

Chair and Members  
Civic Works Committee

January 13, 2012  
(Award Contract)

**RE: Bradley Avenue / Jackson Road PRV Chamber and Watermain Interconnection**  
**Capital Project EW3606 - Southeast Pressure Zone Feeder Watermain**  
**2001699 Ontario Inc. (AAR-CON Excavating) - \$452,201.67 (excluding H.S.T.)**  
**AECOM Canada Ltd. - \$56,837.00 (excluding H.S.T.)**

**FINANCE DEPARTMENT REPORT ON THE SOURCES OF FINANCING:**

Finance Department 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 Director, Water and City Engineer, the detailed source of financing for this project is:

<b><u>ESTIMATED EXPENDITURES</u></b>	<b><u>Approved Budget</u></b>	<b><u>Committed to Date</u></b>	<b><u>This Submission</u></b>	<b><u>Balance for Future Work</u></b>
Engineering	\$647,707	\$512,003	\$57,838	\$77,866
Land Acquisition	38,293	38,293		0
Construction	544,000	91,445		452,555
Construction - Mill	4,743,000	4,089,400	460,160	193,440
Relocate Utilities	30,000	25,051		4,949
City Related Expenses	323,000	79,027		243,973
<b>NET ESTIMATED EXPENDITURES</b>	<b><u>\$6,326,000</u></b>	<b><u>\$4,835,219</u></b>	<b><u>\$517,998</u></b> 1)	<b><u>\$972,783</u></b>

**SOURCE OF FINANCING:**

Drawdown from Industrial Oversizing-Water R.F.	\$5,286,800	\$4,040,916	\$432,904	\$812,980
Drawdown from Capital Water Reserve Fund	80,700	61,682	6,608	12,410
Drawdown from City Services - Water Reserve Fund (Development Charges) 2)	958,500	732,621	78,486	147,393

<b>TOTAL FINANCING</b>	<b><u>\$6,326,000</u></b>	<b><u>\$4,835,219</u></b>	<b><u>\$517,998</u></b>	<b><u>\$972,783</u></b>
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**Financial Note:**

	<b><u>Construction</u></b>	<b><u>Engineering</u></b>	<b><u>Total</u></b>
1) Contract Price	\$452,202	\$56,837	\$509,039
Add: HST @13%	58,786	7,389	66,175
Total Contract Price Including Taxes	510,988	64,226	575,214
Less: HST Rebate	50,828	6,388	57,216
Net Contract Price	<u>\$460,160</u>	<u>\$57,838</u>	<u>\$517,998</u>

- 2) Development charges have been utilized in accordance with the underlying legislation and the Development Charges Background Studies completed in 2009.
- 3) Minor future additional annual operating costs of \$2,000 are recognized as a result of this project noting that these costs are attributed to new infrastructure installation and will be considered and accommodated within future Water operating budgets.

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Alan Dunbar  
Manager of Financial Planning & Policy