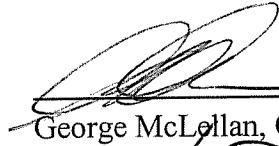



Halifax Regional Council
August 31, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


George McLellan, Chief Administrative Officer


Larry Drew, Acting Director, Public Works and Transportation Services

DATE: August 23, 2004

SUBJECT: **Award of Unit Tender No. 04-239, Crichton Avenue - Street Reconstruction, Sewer Upgrade and Gas Line Installation - Eastern Region**

ORIGIN

2004/05 Approved Capital Budget

RECOMMENDATION

It is recommended that Regional Council:

1. approve an increase in the Gross Budget for Capital Account No. CGU00580, Crichton Sewer Replacement in the amount of \$130,000, with funding from Account No. Q104, Sewer Redevelopment Reserve.
2. approve an increase in the Gross Budget for Capital Account No. CZU00565, Crichton Avenue (Crichton Park to Oak) by \$30,935 with no change in the Net Budget to cover the cost of the installation of a natural gas pipeline from Heritage Gas.
3. award Tender No. 04-239, Crichton Avenue - Street Reconstruction, Sewer Upgrade and Gas Line Installation - Eastern Region to Sackville Trenching for materials and services listed at the unit prices quoted for a Tender Price of \$556,646, plus net HST for a total of \$575,733. There are also anticipated costs for extra work and material related to this job, and therefore the total project is, anticipated to cost \$633,300 and will be charged to Capital Account No.'s CZU00565, Paving Resurfacing program and CGU00580, Crichton Sewer Replacement with funding authorized as per the Budget Implications section of this report.

BACKGROUND

The Approved 2004/05 Capital Budget includes funds for the street reconstruction of Crichton Avenue between Oak Street and Crichton Park Road. In addition, the proposed scope of work also includes the replacement of the sanitary sewer along a portion of Crichton Avenue.

DISCUSSION

Tenders for this project were called on July 31, 2004 and closed on August 13, 2004. The following bids, exclusive of taxes were received:

	<u>Bid Price</u>
4. Sackville Trenching	\$ 556,646.00
5. Amber Contracting Limited	\$ 577,138.00
6. Dexter Construction Company Limited	\$ 593,580.00
7. Ocean Contractors Limited	\$ 678,627.00

The scope of work for this tender generally involves the street reconstruction of Crichton Avenue from Oak Street to Crichton Park Road, gas line installation over the same limits and sewer upgrade from the intersection of Crichton Avenue and Hawthorne Street to approximately civic #91, Crichton Avenue.

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

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

BUDGET IMPLICATIONS

Based on an increase in the amount of \$130,000 from Account No. Q104, Sewer Redevelopment Reserve, to Capital Account No. CGU00580, Crichton Sewer Replacement, funding in the amount of \$185,000 is available and \$448,300 is available from Capital Account CZU00565, Paving Resurfacing Program, this has been confirmed with financial services.

Budget Summary: Capital Account No. CZU00565, Paving Resurfacing Program

Cumulative Unspent Budget	\$2,554,346
Plus: Heritage Gas Cost Sharing	\$ 30,935
Less: Tender 04-203	<u>\$ 448,300</u>
Balance	\$2,136,981

The net cost to this account will be \$417,365 following the reimbursement of \$30,935 by Heritage Gas for the installation of a natural gas pipeline as per the attached correspondence.

This project was budgeted at \$313,000

Capital Account No. CGU00580, Crichton Sewer Replacement

Cumulative Unspent Budget	\$ 63,000
Plus: Funding from Account No. Q104	\$ 130,000
Less: Tender 04-203	<u>\$ 185,000</u>
Balance	\$ 8,000

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. If approved this will increase the Capital Budget as well as withdrawals from Reserves.

ALTERNATIVES

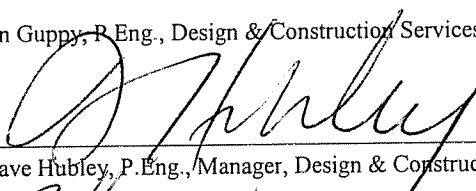
There are no recommended alternatives.

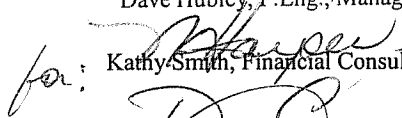
ATTACHMENTS


1. Memorandum dated August 18, 2004 from Heritage Gas

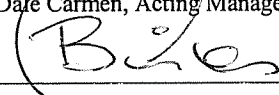
Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Ian Guppy, P.Eng., Design & Construction Services at 490-5212

Report Approved by: 
Dave Hubley, P.Eng., Manager, Design & Construction Services at 490-4845

for: 
Kathy Smith, Financial Consultant, at 490-6153


Dale Carmen, Acting Manager of Procurement at 490-6499


Bruce Fisher Acting, Director Financial Services 490-6308

IG/bhs



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

August 18, 2004

Collen Rollings, P. Eng.
Senior Pipeline Engineer
HERITAGE GAS, 88 Alderney Drive, 3rd Floor
Dartmouth Ferry Terminal Building
Dartmouth, NS B2Y 4W3

**SUBJECT: Tender 04-239 - Curchton Avenue - Street Reconstruction,
Sewer Upgrade and Gas Line Installation - Eastern Region**

Enclosed is a bid comparison summary including items associated with the gas line installation for this project. The unit prices shown are from the lowest bidder, Sackville Trenching. In order to proceed with this tender we need to formalize the cost sharing of reinstatement costs.

In the most recent discussions on this subject, Heritage Gas has agreed to pay 50% of the cost of the reinstatement. This includes the cost of the street reconstruction and planning over the length of the gas line and across the reinstatement width. The unit prices for street reconstruction and planning are highlighted on the attached summary. Based on the low bidder's unit prices Heritage Gas's share of reinstatement costs is as follows:

Reinstatement Area	435 m x 0.3 m (under street)	=	130 m ²
Cost of Planning	130 m ² x \$2.0/m ²	=	\$260.00
Cost for Type C Asphalt	130 m ² x \$6.90/ m ²	=	\$ 897.00
Cost for Type B Asphalt	130 m ² x \$8.50/ m ²	=	\$1105.00
Cost for Type 1 Gravel	130 m ² x \$5.00/ m ²	=	\$ 650.00
Cost for Type 2 Gravel	130 m ² x \$12.50/ m ²	=	<u>\$1625.00</u>
	Subtotal	=	\$4537.00
	50% Share of Reinstatement Costs	=	\$2268.50

Based on the low bidder's tender prices and the above cost sharing, Heritage Gas's costs for the Tender 04-253, Curchton Avenue - Street Reconstruction, Sewer Upgrade and Gas Line Installation Project can be summarized as follows:

Page 2

Gas Line Installation Tender	\$ 27,642.00
Reinstatement Cost Sharing	<u>\$ 2,268.00</u>
	\$ 29,910.00
 Net HST	 \$ 1,025.61
 Project Total =	 <u>\$ 30,935.00</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 490-5212.


Thank you.

Ian Guppy, P.Eng.
Design Engineer

cc: David Hubley, P.Eng., Manager, Design & Construction Services
Phil Francis, P.Eng., Manager, Right-Of-Way Services

Encl.

IG/bhs



for
Collen Rollings, P. Eng.,
Senior Pipeline Engineer
Heritage Gas

August 18, 2004

Date

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