

Table 2 – Project Cost Increase Comparison

	Project Costs as per EPW.09.062	Project Costs as per EPW.10.068	Project Costs as per EPW.10.089
Construction	\$3,167,169	\$3,258,800	\$3,424,000
Engineering	\$260,000	\$234,058	\$234,058
Utilities	\$28,000	\$115,000	\$115,000
Other Direct Costs	\$37,000	\$37,000	\$37,000
Project Contingency	\$250,000	\$100,000	\$100,000
Total Project Cost	\$3,742,169	\$3,744,858	\$3,910,058
Project Budget	\$4,140,430	\$4,140,430	\$4,140,430

Staff recommend increasing the contingency portion of the Construction Contract for the Plan 915 Servicing Reconstruction with B&J Contracting by \$165,200 from \$3,258,800 to \$3,424,000 to be available to address unknown costs.

C. The Blue Mountains’ Strategic Plan

Town’s Strategic Plan Goal # 2 “Addressing the Town’s Municipal Infrastructure needs” is in part satisfied by the recommended action.

D. Environmental Impacts

Green house gases will be produced as part of the construction activities. The Contractor will be required to participate in the Town’s anti-idling initiative and appropriate measures will be taken to protect the river.

E. Budget Impact

2010 Capital Budget outlined the project budget allocation between taxation and user rates with an overall project budget of \$4,140,430. Two-thirds of eligible costs up to a maximum of \$2,727,698 can be recovered through the BCF-CC program. All project costs incurred after the BCF-CC funding announcement on June 11, 2009 are eligible for cost sharing with the provincial and federal governments. Costs incurred before June 11, 2009 are estimated at \$70,000 and are ineligible for cost sharing. The amounts of eligible costs to date are therefore estimated to be \$3,840,058 (\$3,910,058 - \$70,000).

With increasing the contingency allowance by \$165,200 and including the contingency allowance increase of \$91,631 in June, the total project cost has increased by **\$167,889** from **\$3,742,169** (July 2009) to **\$3,910,058** (August 2010) which is still below the overall project budget of **\$4,140,430**.

F. Attached

None

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