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PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Halifax Regional Council
May 11, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Geri Kaiser, Acting Chief Administrative Officer



Mike Labrecque, Director, Real Property & Asset Management

DATE: April 21, 2004

SUBJECT: Award of Unit Price Tender No. 04-203; Wright Avenue Extension,
Burnside Business Park, Phase 11-2 Development

ORIGIN

Council's April 22, 2003, approval of the sale of Lot 1190, Phase 11-2 Burnside Park, to the Government of Canada, and Council's subsequent approval of the 2004/05 capital budget commitment to enable the construction and lot servicing for Phase 11-2, including Lot 1190 and the extension of Wright Avenue and the construction of an at-grade intersection at Burnside Drive.

RECOMMENDATIONS

It is recommended that Regional Council:

1. approve an increase in the Gross Budget for Capital Account No. CQ300634, Burnside Phase 11-2 Development in the amount of \$125,000 with funding as a withdrawal from Account No. Q121, Business/Industrial Parks Expansion Reserve;
2. approve an increase in the Gross Budget for Capital Account No. CQ300634, Burnside Phase 11-2 Development by \$71,350 with no change in the Net Budget to cover the cost of the installation of a natural gas pipeline from Heritage Gas;

Recommendations Continued . . .

RECOMMENDATIONS (cont'd.)

3. award Tender No. 04-203, Burnside Business Park Phase 11-2 Development to Dexter Construction Ltd. for materials and services listed at the unit prices quoted for a tender price of \$5,692,124.50 plus fully recoverable HST, for a total of \$5,692,124.50; and approve an amount of \$234,433 for testing of materials and unforeseen works that is likely to occur with a project of this magnitude and complexity, from Account No. CQ300634, Burnside Phase 11-2 Development with funding authorized as per the Budget Implications section of this report;
4. approve the appointment of CBCL Ltd. for construction inspection services for an estimated fee of \$127,000 plus fully recoverable HST for a total of \$127,000 from Capital Account No. CQ300634, Burnside Phase 11-2 Development, with funding authorized as per the Budget Implications section of this report; and
5. authorize \$135,000 plus fully recoverable HST for a total of \$135,000 to Nova Scotia Power Inc. for the extension of overhead and underground electrical transmission lines from Capital Account No. CQ300634, Burnside Phase 11-2 Development, with funding authorized as per the Budget Implications section of this report.

BACKGROUND

In keeping with Real Property and Asset Management's approved Service Plan and the phased development and build-out of Burnside Park, Phase 11 is to be constructed in a series of sub-phases in response to market demand. Council approved Phase 11-1 in 2002, and it has now been completed and serviced. Phase 11-1 consists of 23 acres. Eighty percent of the Phase 11-1 lots are under Agreement and/or closed.

In Spring 2003, the Government of Canada approached the Municipality regarding the purchase of a 16-acre lot in the Burnside Park for construction of a major office building requirement for the RCMP. The preferred location was Lot 1190 Garland Avenue located within the proposed Phase 11-2 of Burnside Park. The Municipality subsequently entered into an Agreement of Purchase and Sale with the Government of Canada and closed the sale in October 2003, with the Municipality carrying the obligation to complete the extension of Wright Avenue and associated works to deliver Lot 1190 by Fall 2004.

The development of Phase 11-2 will add 42 acres (*nine lots*) of additional inventory. Based on current pricing and the strong exposure of many of the proposed lots, it is anticipated that this phase will be very well received.

DISCUSSION

The 2004/05 Approved Capital Budget includes funds for the extension of Wright Avenue to Burnside Drive, continuation of Wright Avenue from Burnside Drive to an intersection with the extension of Williams Avenue, extension of Williams Avenue complete with municipal water and sewer mains to the end of lot frontage along Lot 1190, and an at-grade signalized intersection at Burnside Drive and Wright Avenue.

Council should also note that the Tender pricing is inclusive of park and pedestrian amenities including sidewalks, bike lanes, landscaping, way finding signage, and parkland trails featuring a board-walk and look-off that links Phase 11-2 to the Spectacle Lake trail system.

