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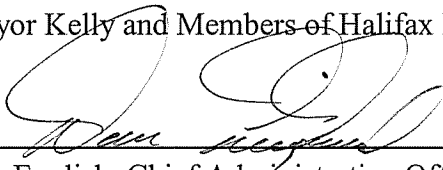


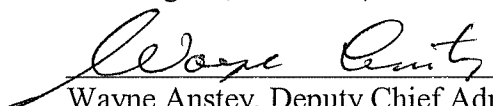
PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

Halifax Regional Council  
May 9, 2006

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

**SUBMITTED BY:**

  
\_\_\_\_\_  
Dan English, Chief Administrative Officer

  
\_\_\_\_\_  
Wayne Anstey, Deputy Chief Administrative Officer - Operations

**DATE:** April 21, 2006

**SUBJECT:** Award of Tender #06-040 - Biennial Refit, Dartmouth III

**ORIGIN**

Proposed 2006/2007 Capital Budget.

**RECOMMENDATION**

It is recommended that Regional Council:

1. Approve advanced funding of the proposed 2006/07 Capital Budget in the amount of \$300,000.00 for Capital Project CVD00436.
2. Award Tender #06-040 to Lunenburg Foundry & Engineering Limited for the Biennial Refit of the Dartmouth III for a total cost of \$185,129.00 (net HST included) with funding from Capital Account No. CVD00436, as outlined in the Budget Implications section of this report.

**BACKGROUND**

The Halifax Regional Municipality operates three (3) ferries that travel the harbour between Halifax and Dartmouth. One of these vessels, the Dartmouth III, requires refit work. This work must be completed every two (2) years so that the ferry meets the requirements of Ship Safety.

The work is usually scheduled in the spring or the fall as we do not want the vessel out of service in the middle of the summer which is the height of the tourist season. We have tendered the work now as it is our preference to have the work completed in the spring. Timing of the work is important as the vessels are repaired on a dry dock or slip which is open to the elements.

Operationally we would prefer to have the work completed now for the following reasons:

- 1) the vessel's work should not encounter extended weather delays which has happened in the past when work was scheduled for the fall;
- 2) the final finish and paint work will be done in warmer weather and will result in a better quality finish; and
- 3) the hull work, ship safety inspection, painting, and a variety of other items will be completed before the busy season and make the vessel more trouble free.

Due to the six week time period to have the work completed, it should be carried out right away to be finished in time for typical passenger increases in late June.

**DISCUSSION**

The following bids were received, evaluated and recommended as follows:.

<b><u>Company Name</u></b>	<b><u>Lump Sum Price(net HST included)</u></b>
<b>Lunenburg Foundry</b>	<b>\$185,129.00*</b>

**\* recommended bidder**

Note: A second bid of \$276,762.00( net HST inc.) was received from Shelburne Ship Repair but did not meet the terms and conditions of the tender.

The refit is expected to take approximately 6 weeks to complete.

**BUDGET IMPLICATIONS**

**Capital Account No. CVD00436 - Biennial Refit, Dartmouth III:**

Remaining 05/06 Budget	\$ 96,230.00
Plus: Proposed 06/07 Budget	\$300,000.00
Less Tender # 06-040	<u>\$185,129.00</u>
Uncommitted Budget	\$211,101.00

The remaining funds will be required for further maintenance/painting of the ferries.

**FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

**ALTERNATIVES**

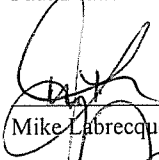
There are no recommended alternatives.

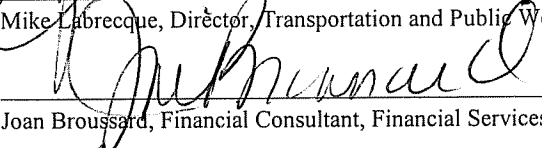
**ATTACHMENTS**

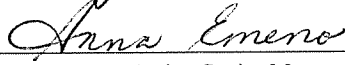
N/A.

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.

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