

Chair and Members
Civic Works Committee

March 23, 2012
(Award Contract)

RE: Contract 2A: Stanley Street Pumping Station Construction
Capital Project ES2414 - 2010 Sewer Replacement Program
Capital Project ES5084-11 - 2011 Replacement Equipment PCP
Hayman Construction Inc. - \$962,700 (excluding H.S.T.)
Dillon Consulting Limited - \$180,459.40 (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:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Committed to Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
<u>ES2414 - 2010 Sewer Replacement Program</u>				
Engineering	\$2,166,584	\$1,982,719	\$183,635	\$230
Land Acquisition	13,455	13,455		0
Construction	8,749,680	6,692,248	603,132	1,454,300
Construction (PDC Portion)	483,400	483,400		0
City Related Expenses	108,368	108,368		0
	<u>11,521,487</u>	<u>9,280,190</u>	<u>786,767</u>	<u>1,454,530</u>
<u>ES5084-11 - Replacement Equipment PCP</u>				
Engineering	56,477	56,477		0
Construction	376,512		376,512	0
Vehicles & Equipment	1,817,011	54,246		1,762,765
	<u>2,250,000</u>	<u>110,723</u>	<u>376,512</u>	<u>1,762,765</u>
NET ESTIMATED EXPENDITURES	<u>\$13,771,487</u>	<u>\$9,390,913</u>	<u>\$1,163,279</u> 1)	<u>\$3,217,295</u>

SOURCE OF FINANCING:

ES2414 - 2010 Sewer Replacement Program

Debenture By-law No. W.-5311-269	\$532,899			\$532,899
Capital Sewer Rates	210,000	210,000		0
Drawdown from Sewage Works Reserve Fund	7,195,188	5,486,790	786,767	921,631
Federal Gas Tax	3,100,000	3,100,000		0
Cash Recovery from Property Owners (PDC Portion)	483,400	483,400		0
	<u>11,521,487</u>	<u>9,280,190</u>	<u>786,767</u>	<u>1,454,530</u>

ES5084-11 - Replacement Equipment PCP

Capital Sewer Rates	2,250,000	110,723	376,512	1,762,765
---------------------	-----------	---------	---------	-----------

TOTAL FINANCING

<u>\$13,771,487</u>	<u>\$9,390,913</u>	<u>\$1,163,279</u>	<u>\$3,217,295</u>
----------------------------	---------------------------	---------------------------	---------------------------

1) **Financial Note:**

	<u>ES2414</u>	<u>ES5084-11</u>	<u>TOTAL</u>
Contract Price - Construction	\$592,700	\$370,000	\$962,700
Add: HST @13%	77,051	48,100	125,151
Total Contract Price Including Taxes	669,751	418,100	1,087,851
Less: HST Rebate	66,619	41,588	108,207
Net Contract Price	<u>\$603,132</u>	<u>\$376,512</u>	<u>\$979,644</u>

	<u>ES2414</u>	<u>TOTAL</u>
Contract Price - Engineering	\$180,459	\$180,459
Add: HST @13%	23,460	23,460
Total Contract Price Including Taxes	203,919	203,919
Less: HST Rebate	20,284	20,284
Net Contract Price	<u>\$183,635</u>	<u>\$183,635</u>

Total Construction & Engineering

\$1,163,279

- 2) Minor future additional annual operating costs of \$5,000 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. Operational costs include the electrical energy to operate the station.



Alan Dunbar
Manager of Financial Planning & Policy