

APPENDIX 'A'

#18012

Chair and Members
Civic Works Committee

February 6, 2018
(Contract Price Increase)

**RE: Infrastructure Renewal Program - Byron Baseline Road Reconstruction Project
(Subledger WS17C006)
Capital Project EW376517 - Water Infrastructure Lifecycle Renewal
Capital Project TS144617 - Road Networks Improvements (Main)
Bre-Ex Construction Inc. - \$6,499,025.30 (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 and 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>
<u>EW376517-Water Infrastructure Lifecycle Renewal</u>					
Engineering	\$1,019,883	\$1,019,883	\$1,019,883		\$0
Construction	8,290,653	8,290,653	7,715,084	413,400	162,169
City Related Expenses	4,464	4,464	4,464		0
	<u>9,315,000</u>	<u>9,315,000</u>	<u>8,739,431</u>	<u>413,400</u>	<u>162,169</u>
<u>TS144617-Road Networks Improvements (Main)</u>					
Engineering	1,000,000	1,000,000	739,344		260,656
Land Acquisition	155,609	155,609	155,609		0
Construction	13,012,040	13,007,938	10,677,983	248,040	2,081,915
City Related Expenses	1,532	5,634	5,634		0
	<u>14,169,181</u>	<u>14,169,181</u>	<u>11,578,570</u>	<u>248,040</u>	<u>2,342,571</u>
NET ESTIMATED EXPENDITURES	<u>\$23,484,181</u>	<u>\$23,484,181</u>	<u>\$20,318,001</u>	<u>\$661,440</u> 1)	<u>\$2,504,740</u>
<u>SOURCE OF FINANCING:</u>					
<u>EW376517-Water Infrastructure Lifecycle Renewal</u>					
Capital Water Rates	\$6,571,100	\$6,571,100	\$6,571,100		\$0
Drawdown from Capital Water R.F.	2,743,900	2,743,900	2,168,331	413,400	162,169
	<u>9,315,000</u>	<u>9,315,000</u>	<u>8,739,431</u>	<u>413,400</u>	<u>162,169</u>
<u>TS144617-Road Networks Improvements (Main)</u>					
Capital Levy	4,166,525	4,166,525	4,166,525		0
Debenture By-law No. W.-5617-63	2,227,179	2,227,179			2,227,179
Federal Gas Tax	7,650,312	7,650,312	7,286,880	248,040	115,392
Other Contributions (Dancor)	125,165	125,165	125,165		0
	<u>14,169,181</u>	<u>14,169,181</u>	<u>11,578,570</u>	<u>248,040</u>	<u>2,342,571</u>
TOTAL FINANCING	<u>\$23,484,181</u>	<u>\$23,484,181</u>	<u>\$20,318,001</u>	<u>\$661,440</u>	<u>\$2,504,740</u>

1) **Financial Note:**

Contract Price
Less: Amount Previously Approved by Council April 4, 2017

Add: HST @13%
Total Contract Price Including Taxes
Less: HST Rebate
Net Contract Price

Total Contract Price	EW376517	TS144617	TOTAL
\$6,499,025	\$406,250	\$243,750	\$650,000
5,849,025			
650,000	406,250	243,750	650,000
84,500	52,813	31,688	84,501
734,500	459,063	275,438	734,501
73,060	45,663	27,398	73,061
<u>\$661,440</u>	<u>\$413,400</u>	<u>\$248,040</u>	<u>\$661,440</u>

2) The City is negotiating with Union Gas to recover all appropriate costs directly related to the contaminated gas main. It is expected that the outcome of these negotiations will be known in the coming months.

JG

Jason Davies
Manager of Financial Planning & Policy