

Chair and Members
Civic Works Committee

March 23, 2012
(Award Contract)

RE: 2012 Infrastructure Lifecycle Renewal Program - Contract #6
St. George & Sydenham Street Reconstruction
Capital Project ES2414-12 - 2012 Sewer Replacement
Capital Project ES2414 - 2010 Sewer Replacement Program
Capital Project EW3765-12 - 2012 Main Replacement
Omega Contractors Inc. - \$1,647,266.90 (excluding H.S.T.)
AECOM Canada Ltd. - \$149,935.50 (excluding HST)

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 Acting Executive Director, Planning, Environmental & Engineering Services & City Engineer, the detailed source of financing for this project is:

	Approved Budget	Revised Budget	Committed to Date	This Submission	Balance for Future Work
ESTIMATED EXPENDITURES					
ES2414-12 - 2012 Sewer Replacement					
Engineering	\$58,294	\$58,294			\$58,294
Construction	8,976,706	8,976,706	706,520	897,191	7,372,995
Construction (PDC Portion)	4,000	24,000	4,000	20,000	0
City Related Expenses	5,000	5,000	3,500		1,500
	<u>9,044,000</u>	<u>9,064,000</u>	<u>714,020</u>	<u>917,191</u>	<u>7,432,789</u>
ES2414 - 2010 Sewer Replacement Program					
Engineering	1,982,719	1,982,719	1,906,431	76,288	0
Land Acquisition	13,455	13,455	13,455		0
Construction	8,933,545	8,933,545	6,692,248		2,241,297
Construction (PDC Portion)	483,400	483,400	483,400		0
City Related Expenses	108,368	108,368	108,368		0
	<u>11,521,487</u>	<u>11,521,487</u>	<u>9,203,902</u>	<u>76,288</u>	<u>2,241,297</u>
EW3765-12 - 2012 Main Replacement					
Engineering	340,000	340,000	75,199	76,288	188,513
Construction	5,706,500	5,706,500	562,972	759,068	4,384,460
Relocate Utilities	65,000	65,000			65,000
City Related Expenses	23,500	23,500	563		22,937
	<u>6,135,000</u>	<u>6,135,000</u>	<u>638,734</u>	<u>835,356</u>	<u>4,660,910</u>
NET ESTIMATED EXPENDITURES	<u>\$26,700,487</u>	<u>\$26,720,487</u>	<u>\$10,556,656</u>	<u>\$1,828,835</u> 1)	<u>\$14,334,996</u>
SOURCE OF FINANCING:					
ES2414-12 - 2012 Sewer Replacement					
Drawdown from Sewage Works Reserve Fund	\$6,290,000	\$6,290,000			\$6,290,000
Federal Gas Tax	2,750,000	2,750,000	710,020	897,191	1,142,789
Cash Recovery from Property Owners (PDC Portion)	4,000	24,000	4,000	20,000	0
	<u>9,044,000</u>	<u>9,064,000</u>	<u>714,020</u>	<u>917,191</u>	<u>7,432,789</u>
ES2414 - 2010 Sewer Replacement Program					
Debenture By-law No. W.-5311-269	532,899	532,899			532,899
Capital Sewer Rates	210,000	210,000	210,000		0
Drawdown from Sewage Works Reserve Fund	7,195,188	7,195,188	5,410,502	76,288	1,708,398
Federal Gas Tax	3,100,000	3,100,000	3,100,000		0
Cash Recovery from Property Owners (PDC Portion)	483,400	483,400	483,400		0
	<u>11,521,487</u>	<u>11,521,487</u>	<u>9,203,902</u>	<u>76,288</u>	<u>2,241,297</u>
EW3765-12 - 2012 Main Replacement					
Capital Water Rates	6,135,000	6,135,000	638,734	835,356	4,660,910
TOTAL FINANCING	<u>\$26,700,487</u>	<u>\$26,720,487</u>	<u>\$10,556,656</u>	<u>\$1,828,835</u>	<u>\$14,334,996</u>

1) **Financial Note:**

	ES2414-12	EW3765-12	TOTAL
Contract Price - Construction	\$901,327	\$745,940	\$1,647,267
Add: HST @13%	117,173	96,972	214,145
Total Contract Price Including Taxes	1,018,500	842,912	1,861,412
Less: HST Rebate	101,309	83,844	185,153
Net Contract Price	<u>\$917,191</u>	<u>\$759,068</u>	<u>\$1,676,259</u>

	ES2414	EW3765-12	TOTAL
Contract Price - Engineering	\$74,968	\$74,968	\$149,936
Add: HST @13%	9,746	9,746	19,492
Total Contract Price Including Taxes	84,714	84,714	169,428
Less: HST Rebate	8,426	8,426	16,852
Net Contract Price	<u>\$76,288</u>	<u>\$76,288</u>	<u>\$152,576</u>

Total Construction & Engineering**\$1,828,835**

- 2) Minor future additional annual operating costs of \$600 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 Wastewater & Treatment operating budgets.



Alan Dunbar

Manager of Financial Planning & Policy