


**Item No. 11.1.3**  
**Halifax Regional Council**  
**April 12, 2011**

**TO:** Mayor Kelly and Members of Halifax Regional Council

Original signed by 

**SUBMITTED BY:** \_\_\_\_\_

Richard Butts, Chief Administrative Officer

Original Signed by 

\_\_\_\_\_  
Mike Labrecque, Deputy Chief Administrative Officer

**DATE:** March 21, 2011

**SUBJECT:** **Award - Unit Price Tender No. 11-213, Proposed Resurfacing, Water Main Renewal and Gas Main Installation, Ochterloney Street and Resurfacing Victoria Road – East Region**

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**ORIGIN**

The Approved Advanced 2010/11 Project Budget.

**RECOMMENDATIONS:**

It is recommended that Halifax Regional Council:

1. Approve a budget increase of \$583,819 (net HST included) to Project No. CYX01345 – Street Recapitalization, funded through cost sharing with Halifax Water and Heritage Gas; and
2. Award Tender No. 11-213, Proposed Resurfacing, Water Main Renewal and Gas Main Installation, Ochterloney Street and Resurfacing, Victoria Road – East Region, to Brycon Construction Limited for a Total Tender Price of \$1,040,774.28 (net HST included), with funding from Project Nos. CYX01345 – Street Recapitalization and CYU01076 – Curb Renewals, as outlined in the Budget Implications section of this report.

## **BACKGROUND**

The Approved Advanced 2010/11 Project Budget includes funds for the resurfacing of Ochterloney Street from Victoria Road to Prince Albert Road and the resurfacing of Victoria Road from Thistle Street to Park Avenue.

## **DISCUSSION**

Tenders were called on March 3, 2011, and closed on March 15, 2011. Bids were received from the following companies:

<b><u>Name of Company</u></b>	<b><u>Bid Price (net HST included)</u></b>
Brycon Construction Limited	\$1,040,774.28*
Dexter Construction Company Limited	\$1,056,902.11
J. R. Eisener Contracting Limited	\$1,114,268.80
ARCP-Atlantic Road Construction and Paving Limited	\$1,122,085.03
Amber Contracting Limited	\$1,229,300.43
Ocean Contractors Limited	\$1,253,550.05

### **\*recommended bidder**

The scope of work for this tender generally consists of pavement resurfacing, some curb and gutter replacement and some sidewalk replacement on Ochterloney Street, as well as gas main installation. The project also includes water main renewal.

On Victoria Road, the work generally consists of the removal of and reinstatement of existing pavement along with minor curb repair. All disturbed street markings will be reinstated to their existing state.

It is anticipated that work will commence after the tender is awarded, and as weather permits in the Spring. It will take approximately 12 weeks to complete Ochterloney Street and 4 weeks to complete Victoria Road.

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.

**BUDGET IMPLICATIONS**

Based on the lowest tendered price of \$1,040,774.28 (net HST included), funding is available in the Approved Advanced 2010/11 Project Budget from Project Nos. CYX01345 – Street Recapitalization, and CYU01076 – Curb Renewals. The budget availability has been confirmed by Financial Services.

**Budget Summary: Project No. CYX01345, Street Recapitalization**

Cumulative Unspent Budget	\$ 3,292,592
Plus HW Cost Sharing	\$ 555,688
Plus Heritage Gas Cost Sharing	\$ 28,131
<b>Less: Tender No. 11-213</b>	<b><u>\$ 1,021,743*</u></b>
Balance	\$ 2,854,668

**Project No. CYU01076 – Curb Renewals**

Cumulative Unspent Budget	\$ 167,178
<b>Less: Tender No. 11-213</b>	<b><u>\$ 19,032 *</u></b>
Balance	\$ 148,146

\*The projects included in this tender were estimated in the approved advanced 2010/11 Project Budget as follows:

	<b><u>Budget</u></b>	<b><u>Bid Price</u></b>
Ochterloney Street (Project No. CYX01345)	\$350,000	\$ 873,291*
Victoria Road (Project No. CYX01345)	\$175,000	\$ 148,452
Victoria Road (Project No. CYU01076)	<u>\$ 25,000</u>	<u>\$ 19,032</u>
	<u>\$550,000</u>	<u>\$1,040,775</u>

\*As a result of cost sharing from Halifax Water and Heritage Gas, the net cost to Ochterloney Street in Project No. CYX01345 is \$289,472.

The balance of funds will be used to implement the remaining 2010/11 resurfacing, and curb renewal projects approved by Council.

**FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation. If approved, this will increase the gross 2010/11 Project Budget but not the net.

**ALTERNATIVES**

Council could choose not to approve the recommendations in this report, but this is not recommended by staff.

**ATTACHMENTS**

- A1 – Cost Share Memo Halifax Water
- A2 – Cost Share Memo Heritage Gas

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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: Linda Ward, Design Engineering Technologist, Design & Construction Services at 490-6868

Report Approved by: \_\_\_\_\_  
David Hubley, P.Eng., Manager, Design & Construction Services at 490-4845

Procurement Review: \_\_\_\_\_  
Anne Feist, Manager, Procurement (490-4200)

Report Approved by: \_\_\_\_\_  
Phillip Townsend, Director, Infrastructure and Asset Management at 490-7166

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LW/rch.

