




P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No. 14.3**  
**Halifax Regional Council**  
**June 23, 2015**

**TO:** Mayor Savage 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:** June 4, 2015

**SUBJECT:** Award - Unit Price Tender No. 15-225, Pavement & Water Main Renewal  
First Ave./Cadogan St./Cunningham Dr. – Central Region

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#### **ORIGIN**

The Approved 2015/16 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 RFP's and tenders respectively.

#### **RECOMMENDATIONS:**

It is recommended that Halifax Regional Council:

1. Approve a budget increase of \$301,021.54 (net HST included) to Project Account No. CR000005, Street Recapitalization, funded through cost sharing with Halifax Water, as outlined in the Financial Implications section of this report; and
2. Award Tender No. 15-225, Pavement & Water Main Renewal - First Ave./Cadogan St./Cunningham Dr., to the lowest bidder meeting specifications, Atlantic Road Construction & Paving Limited for a Total Tender Price of \$640,550.68 (net HST included) with funding from Project Account No. CR000005 – Street Recapitalization as outlined in the Financial Implications section of this report.

#### **BACKGROUND**

The Approved 2015/16 Project Budget includes funds for the recapitalization of First Ave. from Bedford Hwy. to Pine St., Cunningham Dr. from First Ave. to end and Cadogan St. from First Ave. to end.

## **DISCUSSION**

Tender No. 15-225 was publicly advertised on the Province of Nova Scotia's Procurement website on May 15, 2015 and closed on May 29, 2015. Bids were received from the following companies:

<b><u>Name of Company</u></b>	<b><u>Bid Price (net HST included)</u></b>
Atlantic Road Construction & Paving Limited	\$640,550.68*
Dexter Construction Company Limited	\$698,830.91
Ocean Contractors Limited	\$761,063.59
J.R. Eisener Contracting Limited	\$790,964.47
Brycon Construction Limited	\$876,002.40
Basin Contracting Limited	\$985,741.19

### **\*recommended bidder**

The scope of work for this tender generally consists of the construction of the pavement renewal of First Avenue and the pavement resurfacing of Cadogan Street and Cunningham Drive by removing existing asphalt and resurfacing with asphalt. There is a water main renewal on First Avenue with associated sewer repairs.

Included in this contract is associated curb repair and sidewalk repairs, landscaping reinstatement, retaining wall reinstatement and associated manhole, catchbasin and valve adjustments.

It is anticipated that work will commence within three weeks of the tender award and take 10 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 \$614,225.00 plus net HST of \$26,325.68, for a net total of \$640,550.68, funding is available in the Approved 2015/16 Project Budget from Project Account No. CR000005 – Street Recapitalization. The budget availability has been confirmed by Finance.

<b>Budget Summary:</b>	<b><u>Project Account No. CR000005 – Street Recapitalization</u></b>
	Cumulative Unspent Budget \$ 9,112,790.52
	<b>Plus: Halifax Cost Share \$ 301,021.54</b>
	<b>Less: Tender No. 15-225 \$ 640,550.68 *</b>
	Balance \$ 8,773,261.38

\* This project was estimated in the Approved 2015/16 Project Budget at \$505,000. As a result of cost sharing from the Halifax Water, the net cost to Project Account No. CR000005 is \$339,529.14.

The balance of funds will be used to implement the remaining 2015/16 Street Recapitalization projects approved by Council.

If approved, there will be an increase to the gross project budget but not the net.

### **ENVIRONMENTAL IMPLICATIONS**

Implications not identified.

### **ALTERNATIVES**

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

### **ATTACHMENT**

Attachment 1 - Halifax Water Cost Share Memo

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A copy of this report and information on its status can be obtained by contacting the Procurement Office at 490-4170, or Fax 490-6425.

Report Prepared by: Jamie Wile, Design Engineering Technologist, Project Planning & Design at 902-490-6869

Business Unit Review: \_\_\_\_\_  
Dave Hubley, P. Eng., Manager, Project Planning & Design at 902.490-4845

Procurement Review: \_\_\_\_\_  
Anne Feist, Manager, Procurement 902.490-4200

Report Approved by: \_\_\_\_\_  
Bruce Zyaniga, P.Eng., Director, Transportation & Public Works, 902.490.4855

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## MEMORANDUM

TO: Jonathan MacDonald, P.Eng., Project Engineer, HW

CC: Tom Gorman, P.Eng., Manager, Water Infrastructure Engineering, HW  
Jeff Spares, P.Eng., Sr. Design Engineer, Project Planning & Design, HRM

FROM: Dylan Hayne, P.Eng., Design Engineer, Project Planning & Design, HRM

DATE: June 4, 2015

**SUBJECT: Tender No. 15-225 First Avenue - Pavement and Water Main Renewal**

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Tender No. 15-225, Pavement & Watermain Renewal – First Avenue – Central Region, closed May 29, 2015. 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 main and sewer works and the cost sharing breakout based on the lowest bidder, Atlantic Road Construction and Paving Limited (ARCP).

In the most recent discussions on this subject, HW has agreed to pay 50% of asphalt reinstatement costs, and all other reinstatement costs related to HW works.

Based on the low bidder's tender prices and the above cost sharing, Halifax Water's costs for Tender No. 15-225, Pavement & Watermain Renewal – First Avenue – Central Region, can be summarized as follows:

Water and Sewer Work – First Avenue	=	\$ 265,275.00
HW Reinstatement Costs – First Avenue	=	\$ <u>23,375.00</u>
Sub-total	=	\$ 288,650.00
Net HST (i.e. 4.286%)	=	\$ <u>12,371.54</u>
<b>HW Project Total</b>	=	<b>\$ <u>301,021.54</u></b>

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 490-1457.

Thank you,

Original Signed

Dylan Hayne, P.Eng.

Original Signed

JUNE 5/2015

for Jonathan MacDonald, P.Eng.  
Halifax Water

Date