

Chair and Members
Civic Works Committee

June 8, 2012
(Award Contract)

**RE: Construction of Glanworth Municipal Drain
Capital Project ES4822 - Glanworth Municipal Drain
VanBree Drainage and Bulldozing Ltd. - \$306,545 (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>Revised Budget</u> | <u>Committed to Date</u> | <u>This Submission</u> | <u>Balance for Future Work</u> |
|--|-------------------------|-------------------------|--------------------------|----------------------------|--------------------------------|
| Engineering | \$83,329 | \$83,329 | \$83,329 | | \$0 |
| Construction | 236,671 | 416,345 | 459 | 311,940 | 103,946 |
| NET ESTIMATED EXPENDITURES | <u>\$320,000</u> | <u>\$499,674</u> | <u>\$83,788</u> | <u>\$311,940</u> 1) | <u>\$103,946</u> |
| <u>SOURCE OF FINANCING:</u> | | | | | |
| Capital Sewer Rates | \$136,000 | \$136,000 | \$6,787 | \$25,267 | \$103,946 |
| Provincial Subsidy - Min. of Ag. & Food 2) | 52,000 | 78,750 | 16,674 | 62,076 | 0 |
| Abutting Owners Share 3) | 132,000 | 284,924 | 60,327 | 224,597 | 0 |
| TOTAL FINANCING | <u>\$320,000</u> | <u>\$499,674</u> | <u>\$83,788</u> | <u>\$311,940</u> | <u>\$103,946</u> |

1) **Financial Note:**

| | |
|--------------------------------------|------------------|
| Contract Price | \$306,545 |
| Add: HST @13% | 39,851 |
| Total Contract Price Including Taxes | <u>346,396</u> |
| Less: HST Rebate | 34,456 |
| Net Contract Price | <u>\$311,940</u> |

2) Subject to written confirmation.

3) Financing for the Abutting Owners Share - Agriculture Lands represents the contribution of benefitting land owners required under the provision of the Drainage Act.

4) There are no anticipated additional operating costs related to this project.

JG



Alan Dunbar
Manager of Financial Planning & Policy