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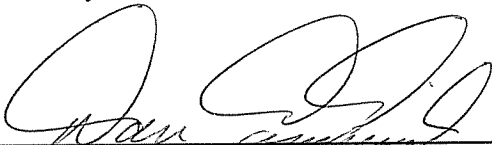


PO Box 1749
Halifax, Nova Scotia
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Halifax Regional Council
June 22, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Dan English, Acting Chief Administrative Officer

DATE: June 15, 2004

SUBJECT: **Award of Unit Price Tender No. 04-244, Surface Sealing - Various Locations**

ORIGIN

Approved 2004/05 Capital Budget and Operating Budget.

RECOMMENDATION

It is recommended that Council award Tender No. 04-244, Surface Sealing - Various Locations to Industrial Cold Milling for materials and services listed at the unit prices quoted for a Tender Price of \$643,480, plus net HST for a total of \$665,545 from Account No. CZU00565, Resurfacing, and Operating Account No. R730 6399, Chip Sealing - Various Locations, with funding authorized as per the Budget Implications section of this report.

BACKGROUND

The 2004/05 Approved Capital Budget and Approved Operating Budget includes funds for a paving resurfacing program that will significantly improve the level of service to the public.

DISCUSSION

Tenders were called on May 22, 2004 and closed on May 28, 2004. The following single bid, exclusive of taxes, was received:

	<u>Bid Price</u>
1. Industrial Cold Milling	\$643,480.00

The scope of work for this tender includes Micro Paving on streets selected under the Capital Works Program, and on streets that have been identified for surface treatment in the Public Works and Transportation Operating Budget. The later streets were typically Chip Sealed in the past and will receive micro paving which will be more cost effective and reduce complaints from residents.

All unit price extensions have been checked and found to be correct. Although this is a single tender submission, the following should be noted:

1. This was a publicly advertised tender, and tender documents were taken out by four companies.
2. Industrial Cold Milling is experienced in the micro paving process and has carried out surface sealing programs for HRM based on previous single-bid submissions.
3. The unit prices tendered for the work are considered reasonable and, in general, are only slightly higher than the previous unit price bid submission for this type of work in 2003.

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.

There are no Local Improvement Charges associated with this work.

BUDGET IMPLICATIONS

Based on the lowest tendered price of \$643,480, plus net HST for a total of \$665,545, funding is available in the 2004/05 Approved Capital Budget in the amount of \$330,545 under Account No. CZU00565, Resurfacing and funding is available in the Approved Operating Budget in the amount of \$335,000 under Account No. R730 6399, Chip Sealing-Variou Locations. The budget availability has been approved by Financial Services.

Budget Summary	Account No. CZU00565, Resurfacing	
	Cumulative Unspent Budget	\$6,095,601
	Less: Tender No. 04-247	\$ 368,104
	Less: Tender No. 04-250	\$ 309,942
	Less: Tender No. 04-244	\$ 330,545*
		\$5,087,010

* This project was estimated in the 2004/05 Capital Budget at \$400,000. The remaining funds from this account are required to implement other surface sealing projects.

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.

The Surface Sealing Program will extend the life of existing Halifax Regional Municipality Roads and Streets.

ALTERNATIVES

There are no recommended alternatives.

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.

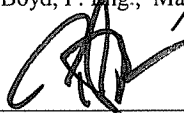
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