

APPENDIX 'A'

#16041
April 1, 2016
(Award Contract)

Chair and Members
Civic Works Committee

RE: 2016 Infrastructure Lifecycle Renewal Program - Contract 4 - McCormick Area Reconstruction
(Subledger WS16C004)
Capital Project ES241416 - Sewer Replacement Program
Capital Project EW3765-14 - 2014 Main Replacement Engineering
Capital Project EW376516 - Main Replacement Engineering
Bre-Ex Construction Inc. - \$3,075,067.28 (excluding H.S.T.)
Archibald, Gray & McKay Engineering Limited (AGM) - \$286,440.00 (excluding H.S.T.)

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCE 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:

	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Committed To Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
<u>ESTIMATED EXPENDITURES</u>					
<u>ES241416-Sewer Repl. Program</u>					
Engineering	\$534,875	\$534,875	\$295,860	\$239,015	\$0
Construction	14,037,125	14,037,125	4,926,703	2,543,591	6,566,831
Construction (PDC Portion)	92,000	124,000	92,000	32,000	0
	<u>14,664,000</u>	<u>14,696,000</u>	<u>5,314,563</u>	<u>2,814,606</u>	<u>6,566,831</u>
<u>EW3765-14-2014 Main Repl. Engineering</u>					
Engineering	2,209,964	2,209,964	2,157,497	52,467	0
Construction	5,705,479	5,705,479	5,352,706		352,773
City Related Expenses	122,551	122,551	122,551		0
	<u>8,037,994</u>	<u>8,037,994</u>	<u>7,632,754</u>	<u>52,467</u>	<u>352,773</u>
<u>EW376516-Main Repl. Engineering</u>					
Engineering	206,180	206,180	153,713		52,467
Construction	10,293,820	10,293,820	3,006,566	553,598	6,733,656
	<u>10,500,000</u>	<u>10,500,000</u>	<u>3,160,279</u>	<u>553,598</u>	<u>6,786,123</u>
NET ESTIMATED EXPENDITURES	<u>\$33,201,994</u>	<u>\$33,233,994</u>	<u>\$16,107,596</u>	<u>\$3,420,671</u> 1)	<u>\$13,705,727</u>
<u>SOURCE OF FINANCING:</u>					
<u>ES241416-Sewer Repl. Program</u>					
Capital Sewer Rates	\$7,605,000	\$7,605,000	\$5,222,563	\$2,382,437	\$0
Drawdown from Sewage Works R.F.	2,817,000	2,817,000			2,817,000
Federal Gas Tax	4,150,000	4,150,000		400,169	3,749,831
Cash Recovery from Property Owners (PDC Portion)	92,000	124,000	92,000	32,000	0
	<u>14,664,000</u>	<u>14,696,000</u>	<u>5,314,563</u>	<u>2,814,606</u>	<u>6,566,831</u>
<u>EW3765-14-2014 Main Repl. Engineering</u>					
Capital Water Rates	6,855,461	6,855,461	6,855,461		0
Drawdown from Capital Water Reserve Fund	1,182,533	1,182,533	777,293	52,467	352,773
	<u>8,037,994</u>	<u>8,037,994</u>	<u>7,632,754</u>	<u>52,467</u>	<u>352,773</u>
<u>EW376516-Main Repl. Engineering</u>					
Capital Water Rates	5,230,100	5,230,100	3,160,279	553,598	1,516,223
Drawdown from Capital Water Reserve Fund	5,269,900	5,269,900			5,269,900
	<u>10,500,000</u>	<u>10,500,000</u>	<u>3,160,279</u>	<u>553,598</u>	<u>6,786,123</u>
TOTAL FINANCING	<u>\$33,201,994</u>	<u>\$33,233,994</u>	<u>\$16,107,596</u>	<u>\$3,420,671</u>	<u>\$13,705,727</u>

Financial Note: (CONSTRUCTION)

	<u>ES241416</u>	<u>EW376516</u>	<u>Construction Total</u>
1) Contract Price	\$2,531,044	\$544,023	\$3,075,067
Add: HST @13%	329,036	70,723	399,759
Total Contract Price Including Taxes	<u>2,860,080</u>	<u>614,746</u>	<u>3,474,826</u>
Less: HST Rebate	284,489	61,148	345,637
Net Contract Price	<u>\$2,575,591</u>	<u>\$553,598</u>	<u>\$3,129,189</u>

Financial Note: (ENGINEERING)

	<u>ES241416</u>	<u>EW3765-14</u>	<u>Engineering Total</u>
Contract Price	\$234,881	\$51,559	\$286,440
Add: HST @13%	30,535	6,703	37,238
Total Contract Price Including Taxes	<u>265,416</u>	<u>58,262</u>	<u>323,678</u>
Less: HST Rebate	26,401	5,795	32,196
Net Contract Price	<u>\$239,015</u>	<u>\$52,467</u>	<u>\$291,482</u>

TOTAL CONSTRUCTION & ENGINEERING

\$3,420,671

- 2) This project involves abandoning approximately 1,200m of watermain in the McCormick Park area. Therefore the annual operating costs associated with this project, considering all sewer and water related infrastructure should be reduced by approximately \$3,900.00.

