



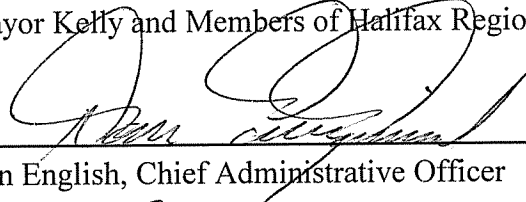
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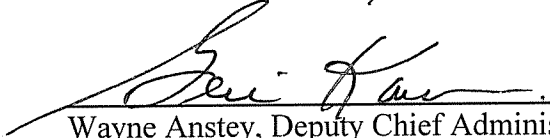
11.1.1

Halifax Regional Council
June 19, 2007

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


Dan English, Chief Administrative Officer


Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: June 7, 2007

SUBJECT: Award - Unit Price Tender No. 07-221 Phase 12-1a Development,
Burnside Business Park

ORIGIN

The Approved 2007/08 Capital Budget.

RECOMMENDATIONS

It is recommended that Council:

1. award Tender No. 07-221, Phase 12-1a Burnside Business Park to Dexter Construction Company Limited for a Total Tender Price of \$3,185,321.00 (no HST included, 100% rebateable), from Capital Account CQ300741, Burnside and City of Lakes Development, with funding authorized as per the Budget Implications Section of this report;
2. approve an increase in the Gross Budget of Capital Account CQ300741 as per the Budget Implications section of this report with no change to the Net Budget to reflect the cost sharing of the installation of a natural gas pipeline from Heritage Gas;
3. and furthermore, that Council authorize, as per the Budget Implications Section of this report, the appointment of CBCL Ltd. for construction inspection services; the appointment of Jacques Whitford Ltd. for geotechnical inspection and certification; payment to Nova Scotia Power Inc. for the extension of electrical transmission lines, and payment to HRWC for water system inspection.

BACKGROUND

In keeping with the approved Business Plan and the phased development and build-out of Burnside Park, Phase 12 is to be constructed in a series of sub-phases in response to market demand. This is the third of four primary tender packages for the 2007-08 plan. The Commodore Drive/John Savage Avenue Tender and the Wright Avenue Tender were awarded by Council on May 8th and 15th respectively.

Phase 12-1a will create 38 acres (6 lots) of new serviced lot inventory with *minimum* selling prices ranging from \$3.75/sq.ft. to \$4.05/sq.ft yielding planned gross revenues of \$6.5 million. Demand remains strong for vacant commercial/industrial lands in Burnside and HRM as a whole. It is anticipated that the new Phase 12-1a lots will be substantially pre-sold prior to completion of construction.

Transload and Logistics Sector

Supporting the transload sector is of critical importance to the future of the Atlantic Gateway and the growth of the Port of Halifax. Phase 12-1a of Burnside Park is now home to Consolidated Fastfrate and staff, in collaboration with the GHP and HPA, are working under agreement with Armour Transportation to locate a second transload and distribution facility in Phase 12-1a in close proximity to Consolidated Fastfrate. Approximately 24 of the 38 acres of Phase 12-1a have been designed for Armour Transportation Systems for the construction of their planned facility in 2008.

Burnside Phase 12 now has the advantage of these two current logistic companies and this provides momentum for the further attraction and the need for the strategic provision of available lands in Phase 12. This will provide staff and HPA, as a potential partner, the opportunity to set aside serviced lands suitable and ready for the transload sector.

This objective, which is a key to HRM's Economic Strategy, will be supported by targeting and reserving additional lands within Phase 12 for the transload and logistics sector. The concept plan shown as Attachment 2 to this report identifies the proposed land use mix for Phase 12 overall with the Transload area identified.

DISCUSSION

Tenders were called on May 12, 2007 and closed on May 29, 2007. Bids were received from the following companies:

<u>Name of Company</u>	<u>Bid Price (No HST)</u>
1. Dexter Construction Company Limited	\$ 3,185,321.00*
2. Brycon Construction Limited	\$ 3,439,532.00
3. ACL Construction Limited	\$ 3,710,725.50

* Recommended bidder

It is anticipated that construction will commence within three weeks of the tender award and take 21 weeks to complete.

This is a **UNIT PRICE** contract and the cost will be dependent upon the actual quantities measured and approved by the HRM Project Manager.

There are no Local Improvement Charges associated with this work.

The scope of Phase 12-1a Jennett and Collings Avenue includes:

- ▶ approximately 2100 linear feet of paved streets
- ▶ overhead power
- ▶ municipal servicing
- ▶ natural gas pipeline
- ▶ sidewalks
- ▶ roadway lighting
- ▶ associated landscaping

BUDGET IMPLICATIONS

Based on the lowest tendered price of \$ 3,185,321.00, (no HST included, 100% rebatable), funding is available in the approved 2007/08 Capital Budget from Account No. CQ300741, Burnside/City of Lakes Development.

The budget is available and has been confirmed by Financial Services.

