


Item No. 11.1.5
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 23, 2011

SUBJECT: Award - Unit Price Tender No. 11-240, Paving Renewal, Water Main
& Sewer Renewal – Inverary Drive – East Region

ORIGIN

The Approved Advanced 2011/12 Project Budget.

RECOMMENDATIONS:

It is recommended that Halifax Regional Council:

1. Approve a budget increase of \$718,865 (net HST included) to Project No. CYX01345 – Street Recapitalization, funded through cost sharing with the Halifax Water; and
2. Award Tender No. 11-240, Paving Renewal, Water Main & Sewer Renewal, Inverary Drive - East Region, to Dexter Construction Company Limited, for a Total Tender Price of \$1,228,428.59 (net HST included) with funding from Project No. CYX01345 – Street Recapitalization, as outlined in the Budget Implications section of this report.

BACKGROUND

The Approved Advanced 2011/12 Project Budget includes funds for the paving renewal of Inverary Drive from Dumbarton Avenue to Strath Lane.

DISCUSSION

Tenders were called on March 14, 2011, and closed on March 22, 2011. Bids were received from the following companies:

<u>Name of Company</u>	<u>Bid Price (net HST included)</u>
Dexter Construction Company Limited	\$1,228,428.59 *
J. R. Eisener Contracting Limited	\$1,334,631.16
Amber Contracting Limited	\$1,561,497.22
Brycon Construction Limited	\$1,798,933.50
Ocean Contractors Limited	\$1,961,596.72

***recommended bidder**

The scope of work for this tender generally consists of the replacement and realignment of existing asphalt curb and gutter with new concrete curb and gutter, and removal of the existing asphalt, installation of new asphalt, gravel/grading and associated reinstatement. This project also includes full length of water main and sanitary sewer renewal.

It is anticipated that work will commence after the tender is awarded and as weather permits in the Spring, and take 16 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.

BUDGET IMPLICATIONS

Based on the lowest tendered price of \$1,228,428.59 (net HST included), funding is available in the Approved Advanced 2011/12 Project Budget from Project No. CYX01345 – Street Recapitalization. The budget availability has been confirmed by Financial Services.

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

Cumulative Unspent Budget	\$ 3,948,831
Plus: HW Cost Sharing Tender 11-240	\$ 718,865
Plus: HW Cost Sharing Tender 11-200	\$ 319,903
Less: Tender No. 11-240	\$ 1,228,429 *
Less: Tender No. 11-200	<u>\$ 541,578</u>
Balance	\$ 3,217,592

* The HRM component of this project was estimated in the Approved Advanced 2011/12 Project Budget at \$630,000. As a result of cost sharing from the Halifax Water, the net cost to Project No. CYX01345 is \$509,564.

The balance of funds will be used to implement the remaining 2011/12 paving 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 2011/12 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.

ATTACHMENT

A1 – Cost Share Memo Halifax Water

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.

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

LW/pm

MEMORANDUM

TO: John Eisnor, P.Eng., Halifax Water
Greg Rice, P.Eng. Halifax Water

CC: David Hubley, P.Eng., Manager, Design and Construction Services
Jamie Hannam, P.Eng., MBA, Halifax Water
Jeff Spares, P.Eng., Sr. Design Engineer, Design and Construction Services

FROM: John Fawcett, P.Eng., Design and Construction Services

DATE: March 23, 2011

SUBJECT: **Tender No. 11-240, Paving Renewal, Water Main & Sewer Renewal, Inverary Drive – East Region**

Tender No. 11-240, Paving Renewal, Water Main & Sewer Renewal, Inverary Drive – East Region, closed March 22, 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, Dexter Construction Company Limited.

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

Reinstatement Area

520 m x 9 = 4,680 m² [4,680 m² x 50% = 2,340 (HW Share)]

Cost for Type C - HF Asphalt	2,340 m ² x \$14.40/ m ²	=	\$ 33,696.00
Cost for Type B – HF Asphalt	2,340 m ² x \$16.70/ m ²	=	\$ 39,078.00
Cost for Fine Grading of Road	2,340 m ² x \$ 5.30/ m ²	=	\$ 12,402.00
Cost for Cold Planing	2,340 m ² x \$ 1.40/ m ²	=	\$ 3,276.00
	Subtotal	=	<u>\$ 88,452.00</u>

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Based on the bidder's tender prices and the above cost sharing, HW's costs for Tender No. 11-240, Paving Renewal, Water Main & Sewer Renewal, Inverary Drive – East Region, can be summarized as follows:

Asphalt Reinstatement	=	\$ 88,452.00
Water Main Work	=	\$299,855.00
Sanitary Sewer Work	=	\$301,014.00
Net HST (i.e., 4.286%)	=	<u>\$ 29,544.30</u>
Project Total	=	<u>\$718,865.30</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,



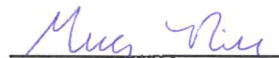
John Fawcett, P.Eng.

JF/pm



John Eisnor, P.Eng.
Halifax Water

Mar. 23/11
Date



Greg Rice, P.Eng.
Halifax Water

March 23, 2011
Date

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