

Chair and Members
Civic Works Committee

January 11, 2013
(Approve Additional Funding)

**RE: Southern Ontario Water Consortium - London Wastewater Facility
Procurement of Goods and Services Policy Changes for Construction Contract Award
Capital Project ES1721 - Economic Development**

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 Managing Director, Environmental and Engineering Services and City Engineer and the Deputy City Treasurer, the detailed source of financing for this project is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Additional Funding (1)</u>	<u>Revised Budget</u>	<u>Committed to Date</u>	<u>Balance for Future Work</u>
Engineering	\$534,582		\$534,582	\$534,582	\$0
Construction	3,265,418	4,731,194	7,996,612		7,996,612
NET ESTIMATED EXPENDITURES	<u>\$3,800,000</u>	<u>\$4,731,194</u>	<u>\$8,531,194</u>	<u>\$534,582</u>	<u>\$7,996,612</u>
<u>SOURCE OF FINANCING:</u>					
Debenture Quota	2) \$3,800,000		\$3,800,000	\$534,582	\$3,265,418
Other - FedDev	1)	4,731,194	4,731,194		4,731,194
TOTAL FINANCING	<u>\$3,800,000</u>	<u>\$4,731,194</u>	<u>\$8,531,194</u>	<u>\$534,582</u>	<u>\$7,996,612</u>

NOTES:

- 1) Additional funding of \$4.7 million has been allocated to the Southern Ontario Water Consortium (SOWC) – London Wastewater Facility (LWF) by FedDev as part of the contribution agreement signed by FedDev and the University of Waterloo (FedDev's partner of record for the SOWC). Funding is conditional on FedDev's approval of detailed engineering and/or architectural plans for the facility in London. City funding will not be expended on the SOWC-LWF until the FedDev funding is secured. Municipal Council previously approved \$506,073 on May 1, 2012 for engineering on this project from the City funds allocated to it.

NOTE TO CITY CLERK:

- 2) 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
An authorizing by-law should be drafted to secure debenture financing for Project ES1721 - Economic Development for the net amount to be debentured of \$3,800,000.

JG



Alan Dunbar
Manager of Financial Planning & Policy