

APPENDIX "A"

Chair and Members
Corporate Services Committee

#14020
March 12, 2014
(Appoint Prime Consultant)

**RE: Appoint Architect to Act as Prime Consultant for The Normal School Renovation
Capital Budget Project No. GG1558 - Purchase & Renovation of Normal School
The Ventin Group Ltd (+VG Architects) - \$464,000.00 (excluding HST)**

FINANCE REPORT ON THE SOURCES OF FINANCING:

Finance confirms that the cost of this project can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the detailed source of financing for this project is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Additional Funding Required</u>	<u>Revised Budget</u>	<u>Committed To Date</u>	<u>This Submission</u>
Engineering	\$244,993	\$227,173	\$472,166		\$472,166
Land Acquisition	1,755,007		1,755,007	1,755,007	0
City Related Expenses 3)	0	175,000	175,000		175,000
NET ESTIMATED EXPENDITURES	\$2,000,000	\$402,173	\$2,402,173	\$1,755,007	\$647,166
<u>SOURCE OF FINANCING</u>					
Capital Levy	\$2,000,000		\$2,000,000	\$1,755,007	\$244,993
Debenture Quota 2) and 4)	0	402,173	402,173		402,173
TOTAL FINANCING	\$2,000,000	\$402,173	\$2,402,173	\$1,755,007	\$647,166

	<u>Architect</u>
1) <u>Financial Note:</u>	
Contract Price	\$464,000
Add: HST @13%	60,320
Total Contract Price Including Taxes	524,320
Less: HST Rebate	52,154
Net Contract Price	<u>\$472,166</u>

2) On February 28, 2013, Council approved \$1 million of annual operating funding for the Normal School project including ongoing costs and debt servicing. The additional funding requirement of \$402,173 is available as Debenture Quota that will not be issued before 2015. Debt servicing costs will be financed through remaining annual commitments over a ten year period.

3) Other one time capital costs totalling \$175,000 are being requested at this time for:
 - Operating costs associated with maintaining utilities, security, fire protection systems, building and grounds maintenance for up to one year until the start of construction; and
 - Costs associated with conducting geotechnical investigations, topographic surveys, designated substance survey updates and post construction commissioning services.

4) **NOTE TO CITY CLERK:**

Administration hereby certifies that the estimated amounts payable in respect of this project does not exceed the annual financial debt and obligation limit for the Municipality of Municipal Affairs in accordance with the provisions of Ontario Regulation 403/02 made under the Municipal Act, and accordingly the City Clerk is hereby requested to prepare and introduce the necessary authorizing by-laws.

An authorizing by-law should be drafted to secure debenture financing for project GG1558 - Purchase and Renovation of Normal School for the net amount to be debentured of \$402,173.

EH

Alan Dunbar
Manager, Financial Planning & Policy