,459
• Change Orders	-	\$100,261.10
• Change Order Percentage	-	4%
➤ Maggiore Park		
• Original Contract Amount	-	\$780,564
• Change Orders	-	\$122,838.07
• Change Order Percentage	-	16%
➤ Salvadore Park		
• Original Contract Amount	-	\$469,981
• Change Orders	-	\$66,163.80
• Change Order Percentage	-	14%
➤ Lamar Louise Curry Park		
• Original Contract Amount	-	\$371,595.75
• Change Orders	-	\$49,998.48
• Change Order Percentage	-	13%

COST ESCALATION



ENR Building Cost Index: 35%

ENR Material Price Index: 82%

ENR stands for Engineering News-Record. Percentage increase shown from

US Producer Price Index: Rubber and Plastic Products: Plastics Water Pipe (I:USPPDCU)

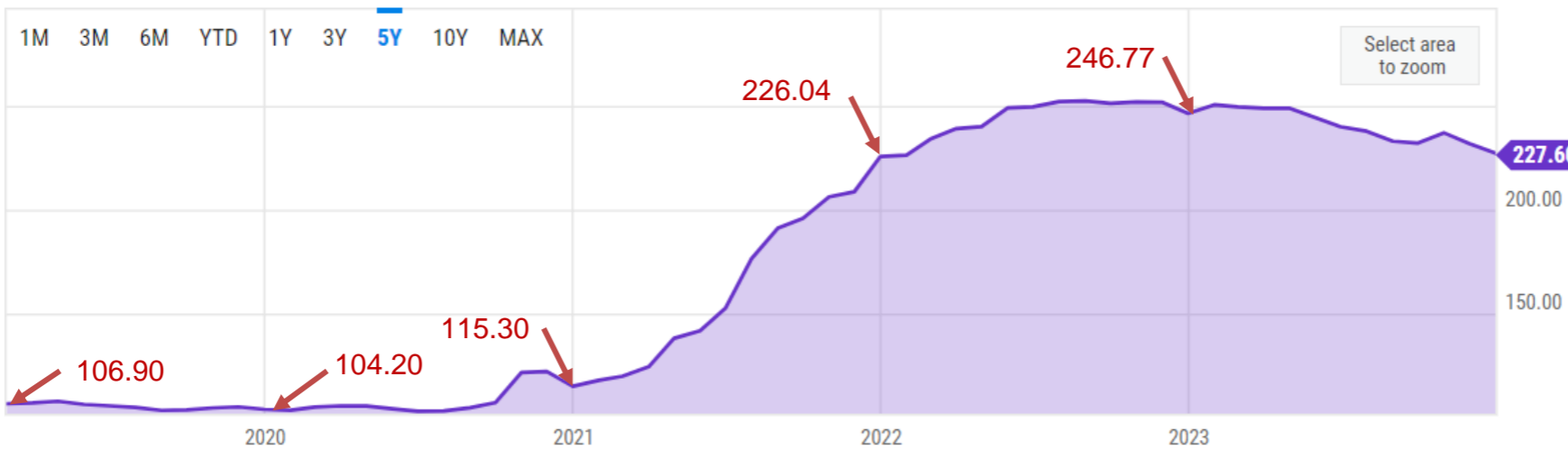
227.60 for Dec 2023

Overview

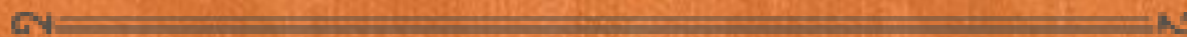
Interactive Chart

Level Chart

VIEW FULL CHART



Thank you!



Public Works Department: *Keeping the City
Beautiful Yesterday, Today & Tomorrow*

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