Tenders for this project were called on March 31, 2004 and closed on April 20, 2004. The following bids, exclusive of taxes, were received:

	<u>Bid Price</u>
Dexter Construction Ltd.	\$5,692,124.50
Brycon Construction Ltd.	\$6,002,600
ACL Construction Ltd.	\$6,075,855
Amber Contracting Ltd.	\$6,523,287

The scope of work for this tender generally includes the construction of a new road to extend the existing Wright Avenue to Burnside Drive, construction of a retaining wall, and creation of a four-way signalized intersection at Burnside Drive. It also includes the development of Phase 11-2 of the Burnside Park, including lot grading, and the grading, servicing and paving of approximately one kilometre of new streets. A sewage pumping station, and underground power and communications infrastructure is included, along with a natural gas pipeline, roadway lighting, signage and landscaping.

It is anticipated that construction 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. There are no Local Improvement Charges associated with this work.

BUDGET IMPLICATIONS

Based on recommendations being approved for increases from the Business/Industrial Parks Expansion Reserve (Q121) and cost sharing from Heritage Gas, funding is available and has been confirmed by Financial Services.

Budget Summary: Capital Account No. CQ300634, Burnside Phase 11-2 Development

Cumulative Unspent Budget	\$ 6,000,000.00
Plus: Increase from Q121	\$ 125,000.00
Plus: Heritage Gas Cost Sharing	\$ 71,350.00
Less: NSP Infrastructure	\$ 135,000.00
Less: CBCL Inspection Services	\$ 127,000.00
Less: Tender 04-203	\$ 5,692,124.50
Less: Testing & unforeseen works	<u>\$ 234,433.00</u>
	\$ 7,792.50

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

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

ALTERNATIVES

Council could decide not to approve the award. However, this would result in the Municipality failing to reasonably meet its obligations under agreement of purchase and sale for Lot 1190.

ATTACHMENTS


- Attachment 1 - Memorandum dated April 21, 2004 from Heritage Gas
- Attachment 2 - Intersection Plan
- Attachment 3 - Phase 11-2 Plan and Lot Configuration

**Award of Unit Price Tender No. 04-203; -5-
Wright Avenue Extension, Burnside Business Park**

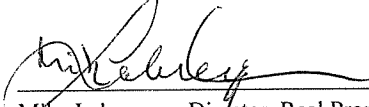
**Regional Council
May 11, 2004**

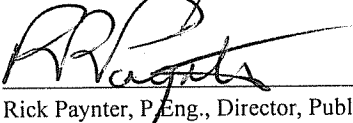
Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Dean Knowles, CET, Engineering Assistant, Design & Construction Services 490-6825

Report Reviewed by:  Peter Stickings, Manager, Real Estate, Real Property and Asset Management 490-7129
Gerry Boyd, P.Eng., Manager, Design & Construction Services 490-4845

Report Approved by: 
Dale MacLennan, Director, Financial Services 490-6308

Report Approved by: 
Mike Labrecque, Director, Real Property and Asset Management 490-4851

Report Approved by: 
Rick Paynter, P.Eng., Director, Public Works and Transportation Services 490-4855



P.O. Box 1749
Halifax, Nova Scotia
B3J 2A5 Canada

**PUBLIC WORKS AND TRANSPORTATION SERVICES
DESIGN & CONSTRUCTION SERVICES**

April 21, 2004

Ms. Colleen Rollings, P.Eng.
Heritage Gas
P.O. Box 1020
88 Alderney Drive, 3rd Floor
Dartmouth Ferry Terminal Building
Dartmouth, NS B2Y 4W3

Dear Ms. Rollings:

Re: Tender 04-203, Burnside Business Park Phase 11-2 Development

Tender 04-203, Burnside Business Park Phase 11-2 Development closed April 20, 2004. Prior to tender award, a cost sharing agreement must be finalized between HRM and Heritage Gas. Enclosed is a bid comparison summary from the four submitted tenders.

Based on the low bidder's (Dexter Construction Company Limited) tender prices, Heritage's costs for Tender 04-203, Burnside Business Park Phase 11-2 Development can be summarized as follows:

Gas Installation	\$ 67,040.00
Net HST	\$ 4,310.00
Project Total	<u>\$ 71,350.00</u>

If you agree to this arrangement, please indicate by signing the enclosed copy and returning it to me. If you have any questions, please call me at 490-6900.

Thank you.

Jeff Spares, P.Eng., Design Engineer

JS/bhs

Colleen Rollings, P.Eng.
Heritage Gas

Apr 27/04
Date

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Attachment 2
Wright Avenue
Intersection Plan

