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PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Halifax Regional Council
December 14, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

A handwritten signature in black ink, appearing to read "Dan English", written over a horizontal line. Below the line, the name "Dan English, Acting Chief Administrative Officer" is printed.

Dan English, Acting Chief Administrative Officer

DATE: December 6, 2004

SUBJECT: **Tender #04-343 - Replacement of Air Handling Units at the Halifax Metro Centre.**

ORIGIN

Staff

RECOMMENDATION

It is recommended that Halifax Regional Council Award Tender # 04-343 to Sayers and Associates Ltd. for the Replacement of seven(7) Air Handling Units at the Halifax Metro Centre at a total cost of \$757,825.00(net HST included) with funding from Capital projects No. CHZ00207 and CB300555, as outlined in the Budget Implications section of this report.

BACKGROUND

The Halifax Regional Municipality publicly advertised tenders for the Replacement of Air Handling Units at the Halifax Metro Centre.

- 1) **Tender # 04-343 - Replacement of Air Handling Units at the Halifax Metro Centre.**
Tenders closed on November 19, 2004, with the following bids received.

<u>Name of Company</u>	<u>Bid Price</u>
Sayers and Associates Ltd.	\$ 757,825.00*
Black & McDonald Limited	\$1,042,048.00

* *Recommended bidder*

DISCUSSION

The seven (7) air handling units recommended for replacement are part of the Metro Centre original construction and have exceeded their life expectancy. These units have become expensive to mechanically maintain with leaking chill water coils and hot water coils having to be constantly repaired or replaced. All the units are suffering from extensive corrosion to the body structure requiring catch pans to be installed to prevent water falling on the Metro Centre patrons. If we do not replace these units at this time, we potentially run the risk of having an event(s) cancelled or disrupted should these units fail.

BUDGET IMPLICATIONS

Based on the lowest tender price of \$757,825, including net HST*, funding is available in the 2002/03 and 2004/05 Approved Capital Budget from Capital Account Nos. CHZ00207, Event Equipment, Metro Centre and CB300555, Major Facilities Upgrade. The budget availability has been confirmed by Financial Services.

Budget Summary: Capital Account No. CHZ00207 - Event Equipment, Metro Centre

Cumulative Unspent Budget	\$574,658.35
Less: Tender 04-343	<u>\$574,658.35</u>
Balance of Account	\$.00

Capital Account No. CB300555 - Major Facilities Upgrade

Cumulative Unspent Budget	\$486,000.00
Less: Tender 04-343	<u>\$183,166.65</u>
Balance of Account	\$302,833.35

* Halifax Metro Centre is a 100% HST rebatable facility

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

There are no recommended alternatives.

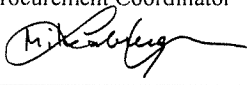
ATTACHMENTS

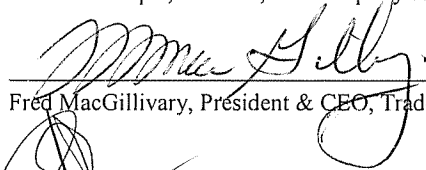
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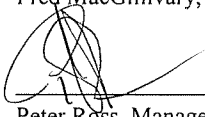
Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Dale Carman, Procurement Coordinator 490-6476

Report Approved by:


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