



MAY 23 2019

MS. JULIE GREEN
MLA, YELLOWKNIFE CENTRE

Oral Question 625-18(3) Tlicho All-Season Road Costs

This letter is in follow-up to the Oral Question you raised on February 27, 2019 regarding the \$10 million dollar difference (\$175 to \$185 million in direct construction costs) in the cost of construction of the Tlicho All-Season Road.

In April 2016 the Department of Infrastructure (Transportation at the time), undertook a Class C costing exercise for the purposes of the constructing the Tlicho All Season Road (TASR) and to support our funding application to P3 Canada for 25% funding of the final fixed capital cost which occurred February 2019. The cost estimate of \$175M did not account for:

- Environmental Assessment (EA) and costs required to meet the EA measures
- Predevelopment costs to support the procurement process (such as support in development of business case, P3 Canada Application, procurement documents, project agreement, local content, fairness advisory services)
- Geotechnical and Geophysical programs to assist the GNWT lessen contractor site condition uncertainty

Robert C. McLeod
Minister, Finance

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