



MEDIA RELEASE

November 21, 2016

Aquatic Centre Funding

The Town of Kirkland Lake has entered into a Construction Manager at Risk contract with Monteith Builders of Orillia, Ontario in December of 2015 in the amount of \$935,400 (Bylaw 15-120). In this type of contract, the Construction Manger (CM) puts out the tenders for the sub-trades and most times becomes the builder. The CM must come in with a Guaranteed Maximum Price (GMP) which he guarantees the build will not exceed or he pays the amount over the bid.

In the past, the Town has put out tenders for projects in a Design-Build or a Design-Bid-Build format where we seek our own tender amounts. Often unknown issues arise that end up costing more for the project prior to completion. In this case we have selected the Construction Manager at Risk form of bid to guarantee that the project cannot exceed that agreed amount. The difference is that we do not see all the bids of the sub-trades, only the guaranteed maximum amount total.

The total project amount is \$13.7 M of which we have \$3.2M received so far in funding and donations and more donations are pending but not yet announced. In its meeting of April 1, 2014, the previous Council agreed to borrow up to \$7.5 M.

This process follows all required legislation and requirements of the Municipal Act. It is the most efficient way to tender this contract with the confidence that it cannot exceed the agreed price.

The residents of Kirkland Lake can look forward to enjoying their new Aquatic Facility in December of 2017.