

Chair and Members  
Civic Works Committee

May 4, 2012  
(Award Contract)

**RE: 2012 Infrastructure Lifecycle Renewal Program Contract #2B**  
**Stanley Street Reconstruction**  
**Capital Project ES2414 - 2010 Sewer Replacement Program**  
**Capital Project ES2414-11 - 2011 Sewer Replacement Program**  
**Capital Project ES2414-12 - 2012 Sewer Replacement Program**  
**Capital Project EW3787-11 - 2011 Main Replacement with Major Roadworks**  
**Capital Project EW3787-12 - 2012 Main Replacement with Major Roadworks**  
**Capital Project TS1446-11 - 2011 Road Rehab - Main**  
**Capital Project TS4067-12 - 2012 Traffic Signals - Maintenance**  
**Capital Project TS5123-12 - 2012 Street Light Maintenance**  
**AAR CON Excavating - \$2,627,876.11 (excluding H.S.T.)**  
**Dillon Consulting Ltd. - \$345,598 (excluding H.S.T.)**

**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 and Engineering Services & City Engineer, the detailed source of financing for this project is:

<b>SUMMARY OF ESTIMATED EXPENDITURES</b>	<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Committed to Date</b>	<b>This Submission</b>	<b>Balance for Future Work</b>
<b>ES2414-2010 Sewer Repl. Program</b>					
Engineering	\$2,565,735	\$2,565,735	\$2,565,735		\$0
Land Acquisition	13,455	13,455	13,455		0
Construction	8,345,920	8,345,920	7,669,475	676,445	0
Construction (PDC Portion)	483,400	483,400	483,400		0
City Related Expenses	112,977	112,977	112,977		0
	<u>11,521,487</u>	<u>11,521,487</u>	<u>10,845,042</u>	<u>676,445</u>	<u>0</u>
<b>ES2414-11-2011 Sewer Repl. Program</b>					
Engineering	988,185	988,185	602,398	162,829	222,958
Construction	9,174,590	9,174,590	5,980,164	468,384	2,726,042
Construction (PDC Portion)	276,200	276,200	276,200		0
City Related Expenses	44,374	44,374	44,374		0
	<u>10,483,349</u>	<u>10,483,349</u>	<u>6,903,136</u>	<u>631,213</u>	<u>2,949,000</u>
<b>ES2414-12-2012 Sewer Repl. Program</b>					
Engineering	58,294	58,294			58,294
Construction	8,976,706	8,976,706	5,892,426	64,180	3,020,100
Construction (PDC Portion)	166,400	196,400	166,400	30,000	0
City Related Expenses	5,000	5,000	3,500		1,500
	<u>9,206,400</u>	<u>9,236,400</u>	<u>6,062,326</u>	<u>94,180</u>	<u>3,079,894</u>
<b>EW3787-11-2011 Main Repl w Mir. Rdwrks</b>					
Engineering	255,881	255,881	255,881		0
Construction	4,251,221	4,251,221	3,775,426	475,795	0
City Related Expenses	1,659	1,659	1,659		0
	<u>4,508,761</u>	<u>4,508,761</u>	<u>4,032,966</u>	<u>475,795</u>	<u>0</u>
<b>EW3787-12-2012 Main Repl w Mir. Rdwrks</b>					
Engineering	227,071	227,071	84,640	142,431	0
Construction	1,982,929	1,982,929		607,467	1,375,462
Relocate Utilities	45,000	45,000	10,176		34,824
	<u>2,255,000</u>	<u>2,255,000</u>	<u>94,816</u>	<u>749,898</u>	<u>1,410,286</u>
<b>TS1446-11-2011 Road Rehab.-Main</b>					
Engineering	420,803	420,803	390,207	30,596	0
Construction	9,879,197	9,879,197	8,578,317	232,438	1,068,442
	<u>10,300,000</u>	<u>10,300,000</u>	<u>8,968,524</u>	<u>263,034</u>	<u>1,068,442</u>
<b>TS4067-12-2012 Traffic Signals-Mtce</b>					
Engineering	50,840	50,840	35,014	15,826	0
Construction	137,701	137,701	52,576	85,125	0
City Related Expenses	1,153,459	1,153,459	55,703		1,097,756
	<u>1,342,000</u>	<u>1,342,000</u>	<u>143,293</u>	<u>100,951</u>	<u>1,097,756</u>
<b>TS5123-12-2012 Street Light Maintenance</b>					
Construction	100,000	100,000		34,294	65,706
Relocate Utilities	1,400,000	1,400,000			1,400,000
	<u>1,500,000</u>	<u>1,500,000</u>	<u>0</u>	<u>34,294</u>	<u>1,465,706</u>
<b>NET ESTIMATED EXPENDITURES</b>	<b><u>\$51,116,997</u></b>	<b><u>\$51,146,997</u></b>	<b><u>\$37,050,103</u></b>	<b><u>\$3,025,810</u></b> 1)	<b><u>\$11,071,084</u></b>
<b>SUMMARY OF FINANCING:</b>					
<b>ES2414-2010 Sewer Repl. Program</b>					
Debenture By-law No. W.-5311-269	\$532,899	\$532,899		\$532,899	\$0
Capital Sewer Rates	210,000	210,000	210,000		0
Drawdown from Sewage Works Reserve Fund	7,195,188	7,195,188	7,051,642	143,546	0
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>10,845,042</u>	<u>676,445</u>	<u>0</u>
<b>ES2414-11-2011 Sewer Repl. Program</b>					
Debenture Quota	2) 1,207,149	1,207,149			1,207,149
Drawdown from Sewage Works Reserve Fund	6,250,000	6,250,000	3,876,936	631,213	1,741,851
Federal Gas Tax	2,750,000	2,750,000	2,750,000		0
Cash Recovery from Property Owners (PDC Portion)	276,200	276,200	276,200		0
	<u>10,483,349</u>	<u>10,483,349</u>	<u>6,903,136</u>	<u>631,213</u>	<u>2,949,000</u>

