

Chair and Members  
Civic Works Committee

January 22, 2016  
(Award Contract)

**RE: Sarnia Road Improvements - Wonderland Road North to Sleightholme Avenue (Subledger RD140009)**  
**Capital Project TS1484 - Sarnia Road Widening - Wonderland to Sleightholme**  
**Capital Project TS144616 - Road Networks Improvements (Main)**  
**Capital Project ES241416 - Sewer Replacement Program**  
**Capital Project EW3713 - Sarnia Road Watermain Replacement**  
**Van Bree Drainage and Bulldozing Limited - \$8,990,525.15 (excluding H.S.T.)**  
**Dillon Consulting Ltd. - \$606,141.80 (excluding H.S.T.)**

**FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:**

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

	Approved Budget	Proposed 2016 Budget	Revised Budget	Committed to Date	This Submission	Balance for Future Work	
<b>ESTIMATED EXPENDITURES</b>							
<b>TS1484-Sarnia Rd Widening</b>							
Engineering	\$974,093	\$320,000	\$1,294,093	\$715,003	\$579,090	\$0	
Land Acquisition	139,917		139,917	113,076		26,841	
Construction	173,817	8,000,000	8,173,817	17,019	8,156,798	0	
Relocate Utilities	578,793		578,793	578,793		0	
City Related Expenses	23,200		23,200	23,200		0	
	1,889,820	8,320,000	10,209,820	1,447,091	8,735,888	26,841	
<b>TS144616 - Road Networks Improvements</b>							
Construction	0	15,373,000	15,373,000		432,480	14,940,520	
<b>ES241416 - Sewer Replacement Program</b>							
Engineering	0	16,838	16,838		1,064	15,774	
Construction	0	14,555,162	14,555,162		15,774	14,539,388	
	0	14,572,000	14,572,000	0	16,838	14,555,162	
<b>EW3713 - Sarnia Road Watermain Repl.</b>							
Engineering	0	36,657	36,657		36,657	0	
Construction	0	1,713,343	1,713,343		543,706	1,169,637	
	0	1,750,000	1,750,000	0	580,363	1,169,637	
<b>NET ESTIMATED EXPENDITURES</b>	<b>\$1,889,820</b>	<b>\$40,015,000</b>	<b>\$41,904,820</b>	<b>\$1,447,091</b>	<b>\$9,765,569</b>	<b>\$30,692,160</b>	
<b>SOURCE OF FINANCING:</b>							
<b>TS1484-Sarnia Rd Widening</b>							
Debenture By-Law No. W.2068-224	2)b)	\$293,726	\$582,400	\$876,126	\$224,915	\$643,073	\$8,138
Drawdown from Industrial Oversizing R.F.		66,400		66,400	50,844	14,236	1,320
Drawdown from City Services-Roads Reserve Fund (Development Charges)	3)	1,529,694	7,737,600	9,267,294	1,171,333	8,078,579	17,382
		1,889,820	8,320,000	10,209,820	1,447,091	8,735,888	26,841
<b>TS144616 - Road Networks Improvements</b>							
Capital Levy		0	125,791	125,791		125,791	0
Debenture Quota	2)a)	0	7,596,897	7,596,897			7,596,897
Federal Gas Tax		0	7,650,312	7,650,312		306,689	7,343,623
		0	15,373,000	15,373,000	0	432,480	14,940,520
<b>ES241416 - Sewer Replacement Program</b>							
Capital Sewer Rates		0	7,605,000	7,605,000		16,838	7,588,162
Drawdown from Sewage Works R.F.		0	2,817,000	2,817,000			2,817,000
Federal Gas Tax		0	4,150,000	4,150,000			4,150,000
		0	14,572,000	14,572,000	0	16,838	14,555,162
<b>EW3713 - Sarnia Road Watermain Repl.</b>							
Drawdown from Capital Water R.F.		0	1,750,000	1,750,000		580,363	1,169,637
<b>TOTAL FINANCING</b>		<b>\$1,889,820</b>	<b>\$40,015,000</b>	<b>\$41,904,820</b>	<b>\$1,447,091</b>	<b>\$9,765,569</b>	<b>\$30,692,160</b>
<b>Financial Note - Construction</b>							
		<b>TS1484</b>	<b>TS144616</b>	<b>ES241416</b>	<b>EW3713</b>	<b>Total</b>	
1) Contract Price		\$8,015,721	\$425,000	\$15,501	\$534,303	\$8,990,525	
Add: HST @13%		1,042,044	55,250	2,015	69,459	1,168,768	
Total Contract Price Including Taxes		9,057,765	480,250	17,516	603,762	10,159,293	
Less: HST Rebate		900,967	47,770	1,742	60,056	1,010,535	
Net Contract Price		\$8,156,798	\$432,480	\$15,774	\$543,706	\$9,148,758	
<b>Financial Note - Engineering</b>							
		<b>TS1484</b>	<b>TS144616</b>	<b>ES241416</b>	<b>EW3713</b>	<b>Total</b>	
Contract Price		\$569,074	\$0	\$1,045	\$36,023	\$606,142	
Add: HST @13%		73,980	0	136	4,683	78,799	
Total Contract Price Including Taxes		643,054	0	1,181	40,706	684,941	
Less: HST Rebate		63,964	0	117	4,049	68,130	
Net Contract Price		\$579,090	\$0	\$1,064	\$36,657	\$616,811	
<b>Total Construction and Engineering</b>		<b>\$8,735,888</b>	<b>\$432,480</b>	<b>\$16,838</b>	<b>\$580,363</b>	<b>\$9,765,569</b>	

**NOTE TO CITY CLERK:**

- 2) 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.
- a) An authorizing by-law should be drafted to secure debenture financing for project TS144616 - Road Networks Improvements for the net amount to be debentured of \$7,596,897.
- b) The City Clerk be authorized to increase Debenture By-Law No. W.2068-224 by \$708,400 from \$157,000 to \$876,126.
- 3) Development charges have been utilized in accordance with the underlying legislation and the Development Charges Background Studies completed in 2014.
- 4) The budget for this project is included in 2016 and subject to final budget approval on March 10, 2016, the work on this project will not proceed until after budget approval.
- 5) Anticipated additional annual operating costs to budgets in 2017 and subsequent years associated with the additional road infrastructure is \$35,000, new sewer infrastructure is \$2,900, parks operations is \$6,000 and new street light infrastructure is \$3,600.