



Spring 2005

# Hanscomb

## NEWS UPDATE

### Escalation Watch

INSIDE:

Page 1  
Escalation Watch

Page 2  
Statistics Canada  
Non-Residential  
Construction Cost  
Indices for 7 Cities

Pages 3 & 4  
Focus on Atlantic  
Canada

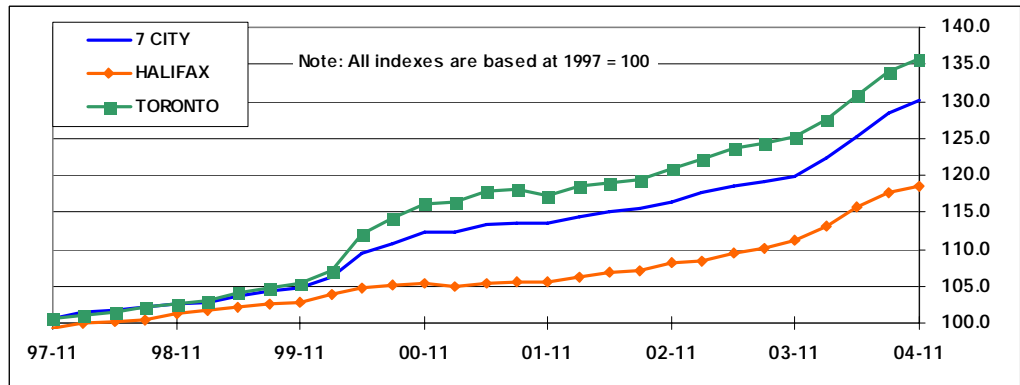
Page 4  
Office Contacts/  
Services

www.hanscomb.com

The mid-November 2004 Non-residential Construction Price Indices are now available from Statistics Canada. Indices for the first quarter of 2005 should be available in mid-May.

Nationally, the composite price index has risen from 119.8 to 130.1 or 8.6% over the same period in 2003. According to Statscan, the year over year increase is due mainly to increases in construction material prices and is the highest recorded advance since the second quarter of 1982 which clocked in at 10.2%. It is, however, interesting to note that much of this annual increase occurred in the first three quarters of 2004 – the fourth quarter growth of 1.3% is about half of the average amount reported for each the first three quarters, 2.2%, 2.3% and 2.6% respectively. This result could be signaling that, after an extended period of construction material price volatility, the market is settling back into a more orderly growth pattern. In this regard, results of the winter and spring quarters of 2005 will be more telling.

The national composite fourth quarter is mirrored in the results for each of the seven cities surveyed. In the east, Halifax is reporting the most moderate increases at an annual rate of 6.7% and a fourth quarter rate of 0.9%. At the opposite end of the country, and the growth spectrum, is Vancouver at 11.4% annually and 1.7% for the fourth quarter.



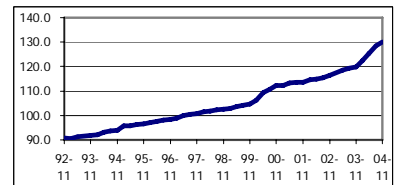
The source data used to prepare the charts in this newsletter is drawn from Statistics Canada's Construction Price Statistics publication – catalogue 62-007-XPB. Specifically, we used table 5.1 – Non-residential Building Construction Price Indices.

More information about this and other construction related indices published by Statistics Canada are also available on line at [www.statcan.ca](http://www.statcan.ca)

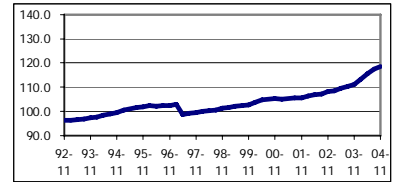
- Paul Westbrook

# STATISTICS CANADA NON-RESIDENTIAL CONSTRUCTION COST INDICES, IN EACH CITY 1997 = 100 (Cat. No. 62-007-XPB)

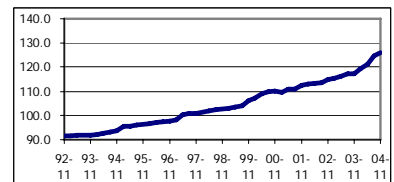
COMPOSITE 7 CITY	2002		2003				2004			
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	115.4	116.4	117.6	118.5	119.2	119.8	122.4	125.2	128.4	130.1
Year / Year					3.3%	2.9%	4.1%	5.7%	7.7%	8.6%
Quarterly		0.9%	1.0%	0.8%	0.6%	0.5%	2.2%	2.3%	2.6%	1.3%
Q. Cumulative	0.0%	0.9%	1.9%	2.7%	3.3%	3.8%	6.1%	8.5%	11.3%	12.7%



