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AI-generated content may be incorrect., Picture

**SAMPLE - Budget Narrative – SAMPLE**

## Project Description

This Infrastructure Retrofit project aims to enhance the operational efficiency and reliability of the pump station in the Town of Oklahoma. The project includes various components such as site work, concrete and structural work, valve installation, piping, emergency bypass pump installation, electrical systems, and engineering services.

## Cost Share

The cost share for the project is 75% federal share and 25% local share.

## Subrecipient Management Costs

Subapplicants may submit up to 5% of the total budget for management costs. The total budget refers to the sum of non-federal and federal shares of the hazard mitigation project. Subapplicants must use subapplicant management costs to manage their subaward activities.

Management costs are governed by section 324 of the Stafford Act (42 U.S.C. § 5165b). Management costs are any indirect costs, any direct administrative costs, and other administrative expenses that are reasonably incurred in administering an award or subaward.

The total cost for this project is $872,025. The Town of Oklahoma is requesting the maximum 5% of the total project costs, which is $43,601.25, as management costs for the Infrastructure Retrofit Project. The Town of Oklahoma intends to utilize this $43,601.25 in management costs to cover the following eligible and allowable management activities:

* Project progress meetings
* Coordination with stakeholders
* Quarterly reporting
* Financial tracking and reimbursement request preparation

## Source of Cost Data

Project costs are estimated in accordance with FEMA guidance that all costs are necessary, reasonable, and allocable consistent with the provisions of 2 CFR Part 200. This includes the following:

* **Material and Labor Costs**: Estimates for material and labor costs were generated by a licensed design professional following a thorough desktop analysis and site visit. Costs are sourced from local quotes, engineering expertise, and previous similar projects.
* **Subrecipient Management Costs**: Allowable management costs reflect a 5 percent fee based on total project costs.

## Budget Summary

This budget narrative provides a breakdown of the estimated costs for each component of the above referenced project, including construction, engineering, and management expenses. The line-item highlights the allocation of funds and justifies the budgetary decisions made for the project.

**Site Work / Demolition / Pavement / Cleanup ($100,000.00):** This allocation covers the costs associated with preparing the site for the installation of the backup pump. It includes demolition, excavation, grading, and general site cleanup.

**Concrete / Structural / Dewatering ($125,000.00):** This portion of the budget is designated for concrete work related to constructing the backup pump. and any necessary structural elements. Additionally, it includes expenses for dewatering systems to manage groundwater during construction.

**Valves (Plug Valves / Air Release Valve) ($50,000.00):** Funds are allocated for purchasing and installing plug valves and air release valves necessary for the efficient operation of the backup pump.

**Piping (Fabricated DIP / Stainless Steel / HDPE) ($75,000.00):** This category covers the procurement and installation of various types of piping, including fabricated ductile iron pipe (DIP), stainless steel, and high-density polyethylene (HDPE).

**Concrete Coring / Sealing ($20,000.00):** Funds are earmarked for concrete coring and sealing activities, which are necessary for accommodating piping and equipment connections within existing structures.

**Emergency By-Pass Pump ($300,000.00):** A significant portion of the budget is allocated for acquiring and installing an emergency bypass pump system. This system ensures continuous operation of the pump station during unforeseen events, mitigating potential disruptions in service.

**Electrical / Transfer / SCADA ($85,000.00):** This allocation encompasses expenses associated with electrical work, including wiring, transfer switches, and Supervisory Control and Data Acquisition (SCADA) systems essential for monitoring and controlling the pump station remotely.

**Engineering Services ($75,500.00):** Engineering for overseeing the construction of the pump station, including feasibility studies, design development, and construction management.

**Subtotal:** $830,500.00

**Contingencies (5%) ($41,525.00):** Cannot be over 5%.

A contingency fund is included to address any unforeseen expenses or changes in project scope that may arise during construction, ensuring that the project stays within budget without delays

**TOTAL Estimated Construction Cost:** $872,025.00

**Management Cost 5% ($43,601.25):** \*May not be applicable for all projects. Management costs cover administrative expenses related to the project. Discuss the management costs for the project here by line-item.