COUNCIL

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European ALMA 6 Monthly Progress Report

September 2016

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Council is requested to note this report
Table of Contents

1. SUMMARY ................................................................................................................... 2
2. ALMA PROGRAMME FINANCIAL STATUS .............................................................. 2
3. ALMA RESIDENCE DESIGN ...................................................................................... 2
4. ALMA RESIDENCE CONSTRUCTION ........................................................................... 3
   4.1 PROCUREMENT ...................................................................................................... 3
   4.2 CONSTRUCTION PROGRESS ................................................................................... 3
   4.3 RESIDENCE OUTFITTING .......................................................................................... 4
5. AOS SECURITY SURVEILLANCE SYSTEM ................................................................. 4
1. **Summary**

This report covers the two remaining and ongoing ALMA construction activities at ESO for the period 1 April to 30 September 2016:

- The construction and outfitting of the ALMA Residence, and
- The procurement of an AOS Security Surveillance System.

2. **ALMA Programme Financial Status**

The ESO ALMA Construction financial data, Table 1, remain unchanged since the report of March 2015.

<table>
<thead>
<tr>
<th>ALMA Cost</th>
<th>baseline as of Sept 2006 [k€]</th>
<th>Ctc as of Sept 2014 [k€]</th>
<th>Ctc as of Mar 2015 [k€]</th>
<th>change to Ctc [k€] since baseline</th>
<th>change to Ctc [k€] since Sept 2014</th>
<th>remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALMA Ceiling</td>
<td>498.791</td>
<td>512.145</td>
<td>523.124</td>
<td>24.333</td>
<td>10.980</td>
<td>Site works including provision</td>
</tr>
<tr>
<td>FTE</td>
<td>39.560</td>
<td>54.286</td>
<td>54.303</td>
<td>14.743</td>
<td>17</td>
<td></td>
</tr>
<tr>
<td>Contingency</td>
<td>42.629</td>
<td>0</td>
<td>0</td>
<td>-42.629</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Income available as contingency</td>
<td>0</td>
<td>3.443</td>
<td>0</td>
<td>0</td>
<td>-3.443</td>
<td>added to provision for site works</td>
</tr>
<tr>
<td>ALMA Construction</td>
<td>416.602</td>
<td>457.859</td>
<td>468.822</td>
<td>52.219</td>
<td>10.963</td>
<td></td>
</tr>
</tbody>
</table>

Table 1: ESO ALMA Cost Summary

Since the report from September 2014, the overall budget has been increased to fund and provide margin for the construction of the ALMA Residence at the OSF. This sum incorporates the previously separately reported “income available as contingency”.

No changes to the Cost-to-Completion (Ctc) for ALMA have occurred since the ALMA 6 Monthly Progress Report of March 2015 (ESO/Cou-1596, Table 2). The final Cost-to-Completion will be known once the ALMA Residence construction and outfitting are finished and the AOS Security Surveillance System has been procured.

3. **ALMA Residence Design**

The ALMA Residence was designed by Finnish Architects Kouvu and Partanen and features in this year’s 15th International Architecture Exhibition. The world renowned International Architecture Exhibition has been held every two years since 1980 in the historic city of Venice, Italy, and has celebrated some of the most fascinating and groundbreaking architecture from around the world. This year’s event is running between 28 May and 27 November 2016 and features designs on the theme of “Reporting from the Front”, showcasing architecture that overcomes the odds to provide a better place to live for all.
Figure 1 – The ALMA Residencia design features at the 15th International Architecture Exhibition in Venice, Italy. The wall panels on the right hand side of this image show the design (credit: Kouvu and Partanen Architects).

4. **ALMA Residence Construction**

4.1 **Procurement**

The first Call for tender for the ALMA Residence construction, issued in 2013, did not result in an acceptable offer, despite lengthy negotiations with a possible contractor. The second Call for tender, issued in 2014, limited to Chilean bidders and based on revised documentation adapted to the local market and language, resulted in seven bids being received by end of August 2014. The evaluation was completed in time and the proposal for contract award was approved by the ESO Finance Committee in November 2014. The contract was signed in December 2014 and construction started on site in February 2015.

4.2 **Construction progress**

The construction work progressed well during the reporting period. All buildings have been finished and accepted by ESO except one which is scheduled for acceptance beginning of October. With this final acceptance, and the contractor working through the acceptance punch list, the residence construction is complete.

In June, the contractor claimed from ESO compensation for increased construction work and cost which – in the contractor’s opinion – is not covered by the contract. ESO does not share this view and has replied accordingly. The communication between the contractor and ESO is ongoing.
4.3 Residence outfitting

In relation with the ALMA Residence construction, there are two tasks funded by the ESO-ALMA construction budget which are managed by JAO (as was done for the Santiago Central Office (SCO)). This concerns the outfitting of the Residence with kitchen, furniture etc. and the outfitting with IT infrastructure and telephones. The latter was a shared budget between North America (NA) and the EU, as for the SCO. Due to constraints on the NA construction project, which did not allow new commitments beyond 30 September 2014, the NA funds (equal to 50% of the shared budget) have been transferred to ESO and thus kept available for the project.

Procurement activities for the outfitting have continued during the reporting period.

5. AOS Security Surveillance System

Another remaining construction task is the procurement of an AOS Security Surveillance System. JAO has finalised the collection of requirements and proposed a two-stage approach for implementation. Details are in discussion between ESO and JAO.