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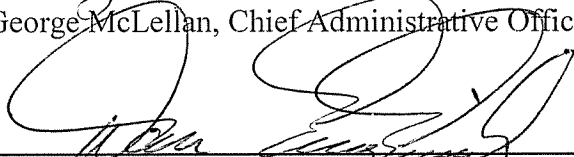
PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Halifax Regional Council
September 28, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


George McLellan, Chief Administrative Officer


Dan English, Deputy Chief Administrative Officer

DATE: September 10, 2004

SUBJECT: Award Tender 04 -166 - Soil Remediation of 15 Fenerty Road

ORIGIN

Oil contamination was discovered at residential property 15 Fenerty Road.

RECOMMENDATION

It is recommended that Regional Council:

1. Award Tender 04-166 for the soil remediation of 15 Fenerty Road, Halifax to Permacrete Restoration Services Limited for \$103,820.00 plus net HST for a total of \$ 107,379.98.
2. Approve the expenditure of \$60,000.00 plus net HST for a total of \$62,058 for consultant services from Jacques Whitford Ltd.
3. Approve the expenditure of \$31,500.00 for reimbursement for re-building a portion of the dwelling and \$9,450.00 for the owner's business interruption / loss.

BACKGROUND

Weathered fuel oil contamination exists in the soil and ground water at the private dwelling located at 15 Fenerty Road, Halifax. Contamination is believed to be associated with the 1993 underground fuel oil tank release on the adjoining property, the former C.A. Beckett School. This building was declared surplus to the Halifax Regional School Board, turned over to HRM and subsequently has been demolished .

DISCUSSION

The site is approximately 650 square meters and a 3 unit residential building is located near the centre of the site. In 1993, 160 tonnes of contaminated soil was excavated and removed as part of a remediation carried out by the Halifax School Board. In 2003, HRM undertook the excavation and removal 150 tonnes of contaminated soil to a point where the structure would not be disturbed. HRM also installed 4 monitoring wells, 3 test pits, 1 borehole and 4 hammer holes to facilitate selective soil and ground water sampling and analysis of petroleum hydrocarbon contamination. Based on the information gathered from these sources, and other more recent investigations, it has been determined that the extent of oil contamination includes soil under the building.

In order to meet NS Department of Environment guidelines, approximately 600 tonnes of contaminated soil and 25,000 liters of impacted groundwater adjacent and beneath this 3-storey building are required to be excavated, removed and disposed off site. This work and repair to any damage to the building and site landscaping are the scope of work of this project.

A portion of the building was to be demolished in order to undertake the work, and was intended to be restored to its original condition. The owner wishes to increase the size and improve the condition of the demolished portion upon rebuilding. HRM has agreed to reimburse to the owner the identified tendered value of the demolition and reconstruction to original conditions, and the owner has agreed to demolish the existing portion and reconstruct to his own specifications at his own cost. HRM will not be responsible for design, project management, tendering or construction of this demolished portion of the building. The costs for the property owner's re-building reimbursement are indicated in the Budget Implications.

Reasonable tenant and landlord expenses for necessarily vacating the premises at 15 Fenerty Road while work is undertaken will be reimbursed. The associated business interruption and loss allowance is also indicated in the Budget Implications.

The consultant fees for the project are estimated at \$62,058.00 for site investigation, sampling and analysis, and site supervision during remediation contract execution. Jacques Whitford has undertaken the site investigation and sampling and analysis to date, and is scheduled to undertake site supervision for the site remediation. The consultant fees are indicated in the Budget Implications.

It is intended to undertake the necessary actions to recover costs for this work, the previous remediation, and associated expenses, including HRM project management and consultant fees, from the Halifax Regional School Board upon project completion. HRSB is aware of HRM's intentions with respect to the recovery claim.

Tenders were called and closed on July 28, 2004. The Base Bid for listed itemised prices for excavation, treatment, removal, disposal and restoration work totalling \$93,820.00, and Option 2C for building underpinning totalling \$10,000.00 have been selected for the contract scope of work. Four bids were received as follows:

Company	Lump Sum Price (before taxes)	Total Cost (incl. net taxes)
1. Permacrete Restoration	\$ 103, 820.00	\$ 107, 379.98
2. R. Fraser Construction	\$ 108, 940.00	\$ 112, 675.55
3. Core Remediation	\$ 119, 555.90	\$ 123, 655.47
4. Clean Harbours Canada	\$ 142, 310.00	\$ 146, 933.65

BUDGET IMPLICATIONS

Budget Summary:

Operations Account No. W200-6902

Tender 04 -166	\$ 107, 379.98
Consultant Fees	62, 058.00
Owner Rebuilding Reimbursement	31, 500.00
Business Interruption / Loss Allowance	9, 450.00
Contingency	<u>10, 000.00</u>
Total Costs	\$ 220, 387.98

Based on the lowest tendered price of \$ 103,820.00, plus net HST, for a total of \$ 107,379.98, funding is available in the 2004/05 Approved Budget from Real Property Operations Account No. W200 - 6902. The budget availability has been approved by Financial Services. If settlement with the HRSB is not achieved prior to end of the 04/05 fiscal year this amount will be carried as a net receivable.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

There are no alternatives to the recommendation. This remediation is a legislated requirement

ATTACHMENTS

N/A

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

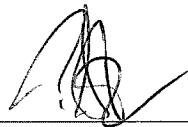
Report Prepared by: Phillip Townsend, Manager Capital Projects, Real Property and Asset Management, 490-7166

Report Approved by:



Mike Labrecque, Director Real Property & Asset Management (490-4851)

Report Approved by:



Peter Ross, Manager of Procurement or his Designate