

September 2, 2009

### **Highlights from the Regular Council Meeting of 02/09/09**

#### **County saves over \$5 million on Red Lodge Road project**

*Project under budget, completion expected one year ahead of schedule*

Mountain View County (MVC) ratepayers will save over \$5 million on base and paving work to commence on the Red Lodge Road in 2009. On Wednesday, Regular Council approved \$4.6 million to go towards base and paving work on Range Road 23, the Red Lodge Road, with funding to come from the Alberta Municipal Sustainability Initiative (MSI) grant. At a total project cost of \$7.6 million, the Red Lodge Road project will be complete in 2010, one year ahead of schedule, and \$5.1 million less than the initial estimate of over \$12.7 million.

The difference, according to Director of Operational Service Steve McInnis, resulted largely from a considerable drop in the price of asphalt in the last 16 months. "When we received the initial estimate in September, 2007, asphalt was projected to cost \$120 per tonne. In the successful tender we received earlier this year, asphalt was priced at \$65 per tonne, a significant cost savings."

While the scope of the project initially covered the stretch of Range Road 23 from Highway 27 to Township Road 340, Mountain View County is also investigating the inclusion of the remaining two miles of the Red Lodge Road, taking it all the way to the Red Deer County boundary. According to McInnis, Red Deer County and MVC have also discussed the inclusion of the two miles of RR 23 north to Highway 587 in the project.

While Council was advised the County may need to undertake some short-term borrowing as a result of the project's projected completion date- early in the construction year before taxes are collected- Reeve Al Kemmere says the savings are too large to pass up. "The small cost of temporarily increasing our short term borrowing is a small price to pay to move this forward."

Mountain View County accepted 11 tenders for the Base Paving of the Red Lodge Road with the lowest tender coming from Pidherney's Trucking Ltd for \$4,033,323.08. The base and paving work is in addition to \$3 million in reconstruction work previously completed on the Red Lodge Road in 2008.

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#### **Media inquiries may be directed to**

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