



## City of Winnipeg Cost Estimate Classification System

Estimation Classification*	Project Definition	Project Definition % Complete	Accuracy of Cost Estimate
Class 1	Detail Design Drawing and Specification Complete, Pre-Tender Estimate	~90% - 95%	-5% to +10%
Class 2	Design Development in progress	~60%	-10% to +20%
<b>Class 3</b>	<b>Preliminary Design, for Budget Authorization</b>	<b>~30%</b>	<b>-20% to +30%</b>
Class 4	Feasibility Study	~10%	-30% to +60%
Class 5	Concept Screening, Rough Order of Magnitude Estimate	~1%	-50% to +100%
Scalable	Project/Program scope can be adjusted to fit the Budget	N/A	N/A

### Cost Estimate Class Descriptions

- Class 1 Estimates prepared based on completed detail design documentation (plans and specifications) as well as complete project delivery plans. At pre-tender estimate stage.
- Class 2 Estimates prepared in progressive detail from a class 3 and are used to establish a contract value against which decisions can be made to revise the scope of the project and manage risk at a specific milestone in the design development.
- Class 3\*\* Estimates based on completed preliminary design documentation. This Class 3 estimate will form the basis for budget authorization and set initial control estimate against which project deliverables will be measured (i.e. on budget).**
- Class 4 Estimates prepared based on limited information with some engineering work completed and preliminary scope determination.
- Class 5 Rough estimate prepared based on very limited information with no engineering work completed. Used to make an assessment of initial viability and for long range capital planning.
- Scalable Scalable projects/programs will be sized according to the final budget authorization.

\* Determined using the Association for the Advancement of Cost Engineering (AACE) International Recommended Practices 17R-97, 18R-97 & 56R-08

\*\* City Auditor has recommended that a Class 3 estimate is prepared one year in advance of construction