


**Item No. 11.1.1**  
**Halifax Regional Council**  
**May 20, 2014**

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

**SUBMITTED BY:**

Original signed by 

Richard Butts, Chief Administrative Officer

Original Signed by 

Mike Labrecque, Deputy Chief Administrative Officer

**DATE:** April 4, 2014

**SUBJECT:** Award – Tender No. 14-015 - Partial 2<sup>nd</sup> Floor Renovation and Elevator Finishes, City Hall

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**ORIGIN**

- Approved 2014/15 Project Budget. Supplementary Report, page A23 (Buildings).
- August 14, 2012, Regional Council approved Phase 4 City Hall Stone Restoration.

**LEGISLATIVE AUTHORITY**

Under the HRM Charter, Section 79 Halifax Regional Council may expend money for municipal purposes. Administrative Order #35, the Procurement Policy, requires Council to approve the award of contracts exceeding \$500,000 for Tenders and RFPs.

**RECOMMENDATION**

It is recommended that Halifax Regional Council award Tender No. 14-015, Partial 2<sup>nd</sup> Floor Renovation and Elevator Finishes, City Hall, to the lowest bidder meeting specifications, Seagate Construction Inc., for a Total Tender Price of \$779,798.57 (net HST included) with funding from Project No. CBX01046 - Halifax City Hall and Grand Parade Renewal, as outlined in the Financial Implications section of this report.

## **BACKGROUND**

Halifax City Hall was designated a National Historic Site in 1987 by the Historic Sites and Monuments Board of Canada. It replaced temporary facilities (built from 1887 to 1889) that were located on the Halifax waterfront on the grounds of the original Dalhousie College at the north end of the Grand Parade. The building survived the Halifax Explosion of 1917 with minimal structural damage. More modern maintenance and restoration interventions have not been sensitive to either the building character or user requirements.

The Halifax Regional Municipality (Halifax) is committed to providing cost effective, high quality services to its residents. Inherent in this goal is the effective conservation of its historical assets, and the City Hall building is perhaps its most prominent historic building.

Halifax is in the middle of a multi-phase, multiyear state of good repair project to return this significant asset to current day standards, while respecting its historic character. Restoration work on the exterior of the building, restoring it to its former elegance, has been completed. Some of the challenges of working within a building of this age and configuration is the ability to address significant upgrades such as: mechanical systems, HVAC systems, accessibility, technology and security, while maintaining a working office environment and a seat of government. The next phases of the project will adapt the interior to meet the current program requirements and standards and will be based upon the City Hall Building Condition and Energy Assessment dated July 2013.

Prior to the commencement of recapitalization efforts, the exterior stonework was in a poor state of repair and there were significant layout, security, building systems and accessibility deficiencies.

It should be noted that this is the second tender that has been posted for this work. The first tender (No. 13-172) was cancelled.

Work completed to date includes:

<b>Year</b>	<b>Description</b>
2012	Boiler/chiller improvements - mechanical room Improvements to Council Chambers
2013	Finishes – Halifax Hall Media Room renovations Exterior stonework restoration Exterior lighting – Grand Parade Floodlighting – south elevation of City Hall Level 3 offices Elevator shaft and cab Sanitary storm infrastructure in the moat

## **DISCUSSION**

Tender No. 14-015, Partial 2<sup>nd</sup> Floor Renovations and Elevator Finishes - City Hall, was advertised on the Province of Nova Scotia Tenders Website on March 14, 2014, and closed on April 3, 2014. A mandatory site meeting was held on March 24, 2014. Three qualified tender submissions were received. The number of bidders indicates a competitive marketplace for this type of work at this time.

