

Council Report

Report Number ENG2020-024

Meeting Date: December 15, 2020

Title: Additional Funds required for RD2010 (Streetlight Replacement Program)

Description: Request for additional funds Capital project

Author and Title: Mike Farquhar Supervisor of Technical Services

Recommendation(s):

That Report ENG2020-024, **Additional Funds required for RD2010 (Streetlight Replacement Program)**, be received; and

That Council authorizes funds in the amount of \$72,234.98 to be added to capital project 9832010 from the Capital Contingency reserve (1.32248)

Department Head:_____

Financial/Legal/HR/Other:_____

Chief Administrative Officer:_____

Background:

Report ENG2018-007 was provided to Council for approval to implement the LED Streetlight Replacement program.

11.1.16 ENG2018-007

LAS Proposal, LED Streetlight Replacement Program (Lindsay)

Mike Farquhar, Supervisor, Technical Services

CR2018-403

Moved By Councillor Stauble

Seconded By Councillor Martin

That Report ENG2018-007, **LAS Proposal, LED Streetlight Replacement Program (Lindsay)**, be received;

That staff be directed to enter into a contract with LAS and Real Term Energy to implement a staged LED streetlight replacement program in Lindsay in the amount of \$335,394.00 with options for the 2nd and 3rd phases of the project;

That the Mayor and Clerk be authorized to sign the agreement; and

That staff be directed to report to Council on a long term proposal for implementation of LED Streetlights city wide.

Carried

Part of the initial program was the allowance for two optional phases with a CPI increase of 3% and 2% respectively.

Rationale:

Staff had recommended that the City enter into the third optional phase with LAS and Realterm Energy with an increase of 2%, for a total price of \$530,399.00 not including HST for the completion of the LED retro fit project in Lindsay. The budget that had been allocated in 2020 under RD2010 for the final phase of the project was \$400,000. As well there was \$20,829 left over from the 2nd phase in the previous year. This leaves a difference of \$79,227 that is required (as outlined in Table 1) to be funded to complete this project.

As identified in report ENG2018-007 an investment grade audit had been done prior to the commencement of the first phase which outlined the operational

savings and IESO incentive grant rebate that would be credited back at the end of the 3rd phase of the project. At the completion of the project the City will receive back an energy incentive in the amount of \$44,358 for Phase 1, \$64,120 for Phase 2 and \$57,287.00 for Phase 3. The total amount of approximately \$165,765 will be applied back to the project line 983201001 when the incentive rebate is received.

Other Alternatives Considered:

None

Alignment to Strategic Priorities

This report aligns with providing life safety and protection, which is a priority objective of the City under the Council Adopted Strategic Plan Goal of An Exceptional Quality of Life as well as providing for a Healthy Environment through the reduction of energy use.

Financial/Operation Impacts:

Funds for the project were approved in the 2020 Capital Budget as indicated in Table 1 below:

Capital Project Number	Project Budget	Committ ed Funds	Capital Project Balance	Purchas e Amount (excl. HST)	HST Payab le	Continge ncy 2%	Total Amount	IESO Incentive Rebate	Project Balance
983191001	\$517,000	\$496,171	\$20,829	\$20,469	\$360	\$0	\$20,829	\$0	\$0
983201001	\$400,000	\$0	\$400,000	\$509,930	\$8,975	\$10,608	\$529,513	\$57,287	(\$72,227)
Total	\$917,000	\$496,171	\$420,829	\$530,399	\$9,335	\$10,608	\$550,342	\$57,287	(\$72,227)

Any remaining surplus or deficit will be dealt with through the capital close report presented to Council by the Treasury Division in accordance with the Capital Close Policy.

Consultations:

Supervisor of Procurement
Treasurer
Junior Accountant

Attachments:

N/A

Department Head E-Mail: jrojas@kawarthalakes.ca

Department Head: Juan Rojas