

**APPENDIX 'A'**

#15039

March 27, 2015  
(Award Contract)

Chair and Members  
Civic Works Committee

**RE: 2015 Infrastructure Renewal Program - Colborne and South Street Reconstruction Project**  
**(Subledger WS15C001)**  
**Capital Project ES2414-15 - Sewer Replacement Program**  
**Capital Project ES2464-14 - 2014 Combined Sewer Separation**  
**Capital Project ES2464-15 - Combined Sewer Separation**  
**Capital Project EW3787-15 - Main Replacement with Major Roadworks**  
**Capital Project TS1446-15 - 2015 Road Rehabilitation**  
**Capital Project TS3014-15 - 2015 Road Rehab - Local & Rural**  
**Capital Project TS5123-15 - 2015 Street Light Maintenance**  
**Blue Con Construction - \$4,949,494.94 (excluding H.S.T.)**  
**AECOM Canada Ltd. - \$357,175.50 (excluding H.S.T.)**

**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, Environmental and Engineering Services & City Engineer, the detailed source of financing for this project is:

<b>SUMMARY OF ESTIMATED EXPENDITURES</b>	<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Committed to Date</b>	<b>This Submission</b>	<b>Balance for Future Work</b>
<b><u>ES2414-15 - Sewer Repl. Program</u></b>					
Construction	11,422,000	11,422,000	1,129,368	267,215	10,025,417
Construction (PDC Portion)	54,000	60,000	54,000	6,000	0
Construction (London Hydro Contributions)		23,720		23,720	0
	<u>11,476,000</u>	<u>11,505,720</u>	<u>1,183,368</u>	<u>296,935</u>	<u>10,025,417</u>
<b><u>ES2464-14-2014 Combined Sewer Separation</u></b>					
Engineering	676,060	676,060	457,983	218,077	0
Construction	6,723,582	6,723,582	4,923,694	1,352,084	447,804
Construction (PDC Portion)	124,400	124,400	124,400		0
City Related Expenses	40,000	40,000	37,847		2,153
	<u>7,564,042</u>	<u>7,564,042</u>	<u>5,543,924</u>	<u>1,570,161</u>	<u>449,957</u>
<b><u>ES2464-15 - Combined Sewer Separation</u></b>					
Construction	1,480,000	1,480,000		1,357,251	122,749
<b><u>EW3787-15-Main Repl with Mjr Roadworks</u></b>					
Engineering	72,693	72,693		72,693	0
Construction	2,501,277	2,501,277		956,820	1,544,457
	<u>2,573,970</u>	<u>2,573,970</u>	<u>0</u>	<u>1,029,513</u>	<u>1,544,457</u>
<b><u>TS1446-15 - 2015 Road Rehabilitation</u></b>					
Engineering	72,693	72,693		72,693	0
Construction	12,107,307	12,107,307	2,820,918	907,044	8,379,345
	<u>12,180,000</u>	<u>12,180,000</u>	<u>2,820,918</u>	<u>979,737</u>	<u>8,379,345</u>
<b><u>TS3014-15-2015 Road Rehab-Local &amp; Rural</u></b>					
Construction	5,800,000	5,800,000	8,650	77,926	5,713,424
<b><u>TS5123-15-2015 Street Light Maintenance</u></b>					
Construction	1,650,000	1,650,000		88,546	1,561,454
<b>NET ESTIMATED EXPENDITURES</b>	<b><u>\$42,724,012</u></b>	<b><u>\$42,753,732</u></b>	<b><u>\$9,556,860</u></b>	<b><u>\$5,400,069</u></b> 1)	<b><u>\$27,796,803</u></b>
<b><u>SUMMARY OF FINANCING:</u></b>					
<b><u>ES2414-15 - Sewer Repl. Program</u></b>					
Capital Sewer Rates	\$5,260,000	\$5,260,000			\$5,260,000
Drawdown from Sewage Works Reserve Fund	3,412,000	3,412,000			3,412,000
Federal Gas Tax	2,750,000	2,750,000	1,129,368	267,215	1,353,417
Cash Recovery from Property Owners (PDC Portion)	54,000	60,000	54,000	6,000	0
Other Contributions (London Hydro) 3)	0	23,720		23,720	0
	<u>11,476,000</u>	<u>11,505,720</u>	<u>1,183,368</u>	<u>296,935</u>	<u>10,025,417</u>
<b><u>ES2464-14-2014 Combined Sewer Separation</u></b>					
Capital Sewer Rates	1,480,300	1,480,300	864,475	615,825	0
Drawdown from Sewage Works Reserve Fund	1,404,293	1,404,293		954,336	449,957
Federal Gas Tax	4,555,049	4,555,049	4,555,049		0
Cash Recovery from Property Owners (PDC Portion)	124,400	124,400	124,400		0
	<u>7,564,042</u>	<u>7,564,042</u>	<u>5,543,924</u>	<u>1,570,161</u>	<u>449,957</u>
<b><u>ES2464-15 - Combined Sewer Separation</u></b>					
Federal Gas Tax	1,480,000	1,480,000		1,357,251	122,749
<b><u>EW3787-15-Main Repl with Mjr Roadworks</u></b>					
Capital Water Rates	2,573,970	2,573,970		1,029,513	1,544,457
<b><u>TS1446-15 - 2015 Road Rehabilitation</u></b>					
Capital Levy	4,050,225	4,050,225			4,050,225
Debenture Quota 2)	1,946,668	1,946,668			1,946,668
Federal Gas Tax	6,183,107	6,183,107	2,820,918	979,737	2,382,452
	<u>12,180,000</u>	<u>12,180,000</u>	<u>2,820,918</u>	<u>979,737</u>	<u>8,379,345</u>
<b><u>TS3014-15-2015 Road Rehab-Local &amp; Rural</u></b>					
Capital Levy	5,800,000	5,800,000	8,650	77,926	5,713,424
<b><u>TS5123-15-2015 Street Light Maintenance</u></b>					
Capital Levy	1,650,000	1,650,000		88,546	1,561,454
<b>TOTAL FINANCING</b>	<b><u>\$42,724,012</u></b>	<b><u>\$42,753,732</u></b>	<b><u>\$9,556,860</u></b>	<b><u>\$5,400,069</u></b>	<b><u>\$27,796,803</u></b>

