




COMMUNICATION UPDATE

TO:	Mayor and Members City Council
DATE:	September 25, 2025
SUBJECT:	New Transit Maintenance & Storage Facility - Project Schedule Update (CFEM2507) (Ward 3)
WARD(S) AFFECTED:	Ward 3
SUBMITTED BY:	Rob Gatto Acting Director, Corporate Facilities & Energy Management Public Works Department
SIGNATURE:	

The purpose of this communication is to provide an update regarding the project schedule for the completion of the new Transit Maintenance and Storage Facility (MSF) located at 281 Birch Avenue.

Background

In late 2023, construction started for the new MSF. The facility will increase the Transit Division's operations, maintenance and storage capacity to accommodate its existing and growing fleet as the City continues to improve transit service. This new facility represents a significant investment in Hamilton and supports the City's ongoing commitment to transit expansion, as outlined in the Ten-Year Local Transit Strategy and HSR Next. Once completed, the new facility will include storage for up to 200 buses (with the capacity to add an additional 100), a maintenance garage with the capacity to repair 300 buses, a four-level parking structure and additional administrative space. The facility will be the first in Ontario, and second in Canada, to include compressed natural gas indoor fuelling.

The total project budget of approximately \$396 M is partially funded by the Investing in Canada Infrastructure Program which includes contributions from the Governments of Canada and Ontario, in the total amount of approximately \$203.9 M. The balance of the project is being covered by the City of Hamilton.

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OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe, and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

The project team includes City staff providing oversight, Arcadis, the prime design consultant responsible for the design of the facility and the general contractor, Pomerleau, overseeing the construction.

Update

To date, the construction is approximately 89% complete. Pomerleau recently informed the City and Arcadis that a delay in the schedule by approximately two months has been forecasted. Revised key dates are as follows:

- Partial occupancy: April 1, 2026
- Occupancy: May 29, 2026
- Substantial Completion: June 29, 2026

Partial occupancy in April 2026 will allow Transit to begin transitioning administrative staff to the new facility.

The delay is due to ventilation system design issues related to CSA (Canadian Standards Association) code compliance, which requires special order parts to correct. Efforts to mitigate the impact to the schedule, such as expediting the issuance of construction shop drawings, have been implemented; however the project schedule is still affected.

Addressing the ventilation issue is critical to obtain the Occupancy permit. The schedule delay represents a relatively minor deviation from the original 30-month construction schedule. The total costs related to the delay are still being finalized and are anticipated to be within the project contingency allowance remaining. Therefore, no additional funding is required.

Next steps

A comprehensive review is being undertaken to clearly determine accountabilities for the ventilation system design issues. The City project team is actively consulting with Legal Services and, where external responsibility is confirmed, the City will pursue cost recovery options. In addition, the project team will document lessons learned and apply them to ensure high standards of accountability in the delivery of capital projects. Accountability is a critical priority for the City in managing projects.

Finally, Arcadis, Pomerleau and City staff will continue working in close partnership to complete the project within the approved budget available and updated schedule outlook.

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If you have any questions respecting this communication update, please contact Amanda Pavao, Acting Manager, Strategic Planning, Capital & Compliance at Amanda.Pavao@hamilton.ca or Extension 7325.

APPENDICES AND SCHEDULES ATTACHED

N/A

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