

Chair and Members
Finance and Administrative Services Committee

February 17, 2012
(Award Contract)

RE: Addition to No. 6 Fire Station
Capital Project PP1176 - 2010 Fire Stations Major Upgrades
Capital Project PP1176-11 - 2011 Fire Stations Major Upgrades
668950 Ontario Inc. o/a Mycon Construction Ltd. - \$487,750.00

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 Managing Director of Corporate Assets and the Fire Chief, the detailed source of financing for this project is:

	<u>Approved Budget</u>	<u>Committed to Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
<u>ESTIMATED EXPENDITURES</u>				
<u>PP1176-2010 Fire Stations Major Upgrades</u>				
Engineering	\$1,000	\$750		\$250
Construction	219,905	54,947	89,295	75,663
	<u>220,905</u>	<u>55,697</u>	<u>89,295</u>	<u>75,913</u>
<u>PP1176-11 - 2011 Fire Stations Major Upgrades</u>				
Engineering	100,000	41,392		58,608
Construction	465,000		407,040	57,960
	<u>565,000</u>	<u>41,392</u>	<u>407,040</u>	<u>116,568</u>
NET ESTIMATED EXPENDITURES	<u>\$785,905</u>	<u>\$97,089</u>	<u>\$496,335</u> 1)	<u>\$192,481</u>
<u>SOURCE OF FINANCING:</u>				
<u>PP1176-2010 Fire Stations Major Upgrades</u>				
Capital Levy	\$85,000	\$55,697	\$29,303	\$0
Debenture Quota 2a)	41,111			41,111
Drawdown from City Facilities Reserve Fund	94,794		59,992	34,802
	<u>\$220,905</u>	<u>\$55,697</u>	<u>\$89,295</u>	<u>\$75,913</u>
<u>PP1176-11 - 2011 Fire Stations Major Upgrades</u>				
Capital Levy	50,000	41,392	8,608	0
Drawdown from City Facilities Reserve Fund	515,000		398,432	116,568
	<u>565,000</u>	<u>41,392</u>	<u>407,040</u>	<u>116,568</u>
TOTAL FINANCING	<u>\$785,905</u>	<u>\$97,089</u>	<u>\$496,335</u>	<u>\$192,481</u>

1) **Financial Note:**

	<u>PP1176</u>	<u>PP1176-11</u>	<u>Total</u>
Contract Price	\$87,750	\$400,000	\$487,750
Add: HST @13%	11,408	52,000	63,408
Total Contract Price Including Taxes	99,158	452,000	551,158
Less: HST Rebate	9,863	44,960	54,823
Net Contract Price	<u>\$89,295</u>	<u>\$407,040</u>	<u>\$496,335</u>

2) **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.

- a) An authorizing by-law should be drafted to secure debenture financing for Project PP1176 - 2010 Fire Stations Major Upgrades for the net amount to be debentured of \$41,111.00.
- 3) There will be additional annual operating costs associated with the approval of this project that can be accommodated with existing Fire Services budgets.

EH



Alan Dunbar
Manager of Financial Planning & Policy