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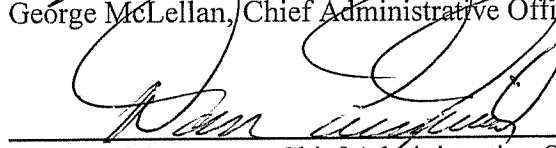
PO Box 1749
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Halifax Regional Council
July 5, 2005

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


George McLellan, Chief Administrative Officer


Dan English, Deputy Chief Administrative Officer

DATE: June 28, 2005

SUBJECT: Award of Unit Price Tender No. 05-254, Herring Cove Water and Sewer Phase 1A - West Region

ORIGIN

The Approved 2005/06 Capital Budget.

RECOMMENDATIONS:

Subject to the approval of the water and sewer servicing plan at the public hearing of July 5, 2005, it is recommended that Council:

1. award Tender No. 05-254, Herring Cove Water and Sewer Phase 1A - West Region to J.R.Eisener Contracting Limited for materials and services listed at the unit prices quoted for a Tender Price of \$3,706,655 plus net HST for a total cost of \$3,833,756 from Capital Account No. CSE00398, Herring Cove Water and Sewer Phase 1A, with funding authorized as per the Budget Implications Section of this report.
2. approve the appointment of CBCL Limited for contract administration and construction inspection services for an estimated fee of \$120,663 plus net HST for a total cost of \$124,800, from Capital Account No. CSE00398, Herring Cove Water and Sewer Phase 1A, West Region, with funding as outlined in the Budget Implications Section of this report.

BACKGROUND

The Halifax Regional Municipality, in cooperation with the Federal and Provincial Governments under the Canada-Nova Scotia Infrastructure Program, have provided funding to construct a sanitary sewer and water distribution system in the Herring Cove Area. This phase of the project (Phase 1A) will provide servicing on Herring Cove Road, Ketch Harbour Road, Ocean Breeze Drive, St Paul's Avenue, and fire hydrants within the Churchill Estates Subdivision.

DISCUSSION

Tenders were called on June 4, 2005 and closed on June 17, 2005. The following bids, exclusive of taxes, were received:

	<u>Bid Price</u>
1. J.R. Eisener Contracting Limited	\$3,706,654.73
2. A.C.L. Construction Limited	\$3,946,900.00
3. Dexter Construction Company Limited	\$5,248,090.00

The scope of work for this tender generally consists of the construction of sanitary sewer and water system, including service laterals, reinstatement of disturbed surfaces and all environmental protection measures required during construction. This project also includes the installation of new fire hydrants (on the existing distribution system) within the Churchill Estates Subdivision.

Since this project was designed by CBCL Limited, and will require more staff time than can be allocated at this time, it is recommended that they be retained to provide contract administration and construction inspection services. The estimated fee for this service is \$120,663 plus applicable taxes. If approved, the payment to the consultant will be based on the amount of actual time spent on the project in accordance with the hourly fees quoted in the design proposal.

It is anticipated that work will commence within three weeks of the tender award.

This is a **UNIT PRICE** contract and the cost will be dependent upon the actual quantities measured and approved by the HRM Project Manager.

The installation of new sewer and water systems is subject to Local improvement Charges, as per By-law L-124.

BUDGET IMPLICATIONS

Based on the lowest tendered price of \$3,706,655, plus net HST for a total project cost of \$3,833,756, and contract administration and construction inspection services of \$120,663 plus net HST for a total project cost of \$124,800 funding is available in the Approved 2005/06 Capital Budget from Account No. CSE00398, Herring Cove Water and Sewer Phase 1A. The budget availability has been confirmed by Financial Services.

Budget Summary:	<u>Account No. CSE00398, Herring Cove Water and Sewer Phase 1A</u>	
	Cumulative Unspent Budget	\$4,854,190
	Less: Tender 05-254	\$3,833,756*
	Less: Contract Administration and Construction Inspection Services	<u>\$ 124,800</u>
	Cumulative Unspent Budget	\$ 895,634

* This project was estimated in the Approved 2005/06 Capital Budget at \$3,106,200.

The remaining funds from this account are required to implement the remaining phases of this project.

This phase of the project has been approved for Cost sharing under the Canada-Nova Scotia Infrastructure Program (CNSIP) in the amount of \$2,070,000. The balance of the funding required for this phase of the project will come from the Herring Cove Community Integration Fund (CIF), with no net cost to HRM. Funding for future phases of this project will come from the CIF and Local Improvement Charges as described in By-Law L-124.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

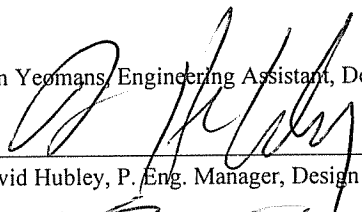
This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

There are no recommended alternatives.

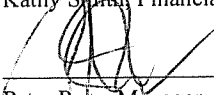
A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

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