

Chair and Members
Civic Works Committee

May 4, 2012
(Amendment of Contract
for Engineering Fees)

RE: Southeast Pumping Station and Reservoir
Capital Project EW3614 - Southeast Pumping Station - Reservoir
AECOM Canada Ltd. - \$3,586,478 (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 & 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>
Engineering	\$7,310,234	\$5,031,371	\$800,118	\$1,478,745
Construction	47,610,701	46,600,159		1,010,542
Relocate Utilities	300,000	300,000		0
City Related Expenses	507,183	507,183		0
NET ESTIMATED EXPENDITURES	<u>\$55,728,118</u>	<u>\$52,438,713</u>	<u>\$800,118</u> 1)	<u>\$2,489,287</u>

SOURCE OF FINANCING:

Drawdown from Industrial Oversizing - Water Reserve Fund	\$5,066,100	\$4,767,069	\$72,737	\$226,294
Drawdown from Capital Water Reserve Fund	8,299,118	7,809,255	119,155	370,708
Federal Government Funding 2)	18,141,550	17,070,728	260,467	810,355
Provincial Government Funding 2)	18,141,550	17,070,727	260,468	810,355
Drawdown from City Services - Water Reserve Fund (Development Charges) 3)	6,079,800	5,720,934	87,291	271,575
TOTAL FINANCING	<u>\$55,728,118</u>	<u>\$52,438,713</u>	<u>\$800,118</u>	<u>\$2,489,287</u>

Financial Note:

1) Estimated Expenditure	\$3,586,478
Less: Amount Previously Approved by Council May 30, 2011	<u>2,800,198</u>
Contract Increase	786,280
Add: HST @13%	<u>102,216</u>
Total Contract Increase Including Taxes	888,496
Less: HST Rebate	<u>88,378</u>
Net Contract Increase	<u>\$800,118</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 2009.
- 4) There are no anticipated operating costs due to the increase in consulting fees.



Alan Dunbar
Manager of Financial Planning & Policy