<b>Name of Company</b>	<b>Lump Sum Price (before net HST)</b>	<b>Total Price (net HST included)</b>
Seagate Construction Inc *	\$747,750.00	\$779,798.57
Castone Construction	\$789,081.70	\$822,901.74
Avondale Construction	\$826,815.00	\$862,252.29

**\*recommended bidder**

### ***Scope of Work and Schedule Tender No.14-015***

This award includes significant renovations and restorations on all floors of the building. Tender No. 14-015 will commence within two weeks after award and is estimated to be completed within 22 weeks. A detailed scope of work for this award includes:

<b>Item</b>	<b>Description</b>
Sub-basement	Sprinkler upgrades, IT & security control room for City Hall and Grand Parade. Room must be temperature and humidity controlled, which requires HVAC upgrades and insulation.
Level 1	Reinstatement of custodial storage room, new finishes surrounding elevator door, equipment removal and infill of old elevator shaft, creation of IT chase, sprinkler upgrades.
Level 2	Improvements to the reception area with an upgrade to the security desk/cameras and finishes for main lobby, relocation of building security panels and controls, new security monitoring station, office improvements and new meeting room in southwest corner, office improvements in northwest corner, new finishes surrounding elevator door, equipment removal and infill of old elevator shaft, creation of IT chase, sprinkler upgrades.
Level 3	New finishes surrounding elevator door, equipment removal and infill of old elevator shaft, creation of IT chase, sprinkler upgrades.
Level 4	Creation of coat closet, elevator control closet, temporary file and mail area, new finishes surrounding elevator door, equipment removal and infill of old elevator shaft, creation of IT chase, sprinkler upgrades.

***Scope of Work and Schedule 2014/2015 Project No.: CBX01046***

The following table outlines the work to be tendered in the summer of 2014 for construction in the fall/winter 2014. This detailed schedule will be coordinated with the building's occupants to minimize disruption to building operations.

<b>Item</b>	<b>Description</b>
Sub-basement	Installation of air handling unit.
Level 1	Heating system upgrades.
Level 2	Heating system upgrades, improvements to Halifax Hall kitchen & servery, environmental controlled cabinetry for exhibits in Halifax Hall, improvements to Trophy Room including finishes and IT, hardwood flooring and painting in corridors.
Level 3	Heating system upgrades, lighting improvements, office layout improvements (southwest), hardwood flooring and painting in corridors.
Level 4	Heating system upgrades, ventilation improvements, office layout improvements (west wing).

***Scope of Work Five Year Plan (2015/16 to 2019/20)***

The City Hall Building Condition and Energy Assessment dated July 2013 and the Halifax Grand Parade Conservation Plan dated February 2012 will be the basis of the future work at City Hall including:

- Stair case structural reinforcement
- Re-roofing, flat roof
- Window replacement
- Air handling unit and controls
- West wing level floor
- Recapitalization of Grand Parade, including security and ramps
- Council chambers IT upgrades
- Entrance systems

These improvements are designed to result in a building that is in keeping with HRM's commitment to providing cost effective, high quality services to its residents. In summary, through the state of good repair projects completed at City Hall, staff has addressed the priorities of improving accessibility, keeping the building weather-tight, improving building systems in the mechanical rooms and upgrading the Council Chambers.

**FINANCIAL IMPLICATIONS**

Based on the lowest tendered price of \$747,750, plus net HST of \$32,048.57, for a net total of \$779,798.57, funding is available in the Approved 2014/15 Project Budget from Project No.

CBX01046 – Halifax City Hall & Grand Parade Renewal. The budget availability has been confirmed by Finance.

**Budget Summary: Project No. CBX01046 – Halifax City Hall & Grand Parade Renewal**

Cumulative Unspent Budget	\$2,319,115.96
<b>Less: Tender No. 14-015</b>	<b><u>\$ 779,798.57*</u></b>
Balance	\$1,539,317.39

\* This project was estimated prior to tender at \$720,000. Remaining project scope activities will need to be re-evaluated to maintain overall project budget.

The balance of funds will be used for future project phases, as outlined in the Discussion section of this report.

**ENVIRONMENTAL IMPLICATIONS**

None

**ALTERNATIVES**

Regional Council may choose not to award the tender and go out to tender for the elevator component only. This is not recommended. This would result in additional delays to the completion of the elevator project. There is also procurement risk, the “unbundling” of the project could be viewed by the construction industry as shopping for prices. This is a violation of procurement policy.

**ATTACHMENTS**

None

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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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