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Halifax Regional Council
April 27, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

A handwritten signature in black ink, appearing to read "George McLellan".

George McLellan, Chief Administrative Officer

A handwritten signature in black ink, appearing to read "Dan English".

for Dan English, Deputy Chief Administrative Officer

DATE: April 2, 2004

SUBJECT: RFP - 04-028 - Underground Utilities Feasibility Study

ORIGIN

The Halifax Regional Municipality publicly advertised request for proposals on January 31, 2004 and February 4, 2004 for a feasibility study to install underground utilities.

RECOMMENDATION

It is recommended that RFP 04-028 - Underground Utilities Feasibility Study be awarded to the highest ranking evaluated proposal, Kinectrics Inc., for a cost of \$60,000 plus applicable taxes from Capital Accounts CDG 000499 - Capital District Buried Wire Implementation and Q126 - Strategic Growth Reserve, with funding authorized as per the Budget Implications section of this report.

BACKGROUND

- In July 2001 a Committee was formed to study the comparative capital costs of underground versus overhead wiring (e.g. power, phone, cable). The purpose was to determine whether HRM should require underground wiring in new developments. The committee included representatives from the development industry, relevant utilities and HRM. Due to a lack of dedicated resources and competing priorities the committee's work has not been completed.
- Hurricane Juan provided a clear example of the potential benefits of underground wiring.
- Proposed work on this issue was highlighted during the recent business planning/budget process. Funds were also identified to carry out the study of this issue as well as implementation.

DISCUSSION

Scope and Purpose

Based upon the factors outlined above, staff is proposing that a new and expanded approach to the study of this issue be undertaken.

- First, it is recommended that a consultant be hired to undertake this work.
- Second, in addition to capital costs, the study will look at life cycle costs, service reliability, and other related issues such as community aesthetics and impact upon street trees in the right of way.
- Third, the study will not only look at these issues with respect to new development but also the implications of burying existing overhead wiring in developed areas.

The results of the study will provide the basis for Council to could consider the potential impacts of changes to municipal policy, regulations and investment with respect underground utilities. Input from utilities and the development industry will be obtained during the study. It will also be a useful tool for evaluating alternatives for community form under the Regional Plan.

In addition, there are two proceedings before the Nova Scotia Utility and Review Board in which this study should prove useful.

- The Board is considering a complaint filed by residents of Cowie Hill as a result of Nova Scotia Power's plans to replace existing underground services with overhead service commencing March 29th, 2004. The Board has agreed to postpone the hearing until HRM's study is completed.
- In January 2003 HRM requested that the Board hold a hearing with respect to Nova Scotia Power's vegetation easements. A date for this hearing has not yet been set.

In broad terms the study will:

- Determine the impacts of placing utilities underground, in terms of cost, reliability of service, community character, the environment, quality of life, and other health related issues; and
- Identify opportunities and costs for installing underground utilities in new developments, the Capital District, industrial/business parks, and during other capital projects such as street renewals, the Harbour Solutions Interceptor Sewer Project, private site redevelopment projects, and the build-out for natural gas distribution.

The study is expected to take three months to complete.

Tender Award

Terms of reference setting the scope of work were prepared and a request for proposal was advertised in the local newspaper and closed on Tuesday, February 17, 2004 for an Underground Utilities Feasibility Study.

Proposals were received from the following consultants:

Kinectrics Ltd.
The MacDonnell Group
Neill & Gunter (Nova Scotia) Ltd.

An evaluation team consisting of staff of the CAO's Office, Legal Services, Regional Planning, Public Works & Transportation, Environmental Management Services, Planning & Development, and Procurement evaluated the proposal on the following basis:

- Expertise of Firm and Project Team
- Understanding Scope of Work
- Proposed Methodology
- Fee Proposal

The final scoring for each firm is as follows:

Company	Scoring (max. 100)
Kinectrics Ltd.	80
The MacDonnell Group	49
Neill & Gunter (Nova Scotia) Ltd.	67

Appendix "A" provides the detailed breakdown of the total scoring and fees.

BUDGET IMPLICATIONS

The study will be funded jointly from the following sources:

	Approved for 2003/04 Capital Budget
CDG 000499 - Capital District Buried Wire Implementation	\$30,000
Q126 - Strategic Growth Reserve	\$30,000

The availability of funds has been confirmed by Financial Services.

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

N/A

ATTACHMENTS

Appendix "A" - Summary of Evaluation Criteria

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.

Report Prepared by: Peter Duncan, P.Eng., Manager of Development Engineering, 490-5449

Report Approved by: _____
Paul Dunphy, Director, Planning & Development Services

Peter Ross, Manager of Procurement

**APPENDIX A
HALIFAX REGIONAL MUNICIPALITY
UNDERGROUND UTILITIES FEASIBILITY STUDY
PROPOSAL EVALUATION RFP # 04-028**

EVALUATED BY: STAFF OF CAO'S Office, Legal Services, Regional Planning, Public Works and Transportation, Environmental Management Services, Planning & Development and facilitated by Procurement

CRITERIA	MAX. SCORE	SUBMISSION				
		Kinectrics	MacDonnell	Neill & Gunter		
Expertise of Firm and Project Team *relevant experience *recent experiences related to projects of similar nature and references *skill mis *depth of team	15	12	5	12		
Understanding Scope of Work *demonstrate understanding of scope and objectives *comprehension of associated issues *demonstrate ability to convey ideas and concepts through oral presentations and written word	30	26	15	24		
Proposed Methodology *stated methodology meets proposal's objectives *quality of proposal approach *considerations of options and solutions *demonstrate a realistic schedule *innovative approach	50	39	24	27		
Costs	5	3	5	4		
		\$60,000	\$43,470	\$50,000		
TOTAL	100	80	49	67		
RANKING		1	3	2		