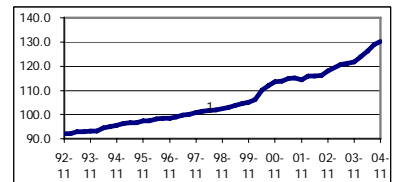
HALIFAX	2002		2003				2004			
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	107.2	108.1	108.3	109.5	110.2	111.2	113.2	115.6	117.6	118.6
Year / Year					2.8%	2.9%	4.5%	5.6%	6.7%	6.7%
Quarterly		0.8%	0.2%	1.1%	0.6%	0.9%	1.8%	2.1%	1.7%	0.9%
Q. Cumulative	0.0%	0.8%	1.0%	2.1%	2.8%	3.7%	5.6%	7.8%	9.7%	10.6%



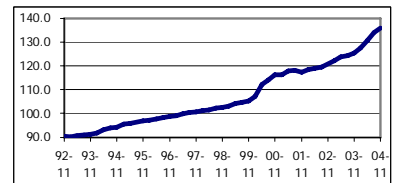
MONTREAL	2002		2003				2004			
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	113.7	114.9	115.4	116.1	117.3	117.4	119.4	121.3	124.7	126.0
Year / Year					3.2%	2.2%	3.5%	4.5%	6.3%	7.3%
Quarterly		1.1%	0.4%	0.6%	1.0%	0.1%	1.7%	1.6%	2.8%	1.0%
Q. Cumulative	0.0%	1.1%	1.5%	2.1%	3.2%	3.3%	5.0%	6.7%	9.7%	10.8%



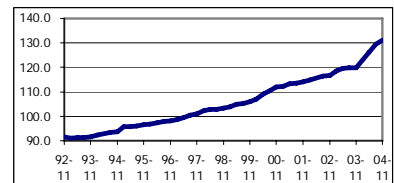
OTTAWA	2002		2003				2004			
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	116.4	118.1	119.4	120.7	121.3	121.8	124.0	126.3	129.0	130.4
Year / Year					4.2%	3.1%	3.9%	4.6%	6.3%	7.1%
Quarterly		1.5%	1.1%	1.1%	0.5%	0.4%	1.8%	1.9%	2.1%	1.1%
Q. Cumulative	0.0%	1.5%	2.6%	3.7%	4.2%	4.6%	6.5%	8.5%	10.8%	12.0%



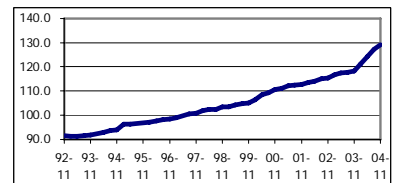
TORONTO	2002		2003				2004			
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	119.4	120.8	122.2	123.7	124.2	125.2	127.6	130.7	133.9	135.7
Year / Year					4.0%	3.6%	4.4%	5.7%	7.8%	8.4%
Quarterly		1.2%	1.2%	1.2%	0.4%	0.8%	1.9%	2.4%	2.4%	1.3%
Q. Cumulative	0.0%	1.2%	2.3%	3.6%	4.0%	4.9%	6.9%	9.5%	12.1%	13.7%



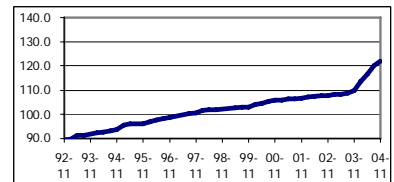
CALGARY	2002		2003				2004			
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	116.3	116.7	118.5	119.5	119.7	119.9	123.0	126.1	129.4	131.1
Year / Year					2.9%	2.7%	3.8%	5.5%	8.1%	9.3%
Quarterly		0.3%	1.5%	0.8%	0.2%	0.2%	2.6%	2.5%	2.6%	1.3%
Q. Cumulative	0.0%	0.3%	1.9%	2.8%	2.9%	3.1%	5.8%	8.4%	11.3%	12.7%



EDMONTON	2002		2003				2004			
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	115.0	115.2	116.6	117.4	117.7	118.3	121.3	124.2	127.2	129.2
Year / Year					2.3%	2.7%	4.0%	5.8%	8.1%	9.2%
Quarterly		0.2%	1.2%	0.7%	0.3%	0.5%	2.5%	2.4%	2.4%	1.6%
Q. Cumulative	0.0%	0.2%	1.4%	2.1%	2.3%	2.9%	5.5%	8.0%	10.6%	12.3%



VANCOUVER	2002		2003				2004			
	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov	Mid-Feb	Mid-May	Mid-Aug	Mid-Nov
Index	107.7	107.6	108.4	108.3	108.9	109.7	113.5	116.8	120.2	122.2
Year / Year					1.1%	2.0%	4.7%	7.8%	10.4%	11.4%
Quarterly		(0.1%)	0.7%	(0.1%)	0.6%	0.7%	3.5%	2.9%	2.9%	1.7%
Q. Cumulative	0.0%	(0.1%)	0.6%	0.6%	1.1%	1.9%	5.4%	8.4%	11.6%	13.5%



# FOCUS ON ATLANTIC CANADA

## St. Andrews Biological Research Station

Hanscomb is providing design stage cost planning and control, scheduling, and risk management services to Urbana Architects of Toronto for Fisheries & Oceans Canada's new Biological Research Station in St. Andrews, New Brunswick.