**MEMORANDUM**

**TO:** John Eisnor, P.Eng., (HW)  
Mark Feener, P.Eng. (HW)

**CC:** David Hubley, P.Eng., Manager, Design and Construction Services, IAM  
Jamie Hannam, P.Eng., MBA, (HW)  
Jeff Spares, P.Eng., Sr. Design Engineer, Design and Construction Services,  
IAM

**FROM:** John Fawcett, P.Eng., Design Engineer, Design Services, IAM

**DATE:** March 18, 2011

**SUBJECT: Tender No. 11-213, Resurfacing, Water Main Renewal & Gas Main  
Installation, Ochterloney Street and Resurfacing, Victoria Road – East  
Region**

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Tender No. 11-213, Resurfacing, Water Main Renewal & Gas Main Installation, Ochterloney Street and Resurfacing, Victoria Road – East Region, closed March 15, 2011. Prior to tender award, a cost sharing agreement must be finalized between HRM (Halifax Regional Municipality) and HW (Halifax Water).

Enclosed is a bid comparison summary for the items associated with the water main and sewer work for this project. They are from the lowest bidder, Brycon Construction Limited.

In the most recent discussions on this project, HW has agreed to pay for the water main work and 50% of the asphalt reinstatement cost relating to their work, which (based on the unit prices) is as follows:

**Reinstatement Area Ochterloney Street**

83 x 5 = 415 m<sup>2</sup> ( storm sewer and water trench)  
45 x 11 = 495 m<sup>2</sup> (sanitary sewer and water trench)  
342 x 2 = 684 m<sup>2</sup> (water trench)

1,594 m<sup>2</sup> x 50% = 797 m<sup>2</sup> (HW share)

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**Tender No. 11-213,**  
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Cost for Type C - HF Asphalt	797 m <sup>2</sup> x \$ 16.00/ m <sup>2</sup>	=	\$ 12,752.00
Cost for Type B – HF Asphalt	797 m <sup>2</sup> x \$ 19.00/ m <sup>2</sup>	=	\$ 15,143.00
Cost for Fine Grading of Road	797 m <sup>2</sup> x \$ 3.00/ m <sup>2</sup>	=	\$ 2,391.00
Cost for Cold Planing	797 m <sup>2</sup> x \$ 7.00/ m <sup>2</sup>	=	\$ <u>5,579.00</u>
Subtotal		=	\$ 35,865.00
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Based on the bidder's tender prices and the above cost sharing, HW's costs for Tender No. 11-213, Resurfacing, Water Main Renewal & Gas Main Installation, Ochterloney Street and Resurfacing, Victoria Road – East Region, can be summarized as follows:

Asphalt Reinstatement	=	\$ 35,865.00
Water Main Work	=	\$429,525.00
Sanitary Sewer Work	=	\$ 31,100.00
Storm Sewer Work	=	\$ 36,360.00
Net HST (i.e., 4.286%)	=	\$ <u>22,837.95</u>
Project Total	=	\$ <u><b>555,687.95</b></u>
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Actual cost sharing for this project will be based on final quantities determined during construction.

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**Tender No. 11-213,**

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

Thank you,

John Fawcett, P.Eng.  
Design Engineer

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John Eisnor, P.Eng.,  
Halifax Water

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Date

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Mark Feener, P.Eng.  
Halifax Water

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Date

JF/rch.

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**MEMORANDUM**

**TO:** Jim Bracken, President, Heritage Gas

**CC:** Jeff Spares, P.Eng., Sr. Design Engineer, Design & Construction Services  
David Hubley, P.Eng., Manager, Design & Construction Services  
Allison Coffin, P.Eng., Heritage Gas

**FROM:** John Fawcett, P.Eng., Design & Construction Services

**DATE:** March 21, 2011

**SUBJECT:** Tender No. 11-213, Resurfacing, Sidewalk, Water Main Renewal and Gas Main Installation, Ochterloney Street - East

Tender No. 11-213, Ochterloney Street, Water Main Renewal and Gas Main Installation – East Region closed March 15, 2011. 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 gas main installation for this project. They are from the lowest bidder, Brycon Construction Limited to highest.

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

Reinstatement Area for Main Line South of Victoria Road = 123 m<sup>2</sup>

Reinstatement Area for Main Line north of Victoria Road	110 x 1.0 m	= 110 m <sup>2</sup>
Reinstatement Area for Laterals	10 x 1 m	= 10 m <sup>2</sup>
		120 m <sup>2</sup> x 50 %
		= 60 m <sup>2</sup>
		+ 123 m <sup>2</sup>
<b>Total Reinstatement Area</b>		<b>= 183 m<sup>2</sup></b>

Cost for Type C-HF Asphalt	183 m <sup>2</sup> x 16.00/m <sup>2</sup>	= \$2,928.00
Cost for Type B-HF Asphalt	183 m <sup>2</sup> x 19.00/m <sup>2</sup>	= \$3,477.00
Cost for Fine Grading of Road	183 m <sup>2</sup> x 3.00/m <sup>2</sup>	= \$ 549.00
Cost for Cold Planing	183 m <sup>2</sup> x 7.00/m <sup>2</sup>	= \$1,281.00
	<b>Subtotal</b>	<b>= \$8,235.00</b>

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Based on the low bidder's tender prices and the above cost sharing, Heritage Gas's cost for the Tender No. 11-213, Resurfacing, Water Main Renewal and Gas Main Installation, Ochterloney Street – East Region can be summarized as follows:

Gas Main	\$18,740.00
Reinstatement Cost Sharing	<u>\$ 8,235.00</u>
	\$26,975.00
Net HST	<u>\$ 1,156.15</u>
Project Total	<u>\$28,131.15</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 return it to my attention. If you have any questions, please call me at 490-6824.

Thank you,



John Fawcett, P.Eng.

JF/pm

  
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Jim Bracken, President  
Heritage Gas

24 March 2011  
Date

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