

APPENDIX 'A'

#14106

Chair and Members
Civic Works Committee

May 30, 2014
(Award Contract)

RE: Gordon Sanitary Trunk Sewer Rehabilitation
Capital Project ES2473 - Gordon Trunk Sewer Rehabilitation
LiquiForce Services - \$1,648,800 (excluding H.S.T.)
Dillon Consulting Limited - \$51,590 (excluding H.S.T.)

FINANCE REPORT ON THE SOURCES OF FINANCING:

Finance confirms that the cost of this project can not 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, Environmental & Engineering Services & City Engineer, the detailed source of financing for this project is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Additional Financing</u>	<u>Revised Budget</u>	<u>Committed to Date</u>	<u>This Submission</u>
Engineering	\$369,542		\$369,542	\$317,044	\$52,498
Construction	6,168,303	27,934	6,196,237	4,518,418	1,677,819
NET ESTIMATED EXPENDITURES	<u>\$6,537,845</u>	<u>\$27,934</u>	<u>\$6,565,779</u>	<u>\$4,835,462</u>	<u>\$1,730,317</u>

SOURCE OF FINANCING:

Drawdown from Sewage Works Reserve Fund	\$4,537,845		\$4,537,845	\$2,835,462	\$1,702,383
Drawdown from Sewage Works R.F.-(tsf from ES2464-13 - 2013 Separation & CSO Program) 2)		27,934	27,934		27,934
Federal Gas Tax	2,000,000		2,000,000	2,000,000	
TOTAL FINANCING	<u>\$6,537,845</u>	<u>\$27,934</u>	<u>\$6,565,779</u>	<u>\$4,835,462</u>	<u>\$1,730,317</u>

Financial Note:

	<u>Engineering</u>	<u>Construction</u>	<u>Total</u>
1) Contract Price	\$51,590	\$1,648,800	\$1,700,390
Add: HST @13%	6,707	214,344	221,051
Total Contract Price Including Taxes	58,297	1,863,144	1,921,441
Less: HST Rebate	5,799	185,325	191,124
Net Contract Price	<u>\$52,498</u>	<u>\$1,677,819</u>	<u>\$1,730,317</u>

- The \$27,934 additional financing required is available as a transfer from ES2464-13 - 2013 Separation & CSO Program.
- There are no anticipated additional operating costs to the Environmental and Engineering Services budget in 2014 or subsequent years associated with the approval of this proposal.

JG

Larry Palarchio
Director of Financial Planning & Policy