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**AAR CON Excavating - \$2,627,876.11 (excluding H.S.T.)**  
**Dillon Consulting Ltd. - \$345,598 (excluding H.S.T.)**

<b>SUMMARY OF FINANCING: (continued)</b>	<b>Approved Budget</b>	<b>Revised Budget</b>	<b>Committed to Date</b>	<b>This Submission</b>	<b>Balance for Future Work</b>
<b>ES2414-12-2012 Sewer Repl. Program</b>					
Drawdown from Sewage Works Reserve Fund	6,290,000	6,290,000	3,145,926	64,180	3,079,894
Federal Gas Tax	2,750,000	2,750,000	2,750,000		0
Cash Recovery from Property Owners (PDC Portion)	166,400	196,400	166,400	30,000	0
	<u>9,206,400</u>	<u>9,236,400</u>	<u>6,062,326</u>	<u>94,180</u>	<u>3,079,894</u>
<b>EW3787-11-2011 Main Repl w Mir. Rdwrks</b>					
Capital Water Rates	4,508,761	4,508,761	4,032,966	475,795	0
<b>EW3787-12-2012 Main Repl w Mir. Rdwrks</b>					
Capital Water Rates	2,255,000	2,255,000	94,816	749,898	1,410,286
<b>TS1446-11-2011 Road Rehab.-Main</b>					
Capital Levy	490,000	490,000	490,000		0
Debenture By-law No. W.-5293-145	2,809,660	2,809,660	1,478,184	263,034	1,068,442
Federal Gas Tax	7,000,340	7,000,340	7,000,340		0
	<u>10,300,000</u>	<u>10,300,000</u>	<u>8,968,524</u>	<u>263,034</u>	<u>1,068,442</u>
<b>TS4067-12-2012 Traffic Signals-Mtce</b>					
Capital Levy	968,500	968,500	143,293	100,951	724,256
Debenture Quota	373,500	373,500			373,500
	<u>1,342,000</u>	<u>1,342,000</u>	<u>143,293</u>	<u>100,951</u>	<u>1,097,756</u>
<b>TS5123-12-2012 Street Light Maintenance</b>					
Capital Levy	1,500,000	1,500,000	0	34,294	1,465,706
<b>TOTAL FINANCING</b>	<b><u>\$51,116,997</u></b>	<b><u>\$51,146,997</u></b>	<b><u>\$37,050,103</u></b>	<b><u>\$3,025,810</u></b>	<b><u>\$11,071,084</u></b>