The new Research Station, which will consist of 3,100 m<sup>2</sup> Wet Laboratory and a 4,500 m<sup>2</sup> Science Building, will provide researchers with a modernized facility that meets federal initiatives for sustainable design and complements the historical surroundings of the St. Andrews community.

Highlights of the project will include an experimental fish tank that will provide a controlled environment needed to help ensure that experiments and studies are not compromised, as well as space for computer labs, offices, and libraries. Further, a substantial amount of site work is also part of the project and will include raising the site's lower plateau, reinforcing the existing armour wall, and increasing the capacity the site services to support the new facility.



## Halifax Peninsula High School

The Nova Scotia Department of Transportation & Public Works, on behalf of the Nova Scotia Department of Education and the Halifax Regional School Board, has appointed the architectural firm of Fowler Bauld & Mitchell (FBM) to design the new Halifax Peninsula High School.

The new school, which is being designed to meet LEED Silver certification, will replace the aging Queen Elizabeth and Saint Patrick's High Schools and be located on a site

adjacent to the historic Halifax Citadel on the Nova Scotia Community College's Bell Road Campus. The program for the approximate 45,000 m<sup>2</sup> facility will be dispersed over three levels and feature state of the art teaching classrooms and laboratories, a large gymnasium, a full service cafeteria, and a two-storey library. In addition, the school may also feature a separately funded civic gymnasium and a performance auditorium.

Hanscomb has been retained by FBM to provide full design stage cost planning and control services.

## Atlantic Veterinary College – Infrastructure Expansion

Hanscomb is providing design stage cost planning and control services for WHW Architects of Halifax for the Infrastructure Expansion project at the Atlantic Veterinary College in Charlottetown, Prince Edward Island.

The much needed project will focus on providing the existing facility with additions to its North, West, and South sides. The North Addition will be a 4-storey, 5,200 m<sup>2</sup> addition that will house research laboratories, animal holding areas, and administration offices. Access to the new addition will be possible from two locations, a tunnel from the north barn and a new common link located on the 2<sup>nd</sup> level connecting the new facility to another component of the project, the West Addition, which will be two-storey 1,100 m<sup>2</sup> Learning Commons that will provide students and faculty with common areas and lounges, lecture halls, and small meeting rooms. The new West Addition will also include an Aquatic Research Facility with supporting research modules and space for future laboratory expansion.



The South Addition will be a one-storey that will provide an additional 500 m<sup>2</sup> to the Small Animal Teaching Hospital and will include new surgical suites, an ICU and examination rooms.

The project is currently in the Working Documents stages with tendering expected for the spring of 2005.

## FOCUS ON ATLANTIC CANADA

### Cambridge Estates

Hanscomb has been retained by project architect and manager, AE Consultants of St. John's, to provide Loan Monitoring services for the new Cambridge Estates personal care and assisted living facility located in the east end of St. John's. The nearly 4,000 m<sup>2</sup>, 2-storey, wood framed facility will offer Newfoundland and Labrador seniors 75 units of various levels of assisted living quarters, common areas and meeting rooms, activation spaces and dining facilities, and appropriate nursing stations and exam areas. The facility will also offer residents areas to maintain their own personal gardens. The \$6.3 million project is approximately 50% complete and continues to be on budget with approximately 80% of the contracts awarded. Occupancy is targeted for mid 2005.



### World Wide Office and Service Contacts

Vancouver	Peter Moore	(604) 685-1241
Edmonton/Calgary	David Crane	(780) 426-7980
Winnipeg	David Crane	(204) 775-3389
Toronto	Paul Westbrook	(416) 487-3811
	Susan Neil	
	Dale Panday	
Ottawa	Art Maw	(613) 234-8089
	Grant Mercer	
Halifax	Ray Murray	(902) 422-3620
St. John's	Wayne Fitzpatrick	(709) 722-0505
Abu Dhabi	David Hancox	971-26262461
Dubai	Stephen Keigwin	9714-3244557
Muscat	Steve Bale	968-24481664
Doha	Ron Butler	974-4673808
Applied Research	Jason Gallant	(416) 487-3811
Value Management	Paul Westbrook	(416) 487-3811
Loan Monitoring	Ray Murray	(902) 422-3620
	David MacKay	(416) 487-3811
Mech./Elec. Services	Al Wright	(416) 487-3811

## SERVICES

### Cost Planning & Control

- Quantity surveying
- Construction cost planning
- Construction cost estimating
- Master plan cost estimating
- Construction claims analysis
- Bills of quantities
- Bills of materials
- Replacement cost estimates
- Final accounts preparation

### Value Management

### Applied Research

- Life cycle costing
- Cost/benefit analysis
- Construction price indexing
- Cost research
- Cost publications
- Risk analysis

### Project Loan Monitoring

### Feasibility Studies

### Time Management

- Design scheduling
- Construction scheduling
- Schedule analysis

### Litigation Support

### 2005 Hanscomb Yardsticks for Costing

The 2005 edition of Hanscomb's Yardsticks for Costing is ready. To order of your copies, please use the included form.