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	London Hydro/				
<b>FINANCIAL NOTE: (CONSTRUCTION)</b>	<b>ES2414-15</b>	<b>ES2464-14</b>	<b>ES2464-15</b>	<b>EW3787-15</b>	<b>TS1446-15</b>
1) Contract Price	\$291,799	\$1,328,699	\$1,333,777	\$940,272	\$891,356
Add: HST @13%	37,934	172,731	173,391	122,235	115,876
Total Contract Price Including Taxes	329,733	1,501,430	1,507,168	1,062,507	1,007,232
Less: HST Rebate	32,798	149,346	149,917	105,687	100,188
Net Contract Price - <b>CONSTRUCTION</b>	<u>\$296,935</u>	<u>\$1,352,084</u>	<u>\$1,357,251</u>	<u>\$956,820</u>	<u>\$907,044</u>

<b>CONSTRUCTION (continued)</b>	<b>TS3014-15</b>	<b>TS5123-15</b>	<b>Construction Total</b>
Contract Price	\$76,578	\$87,014	\$4,949,495
Add: HST @13%	9,955	11,312	643,434
Total Contract Price Including Taxes	86,533	98,326	5,592,929
Less: HST Rebate	8,607	9,780	556,323
Net Contract Price - <b>CONSTRUCTION</b>	<u>\$77,926</u>	<u>\$88,546</u>	<u>\$5,036,606</u>

<b>FINANCIAL NOTE: (ENGINEERING)</b>	<b>ES2464-14</b>	<b>EW3787-15</b>	<b>TS1446-15</b>	<b>Engineering Total</b>
Contract Price	\$214,305	\$71,435	\$71,435	\$357,175
Add: HST @13%	27,860	9,287	9,287	46,434
Total Contract Price Including Taxes	242,165	80,722	80,722	403,609
Less: HST Rebate	24,088	8,029	8,029	40,146
Net Contract Price - <b>ENGINEERING</b>	<u>\$218,077</u>	<u>\$72,693</u>	<u>\$72,693</u>	<u>\$363,463</u>

**TOTAL CONSTRUCTION & ENGINEERING:** **\$5,400,069**

**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 TS1446-15 - 2015 Road Rehabilitation for the net amount to be debentured of \$1,946,668.
- London Hydro has confirmed the approval of their contribution towards this project.
- No additional annual operating costs are attributed to new infrastructure installation.

JG

Alan Dunbar  
Manager of Financial Planning & Policy