

Item No. 11.1.6

Halifax Regional Council

June 24, 2014

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed by Director

Kathleen Llewellyn-Thomas, A/Director, Transportation & Public Works

DATE: May 27, 2014

SUBJECT: Award - Unit Price Tender No. 14-239, Pavement & Water Main
Renewal, New Sidewalk & Storm Sewer Main – Commission Street -
West Region

ORIGIN

The Approved 2014/15 Project Budget.

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 for sole sources exceeding \$50,000 or \$500,000 for RFPs and Tenders respectively.

RECOMMENDATIONS:

It is recommended that Council:

1. Approve a budget increase of \$724,840.89 (net HST included) to Project Account No. CR000005 – Street Recapitalization, funded through cost sharing with the Halifax Water.

RECOMMENDATION CONT'D ON NEXT PAGE

2. Award Tender No. 14-239, Pavement & Water Main Renewal, New Sidewalk & Storm Sewer Main – Commission Street – West Region, to the lowest bidder meeting specifications, Dexter Construction Company Limited for a Total Tender Price of \$1,189,470.47 (net HST included) with funding from Project Account No(s). CR000005 – Street Recapitalization and CR000003 – New Sidewalk, as outlined in the Financial Implications section of this report.

BACKGROUND

The Approved 2014/15 Project Budget includes funds for a new sidewalk & paving renewal of Commission Street from Lady Hammond Road to Kempt Road.

DISCUSSION

Tender # 14-239 was publicly advertised on the Province of Nova Scotia's Procurement website on May 1, 2014 and closed on May 23, 2014. Bids were received from following companies:

<u>Name of Company</u>	<u>Bid Price (net HST included)</u>
Dexter Construction Company Limited	\$1,189,470.47*
J.R. Eisenor Contracting Limited	\$1,517,105.80
Brycon Construction Limited	\$1,520,489.88
Atlantic Road Construction & Paving Limited	\$1,560,131.07

***recommended bidder**

The scope of work for this Tender generally consists of; renewing the street with asphalt pavement and concrete curb, installing new sidewalk, installing new storm sewer, replacing the water main, and associated reinstatement work.

It is anticipated that work will commence within three weeks of the Tender award and take 12 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.

FINANCIAL IMPLICATIONS

Based on the lowest tendered price of \$1,140,585.00 plus net HST of \$48,885.47, for a net total of \$1,189,470.47, funding is available in the Approved 2014/15 Project Budget from Project Account No(s). CR000005 – Street Recapitalization and CR000003 – New Sidewalk. The budget availability has been confirmed by Finance.

Budget Summary:

Project Account No. CR000003 – New Sidewalk

Cumulative Unspent Budget	\$ 2,530,880.46
Less: Tender No. 14-239	<u>\$ 112,044.88 *</u>
Balance	\$ 2,418,835.58

Project Account No. CR000005 – Street Recapitalization

Cumulative Unspent Budget	\$ 3,839,681.76
Plus: HW Cost Sharing	\$ 724,840.89
Less: Tender No. 14-239	<u>\$ 1,077,425.59 *</u>
Balance	\$ 3,487,097.06

*This project was estimated in the Approved 2014/15 Project Budget at \$135,000.00 and \$520,000.00 respectively. As a result of cost sharing from the Halifax Water, the net cost to Project Account No. CR000005 is \$352,584.70.

The balance of funds will be used to implement the remaining 2014/15 Street Recapitalization and New Sidewalk projects approved by Council.

ENVIRONMENTAL IMPLICATIONS

Implications not identified.

ALTERNATIVES

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

ATTACHMENT

A1 – Halifax Water Cost Share Agreement

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: Christina Chisholm, Design Engineering Technologist, Design & Construction Services at 490-6968

Report Approved by: _____
Dave Hubley, P. Eng., Manager, Design & Construction Services at 490-4845

Procurement Review: _____
Anne Feist, Manager, Procurement at 490-4200

Report Approved by: _____
Kathleen Llewellyn-Thomas, P. Eng., A/Director, Transportation & Public Works at 490-4855

MEMORANDUM

TO: Kevin Healy, P.Eng., Project Engineer, Engineering and Information Services, HW

CC: Jamie Hannam, P.Eng., Director, Engineering and Information Services, HW
David Hubley, P.Eng., Manager, Design and Construction Services, HRM
Jeff Spares, P.Eng., Sr. Design Engineer, Design and Construction Services, HRM
Greg Rice, P.Eng., Project Engineer, Engineering and Information Services, HW

FROM: Dylan Hayne, P.Eng., Design Engineer, Design and Construction Services, HRM

DATE: May 27, 2014

SUBJECT: Cost Share Agreement – Tender No. 14-239 Commission Street

Tender No. 14-239, Commission Street – Pavement, Water Main Renewal, New Sidewalk and Storm Sewer Main, West Region, closed May 23, 2014. Prior to tender award, a cost sharing agreement must be finalized between Halifax Regional Municipality (HRM) and Halifax Water (HW).

Enclosed is a bid comparison summary for the items associated with the water and sewer works from the lowest bidder, Dexter Construction Company Limited.

In the most recent discussions on this subject, HW has agreed to pay for water and sewer works along with 50% of asphalt, gravel and fine grading reinstatement costs relating to their work.

Based on the unit prices and the above cost sharing, HW's costs for Tender No. 14-239, Commission Street, can be summarized as follows:

(A) Cost for Water and Sewer Works	\$614,130.00
(B) Reinstatement Cost	<u>\$80,921.00</u>
Sub-total:	\$695,051.00
Net HST (4.286%):	<u>\$29,789.89</u>
Grand Total:	\$724,840.89

Actual cost sharing for this project will be based on final quantities determined during construction including any extra costs related to the HW works.

If you agree to this arrangement, please indicate by signing the enclosed copy and return it to my attention. If you any questions, contact me at 490-1457.

Thank you,

Original Signed

Dylan Hayne, P.Eng.
Design Engineer

Original Signed

Kevin Healy, P.Eng.
Halifax Water

May 29. 2014

Date