

APPENDIX 'A'

Chair and Members
Civic Works Committee

#17010
February 10, 2017
(Contract Price Increase)

**RE: Southeast Pumping Station and Reservoir - T09-50
(Subledger FC090005)
Capital Project EW3614 - Southeast Pumping Station and Reservoir
McKay Cocker Construction Limited - \$46,297,143.00 (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 & City Engineer, the detailed source of financing for this project is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Revised Budget</u>	<u>Committed To Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
Engineering	\$7,190,234	\$7,258,620	\$7,182,069		\$76,551
Construction	47,610,701	47,716,880	46,821,392	895,488	0
Relocate Utilities	300,000	254,631	254,631		0
City Related Expenses	627,183	497,987	497,987		0
NET ESTIMATED EXPENDITURES	<u>\$55,728,118</u>	<u>\$55,728,118</u>	<u>\$54,756,079</u>	<u>\$895,488</u> 1)	<u>\$76,551</u>
<u>SOURCE OF FINANCING:</u>					
Drawdown from Industrial Oversizing-Water Reserve Fund	\$5,066,100	\$5,066,100	\$4,977,734	\$81,407	\$6,959
Drawdown from Capital Water Reserve Fund	8,299,118	8,299,118	8,154,360	133,357	11,401
Federal Government Funding 2)	18,141,550	18,141,550	17,825,116	291,514	24,920
Provincial Government Funding 2)	18,141,550	18,141,550	17,825,116	291,514	24,920
Drawdown from City Services - Water Reserve Fund (Development Charges) 3)	6,079,800	6,079,800	5,973,753	97,696	8,351
TOTAL FINANCING	<u>\$55,728,118</u>	<u>\$55,728,118</u>	<u>\$54,756,079</u>	<u>\$895,488</u>	<u>\$76,551</u>

Financial Note:

- | | |
|---|-------------------------|
| 1) Estimated Expenditure | \$46,297,143 |
| Less: Amount Previously Approved by Council June 29, 2009 | <u>45,417,143</u> |
| Contract Price | 880,000 |
| Add: HST @13% | <u>114,400</u> |
| Total Contract Price Including Taxes | 994,400 |
| Less: HST Rebate | <u>98,912</u> |
| Net Contract Price | <u><u>\$895,488</u></u> |
- 2) This project has been approved as a project under the Building Canada Fund (Federal) and HELP Clean Water Initiative (Provincial).
- 3) Development charges have been utilized in accordance with the underlying legislation and the Development Charges Background Studies completed in 2014.

JG

Jason Senese
Manager of Financial Planning & Policy