

APPENDIX 'A'

Chair and Members  
Community & Protective Services Committee

#16138  
August 5, 2016  
(Award Contract)

**RE: No. 11 Fire Station**  
**Tender No. T16-67 (Subledger FG150031)**  
**Capital Budget Project No. PP1088 Replace Fire Station #11**  
**Capital Budget Project No. ES2428-14 Erosion Remediation in Open Watercourses Mgmt**  
**Aveiro Constructors Limited - \$2,094,000 (excluding HST)**

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

Finance & Corporate Services confirms that the cost of this project, although not included in the approved Capital Budget, can be accommodated with a transfer of funds from an existing capital project and an additional drawdown from Development Charges reserve fund, and that subject to the adoption of the recommendations of the Fire Chief and the Managing Director of Neighbourhood, Children and Fire Services, the detailed source of financing for this project is:

	Approved Budget	Additional Funding Required	Revised Budget	Committed To Date	This Submission	Balance for Future Work
<b>ESTIMATED EXPENDITURES</b>						
<b>PP1088 Replace Fire Station #11</b>						
Engineering	\$183,828		\$183,828	\$183,828	\$0	\$0
Land Acquisition	17,764		17,764	17,764		0
Construction	1,872,408	234,321	2,106,729		2,106,729	0
Other City Related	1,000		1,000	1,000		0
	<u>2,075,000</u>	<u>234,321</u>	<u>2,309,321</u>	<u>202,592</u>	<u>2,106,729</u>	<u>0</u>
<b>ES2428-14 Erosion Remediation in Open Watercourses Management</b>						
Engineering	253,971		253,971	101,271		152,700
Construction	350,000		350,000	61,185	24,125	264,690
Other City Related	1,000		1,000	545		455
	<u>604,971</u>	<u>0</u>	<u>604,971</u>	<u>163,001</u>	<u>24,125</u>	<u>417,845</u>
<b>NET ESTIMATED EXPENDITURES</b>	<b><u>\$2,679,971</u></b>	<b><u>\$234,321</u></b>	<b><u>\$2,914,292</u></b>	<b><u>\$365,593</u></b>	<b><u>\$2,130,854</u></b>	<b><u>\$417,845</u></b>
<b>SOURCE OF FINANCING:</b>						
<b>PP1088 Replace Fire Station #11</b>						
Capital Levy	\$459,100		\$459,100	\$67,365	\$391,735	\$0
Debenture By-Law No. W.-5589-279	233,700		233,700		233,700	0
Drawdown from City Services R.F.- Fire Component (Dev. Charges) 2)	1,382,200		1,382,200	135,227	1,246,973	0
Drawdown from Vehicle & Equipment RF-tsf 3) from PP1123-13-Repl Firefighter Equip.		78,229	78,229		78,229	0
Additional drawdown from City Services R.F. 2) & 3) Fire Component (Dev. Charges)		156,092	156,092		156,092	0
	<u>2,075,000</u>	<u>234,321</u>	<u>2,309,321</u>	<u>202,592</u>	<u>2,106,729</u>	<u>0</u>
<b>ES2428-14 Erosion Remediation in Open Watercourses Management</b>						
Capital Sewer Rates	577,408		577,408	135,438	24,125	417,845
Other Contributions	27,563		27,563	27,563		0
	<u>604,971</u>	<u>0</u>	<u>604,971</u>	<u>163,001</u>	<u>24,125</u>	<u>417,845</u>
<b>TOTAL FINANCING</b>	<b><u>\$2,679,971</u></b>	<b><u>\$234,321</u></b>	<b><u>\$2,914,292</u></b>	<b><u>\$365,593</u></b>	<b><u>\$2,130,854</u></b>	<b><u>\$417,845</u></b>

**Financial Note:**

- |                                      | PP1088             | ES2428-14       | Total              |
|--------------------------------------|--------------------|-----------------|--------------------|
| 1) Contract Price                    | \$2,070,292        | \$23,708        | \$2,094,000        |
| Add: HST @13%                        | 269,138            | 3,082           | 272,220            |
| Total Contract Price Including Taxes | 2,339,430          | 26,790          | 2,366,220          |
| Less: HST Rebate                     | 232,701            | 2,665           | 235,366            |
| Net Contract Price                   | <u>\$2,106,729</u> | <u>\$24,125</u> | <u>\$2,130,854</u> |
- 2) Development Charges have been utilized in accordance with the underlying legislation and the Development Charges Background Studies completed in 2014.
- 3) The additional funding requirement of \$234,321 is available as a transfer from PP1123-13 - Replace Firefighter Equipment in the amount of \$78,229 and an additional drawdown of \$156,092 from City Services Reserve Fund-Fire (Development Charges). PP1123-13 has surplus funding that is available as a source of funding for this project. To mitigate the impact of this additional pressure on the City Services Reserve Fund, the LFD and Finance recommend that capital projects for Station 15 and a new aerial truck, originally planned for 2019 and 2020, be delayed to 2020 and 2022 respectively.
- 4) There are no additional operating costs associated with the new building given the scenario of transfer of active service from existing to the new building.

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Alan Dunbar  
Manager of Financial Planning & Policy