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Halifax Regional Council
March 21, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: Wayne Anstey
Wayne Anstey, Acting Chief Administrative Officer
Geri Kaiser
Geri Kaiser, Deputy Chief Administrative Officer

DATE: March 10, 2006

SUBJECT: Award of Price Tender No 06-017, Upgrade to Cowie Hill Fuel Depot

ORIGIN

The Capital Budget Account No. CHM00424 and Capital Budget Account No. CBM00711.

RECOMMENDATION

It is recommended that Council award Tender No. 06-017, Upgrade to Cowie Hill Fuel Depot to ITS Construction Inc for a Tender Price of \$144,801.00 (net HST included) from Capital Budget Account No. CHM00424 and Capital Budget Account No. CBM00711, with funding authorized as per the Budget Implications of this report.

BACKGROUND

HRM Procurement maintains nine fuel depots. The in ground fuel tanks at the Cowie Hill location are 19 years old and by legislation, must be replaced. This project involves the replacement of the old tanks and construction of a new pumping island that meets all Environmental and Fire regulations for fuel distribution. This upgrade project is the beginning of upgrades to the nine fuel depots.

DISCUSSION

Tenders for this project were called on January 23, 2006 and closed on February 21, 2006. The following bids, exclusive of taxes, were received:

<u>Company Name</u>	<u>Tender Price (net HST included)</u>
ITS Construction Inc	\$144,801.00*
R.Fraser Construction Ltd	\$152,868.00
Maritime Petroleum Construction	\$171,568.00
Noye Enterprises Inc	\$173,191.00
Petroservice	\$187,121.00
Atlantic Industrial Services	\$188,551.00

* recommended bidder

The scope of work for this tender generally consists of pouring a concrete pad, provision and installation of above ground fuel tanks and appurtenances, and all necessary wiring required to complete the job.

It is anticipated that work will commence end March and will take 5 weeks to complete.

BUDGET IMPLICATIONS

Based on the lowest tendered price of \$140,000 plus net HST, for a total project cost of \$144,801.00, funding is available in the 2003/04 Capital Budget Account No. CHM00424 and 2005/06 Capital Budget Account No. CBM00711. The budget availability has been approved by Financial Services.

Budget Summary: Account No. CHM00424, Cowie Hill Maintenance Yard Fuel Tank Replacement

Cumulative 2003/04 Unspent Budget	\$123,505.18
Less Tender No. 06-017	<u>\$123,505.18</u>
	<u>\$ 0</u>

Account No. CBM00711, Fuel Depot Upgrades

Cumulative 2004/05 Unspent Budget	\$72,265.18
Less Tender No. 06-017	<u>\$21,295.82</u>
	<u>\$50,969.36</u>

The balance of Account No. CBM00711 will be used to effect repairs at the MacKintosh Street Works Depot fuel site.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

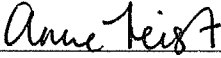
This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.


ALTERNATIVES

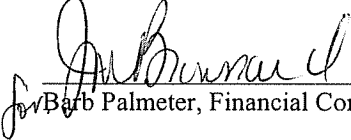
There are no recommended alternatives to this course of action.

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

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