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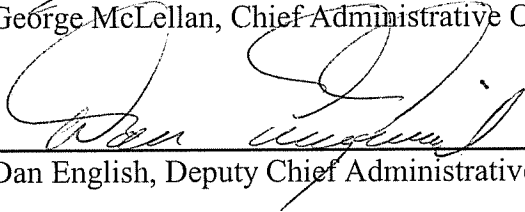
PO Box 1749
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Halifax Regional Council
January 20, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


George McLellan, Chief Administrative Officer


Dan English, Deputy Chief Administrative Officer

DATE: January 14, 2004

SUBJECT: Award Tender 03-171 Grey Arena Renovations

ORIGIN

The 2003/2004 approved capital budget identified funds to carry out upgrades to the Grey Arena.

RECOMMENDATION

It is recommended that Regional Council:

1. approve an increase in the gross capital budget to Capital Account No. CB100225, Arena Upgrades by the total amount of \$215,330 with funds in the amount of \$115,330 from CRESPOOL, and an additional amount of \$100,000, with no change to the Net budget, to reflect the cost sharing as per the Background Section of this report.
2. award Tender 03-171 to the low bid from Blunden Construction (1995) Limited for materials and services for the quoted lump sum tender price of \$285,300 before taxes, for a total project cost of \$285,300 from Capital Account No. CB100225 -Arena Upgrades with funding authorized as per the Budget Implications section of this report. The Grey Arena is a tax class 'B' building with full HST rebate.

BACKGROUND

The existing locker room accommodation at Grey Arena has been inadequate to meet the increasing demands of teams who rent the facility. The proposed renovation will see the construction of two new full sized locker rooms, a co-ed/referee locker room and upgrades to the existing undersized locker rooms to better accommodate casual skaters. These upgrades will bring the facility more in line with the hockey community's expectation and better serve the general public.

DISCUSSION

This project was approved as part of the 2003/04 Capital Budget. Based on a Class 'C' estimate of of \$214,000, \$114,000 of debt funding was requested and approved. Although not confirmed at the time of the capital budget approval, cost sharing of another \$100,000 as identified in this report was anticipated from Nova Scotia Sport and Recreation as well as SEDMHA and the Whalers Hockey Association bringing the funding to the required level. Proceeding with the project was contingent upon those funding sources.

The following bids were received on October 20, 2003.

Company	Lump Sum Price (incl. net taxes*)
Blunden Construction (1995) Limited	\$285,300.00
DORA Construction	\$289,000.00
Avondale Construction	\$303,643.00
OPRON Maritimes	\$315,000.00
Walter Construction	\$400,000.00

* The Grey Arena is a tax class 'B' building with full HST rebate.

BUDGET IMPLICATIONS

Based on an increase to the gross capital budget of Account CB100225, in the amount of \$215,330, with \$115,330 from CRESPOOL , \$50,000 cost sharing from Nova Scotia Sport and Recreation (\$25,000 in 2003, \$25,000 in 2004), \$25,000 cost sharing from SEDMHA and \$25,000 cost sharing from the Whalers hockey team, funding in the amount of \$313,830.00 is available and has been confirmed by Financial Services.

Budget Summary: Capital Account No: CB100225-Arena Upgrades(Reservation 503)

Cumulative Unspent Budget*	\$ 98,500.00
Less: Tender No. 03-170	\$ 285,300.00
Less 10% contingency	\$ 28,530.00
Plus: Transfer from CRESPOOL	\$ 115,330.00
Plus: Cost Sharing from N.S. Sport and Recreation	\$ 50,000.00
Plus: Cost Sharing from SEDMHA	\$ 25,000.00
Plus: Cost Sharing from Whalers Hockey Assoc.	<u>\$ 25,000.00</u>
	\$ 0.00

* The cumulative unspent budget represents the availability of funds allocated for the Grey Arena Renovations.

This project meets the criteria for use of the Capital Pool funds as per the Capital Pool Procedures Report dated May 8, 2001 and approved by Council May 15, 2001.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

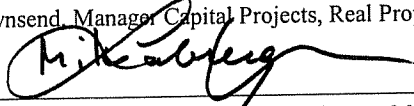

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

Council can choose not to award this tender which would require the project to be resubmitted as part of the 2004/05 Capital Budget. The Nova Scotia Sport and Recreation cost sharing would still be in place for 2004/2005, however there are no assurances that the private cost sharing would still be available, or that costs in 2004/05 will not escalate beyond the current tender price. This is **not** the recommended alternative.

ATTACHMENTS

N/A

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.	
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Report Approved by:	 Peter Ross, Manager, Procurement or his designate