Budget Summary: Capital Account No. CQ300741, Burnside/City of Lakes Development

Cumulative Unspent Budget	\$7,326,390.00
Plus: Tender 07-221 Heritage Gas Cost Sharing	\$ 42,708.50
Less: Tender No. 07-221	\$3,185,321.00
HRWC Inspection Fees	\$ 6,563.00
CBCL Inspection Services	\$ 134,790.00
Jacques Testing and Certification	\$ 60,100.00
Nova Scotia Power Fees	<u>\$ 38,448.00</u>
	\$3,943,876.50

This tender was originally estimated at \$4,021,000.00

Any remaining funds will be used on similar Burnside Expansion projects

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. If approved, this will increase the 2007/08 Capital Budget.

ALTERNATIVES

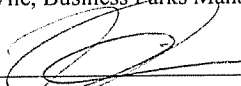
There are no recommended alternatives to this course of action.

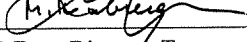
ATTACHMENTS

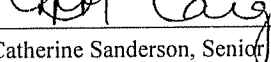
- Attachment 1 - Memorandum from Heritage Gas
- Attachment 2 - Concept Plan Phase 12 Burnside Park
- Attachment 3 - Site Plan Phase 12-1a
- Attachment 4 - Proposed Burnside Distri-Park Concept Plan

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: John Fawcett, P.Eng., Design Engineer, Design and Construction Services at 490-6824
Michael Wile, Business Parks Manager, Real Property, TPW at 490-5521

Report Approved by: 
Peter Stickings, Manager, Real Property, TPW at 490-7129

Report Approved by: 
Mike Labrecque, P.Eng., Director, Transportation and Public Works at 490-4855

Report Approved by: 
For Catherine Sanderson, Senior Manager, Financial Services at 490-1562



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MEMORANDUM

TO: Leonard Avery, P. Eng., Heritage Gas

CC: Jeff Spares, P.Eng., Sr. Design Engineer, Design & Construction
David Hubley, P.Eng., Manager, Design & Construction

FROM: John Fawcett, P.Eng., Design Engineer, Design & Construction

DATE: June 1, 2007

SUBJECT: Tender 07-221, Phase 12-1A Jennett Avenue and Collings Avenue, Burnside Business Park.

Tender 07-221, Phase 12-1A Jennett Avenue and Collings Avenue, Burnside Business Park, Dartmouth, East Region closed May 29, 2007. Prior to tender award, a cost sharing agreement must be finalized between HRM and Heritage Gas. Enclosed is a bid comparison summary for the items associated with the gasmain installation for this project. They are from the lowest bidder, Dexter Construction Company Limited to highest.

In the most recent discussions on this subject, Heritage Gas has agreed to pay 50% of the cost of the reinstatement. This includes the cost of the asphalt and gravel over the length of the gas main and across the reinstatement width. Based on these unit prices Heritage Gas's share of reinstatement costs is as follows:

<u>Asphalt Reinstatement Area - Jennett Avenue</u>	30 m x 1.0 m	=	30 m ²
Cost for Type 1 Gravel (150 mm thick)	30 m ² x \$5.00/m ²	=	\$ 150
Cost for Type 2 Gravel (450 mm thick)	30 m ² x \$13.00/m ²	=	\$ 390
Cost for Type C Asphalt (50 mm thick)	30 m ² x \$11.00/m ²	=	\$330
Cost for Type B Asphalt (75 mm thick)	30 m ² x \$17.00/m ²	=	\$510
<u>Grassed Area Reinstatement - Jennett and Collings Ave</u>	590 m x 1.0 m	=	590 m ²
Cost for Top Soil and Sod	590 m ² x \$7.30/m ²	=	\$4,307
	Subtotal	=	\$4,817
50% Share of \$4,817	Reinstatement Costs	=	\$2,408.50

TRANSPORTATION AND PUBLIC WORKS, DESIGN & CONSTRUCTION
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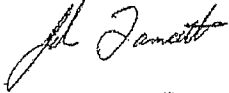
Based on the low bidder's tender prices and the above cost sharing, Heritage Gas's costs for Tender 07-221 Phase 12-1A Jennet Avenue and Collings Avenue, Burnside Business Park, can be summarized as follows:

Gas Main	\$ 40,300.00
Reinstatement Cost Sharing	<u>\$ 2,408.50</u>
	\$ 42,708.50
Net HST	<u>\$ 1,464.47</u>
Project Total	<u>\$ 44,172.97</u>

Actual cost sharing for this project will be based on final quantities determined during construction.

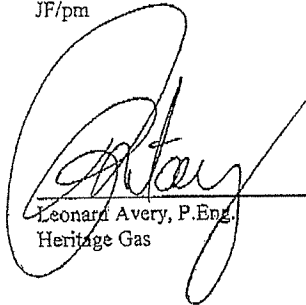
If you agree to this arrangement, please indicate by signing the enclosed copy and returning it to me. If you have any questions, please call me at 490-6824.

Thank you.



John Fawcett, P.Eng.
Design Engineer

JF/pm



Leonard Avery, P.Eng.
Heritage Gas

June 12 07
Date

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TRANSPORTATION AND PUBLIC WORKS, DESIGN & CONSTRUCTION

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