1) **FINANCIAL NOTE:**

a) **CONSTRUCTION**

	<b>ES2414</b>	<b>ES2414-11</b>	<b>ES2414-12</b>	<b>EW3787-11</b>	<b>EW3787-12</b>
Contract Price	\$664,745	\$460,283	\$92,551	\$467,566	\$596,960
Add: HST @13%	86,417	59,837	12,032	60,784	77,605
Total Contract Price Including Taxes	<u>751,162</u>	<u>520,120</u>	<u>104,583</u>	<u>528,350</u>	<u>674,565</u>
Less: HST Rebate	74,717	51,736	10,403	52,555	67,098
Net Contract Price	<u>\$676,445</u>	<u>\$468,384</u>	<u>\$94,180</u>	<u>\$475,795</u>	<u>\$607,467</u>

**Construction - continued**

	<b>TS1446-11</b>	<b>TS4067-12</b>	<b>TS5123-12</b>	<b>CONSTRUCTION TOTAL</b>
Contract Price	\$228,418	\$83,652	\$33,701	\$2,627,876
Add: HST @13%	29,694	10,875	4,381	341,625
Total Contract Price Including Taxes	<u>258,112</u>	<u>94,527</u>	<u>38,082</u>	<u>2,969,501</u>
Less: HST Rebate	25,674	9,402	3,788	295,373
Net Contract Price	<u>\$232,438</u>	<u>\$85,125</u>	<u>\$34,294</u>	<u>\$2,674,128</u>

b) **ENGINEERING**

	<b>ES2414-11</b>	<b>EW3787-12</b>	<b>TS1446-11</b>	<b>TS4067-12</b>	<b>ENGINEERING TOTAL</b>
Contract Price	\$160,012	\$139,967	\$30,067	\$15,552	\$345,598
Add: HST @13%	20,802	18,196	3,909	2,022	44,929
Total Contract Price Including Taxes	<u>180,814</u>	<u>158,163</u>	<u>33,976</u>	<u>17,574</u>	<u>390,527</u>
Less: HST Rebate	17,985	15,732	3,380	1,748	38,845
Net Contract Price	<u>\$162,829</u>	<u>\$142,431</u>	<u>\$30,596</u>	<u>\$15,826</u>	<u>\$351,682</u>

**TOTAL CONSTRUCTION & ENGINEERING**

**\$3,025,810**

**NOTE TO CITY CLERK:**

- Administration hereby certifies that the estimated amounts payable in respect of this project does not exceed the annual financial debt and obligation limit for the Municipality of Municipal Affairs in accordance with the provisions of Ontario Regulation 403/02 made under the Municipal Act, and accordingly the City Clerk is hereby requested to prepare and introduce the necessary authorizing by-laws.  
An authorizing by-law should be drafted to secure debenture financing for Project ES2414-11 - 2011 Sewer Replacement Program for the net amount to be debentured of \$1,207,149.
- The City's tender with the construction contractor includes \$176,287.00 of utility work as requested by Bell Canada. The City will invoice Bell Canada to recover the amount and credit the appropriate capital accounts as necessary.
- There are no future additional annual operating costs as a result of this project as the maintenance costs incurred due to installation of new storm sewer is offset by the elimination of the existing sanitary siphon.



Alan Dunbar  
Manager of Financial Planning & Policy