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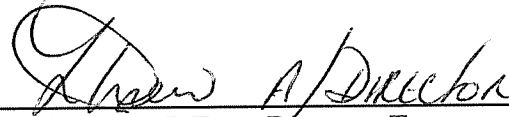
PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Halifax Regional Council**  
**August 2, 2005**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**

  
George McLellan, Chief Administrative Officer

  
Mike Labrecque, P.Eng., Director, Transportation & Public Works

**DATE:** July 15, 2005

**SUBJECT:** **Award of Unit Price Tender No. 05-244, Dorey Avenue,  
Burnside Business Park Phase 11-4 Development**

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**ORIGIN**

The Approved 2005/06 Capital Budget.

**RECOMMENDATIONS:**

It is recommended that Council:

1. approve an increase in the Gross Budget for Capital Account No. CQ300741, Burnside Phase 11 in the amount of \$500,000 with funding as a withdrawal from Business Park Capital Reserve Account Q121;
2. approve an increase in the Gross Budget for Capital Account No. CQ300741, Burnside Phase 11 by \$35,412 with no change to the Net Budget to reflect the cost sharing of the installation of a natural gas pipeline from Heritage Gas;
3. award Tender No. 05-244, Dorey Avenue, Burnside Business Park Phase 11-4 Development to Dexter Construction Ltd. for materials and services listed at the unit prices quoted for a tender price of \$1,572,480 including fully recoverable HST, from Capital Account No. CQ300741, Burnside Phase 11, 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 \$89,655 including fully recoverable HST, from Capital Account No. CQ300741, Burnside Phase 11, with funding authorized as per the Budget Implications section of this report;
5. authorize a payment of \$27,942 including fully recoverable HST to Nova Scotia Power Inc. for the extension of overhead electrical transmission lines from Capital Account No. CQ300741, Burnside Phase 11, with funding authorized as per the Budget Implications section of this report; and
6. approve the appointment of Jacques Whitford Ltd. for construction inspection and lot certification for an estimated fee of \$55,000 including fully recoverable HST, from Capital Account No. CQ300741, Burnside Phase 11, with funding authorized as per the Budget Implications section of this report.

## **BACKGROUND**

In keeping with Real Property and Asset Management's approved Business 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, consisting of 23 acres in 2002, and Phase 11-2 consisting of 45 acres was approved by Council in 2004. Of this 45 acres created in Phase 11-2, HRM is presently tracking sales of 85% of this new lot inventory with 30 acres sold and a further 8 acres presently under deposit.

Year to Date (for fiscal 2005/06) forecast lots sale are projected to exceed original budget lot sales of \$3.5 million, by +\$1 million. Phase 11-4 will directly create 16 acres (eight lots) of new serviced lot inventory and will enable access and/or increased functionality to an additional 9 acres. Phase 11-4 will provide additional lot inventory for light-industrial/commercial development.

Of the 16 acres to be created, HRM presently has a preliminary commitment for 8 acres of this land or 49%. Pricing of this new lot inventory is based upon the range of \$3.95 per square foot for a graded/serviced lot as per the approved 05/06 Capital Plan.

## **DISCUSSION**

The 2005/06 Approved Capital Budget includes funds for the construction of Dorey Avenue, Phase 11-4 development from Frazee Avenue to Williams Avenue complete with municipal water, sewer and natural gas mains.

Council should also note that the tender pricing is inclusive of park and pedestrian amenities including sidewalks, landscaping and a shared bikelane.

Tenders for this project were called on June 11, 2005 and closed on June 22, 2005. The following bids, exclusive of taxes were received:

	<u><b>Bid Price</b></u>
1. Dexter Construction Ltd.	\$1,572,480.00
2. ACL Construction Ltd.	\$1,680,220.00
3. W. Eric Whebby Ltd.	\$1,774,699.00
4. Brycon Construction Ltd.	\$1,924,000.00

The scope of work for this tender includes the construction of Dorey Avenue in Phase II-4 development, and grading lots 1109, 1110, 1158, 1159, 1113, 1114, 1115, 1112 and 1164. The Phase II-4 development of the Burnside Park will include approximately 580 m of road construction (Dorey Avenue), servicing, overhead power and communications, a natural gas pipeline, roadway lighting 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 Park Capital Reserve Q121 and cost sharing from Heritage Gas, funding is available and has been confirmed by Financial Services.

#### **Budget Summary:      Capital Account No. CQ300741, Burnside Phase II Development**

Cumulative Unspent Budget	\$3,803,583
Plus: <b>Increase from Reserve Q121</b>	<b>\$ 500,000</b>
<b>Tender 05-244 Heritage Gas Cost Sharing</b>	<b>\$ 35,412</b>
Less: <b>Tender No. 05-244</b>	<b>\$1,572,480</b>
<b>CBCL Inspection Services</b>	<b>\$ 89,655</b>
<b>NSP Infrastructure</b>	<b>\$ 27,942</b>
<b>Jacques Testing and Certification</b>	<b>\$ 55,000</b>
Plus: Tender 05-260 Funding Increases	\$ 30,314
Less: Tender 05-260	<u>\$2,246,500</u>
	<b>\$ 377,731</b>

**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 2005/06 Capital Budget and the Reserve withdrawals.

**ALTERNATIVES**

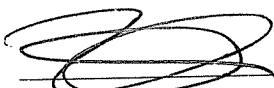
There are no recommended alternatives.

**ATTACHMENTS**

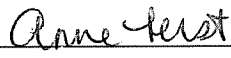
Attachment 1 - Memorandum dated June 24, 2005, from Heritage Gas  
Attachment 2 - Site Plan

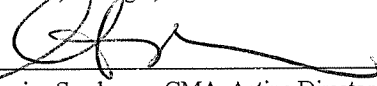
A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Audrey Buchanan, P.Eng., Design Engineer, Design and Construction Services at 490-6824

Report Approved by:   
Peter Stickings, A/Director, Real Property and Asset Management, 490-7129

Report Approved by:   
Kathy Smith, Financial Consultant at 490-6193

Report Approved by:   
Peter Ross, Manager, Procurement at 490-6499

Report Approved by:   
Catherine Sanderson, CMA, Acting Director, Financial Services, 490-1562

AB/bhs



PO Box 1749  
Halifax, Nova Scotia  
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## MEMORANDUM

TO: Leonard Avery, Heritage Gas

CC: Jeff Spares, P.Eng., Sr. Design Engineer, Design & Construction Services  
David Hubley, P.Eng., Manager, Design & Construction Services  
Phillip Francis, P.Eng., Right-of-way Services Manager  
Michael Wile, Coordinator, Business Parks Sales & Development

FROM: Audrey Buchanan, P.Eng., Design & Construction Services

DATE: June 28, 2005

SUBJECT: **Tender 05-244 - Phase 11-4 Development**

Tender 05-244 - Phase 11-4 Development, East Region closed June 22, 2005. Prior to tender award, a cost sharing agreement must be finalized between HRM and Heritage Gas. Enclosed is a bid comparison summary for the items associated with the gas line installation for this project. They are from the lowest bidder, Dexter Construction Company Limited to the highest.

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 asphalt and gravel over the length of the gas main and across the reinstatement width. Based on these unit prices the Heritage Gas share of reinstatement costs are as follows:

Reinstatement Area	560 m x 0.3 m	=	168 m <sup>2</sup>
Cost for Topsoil and Sod	168 m <sup>2</sup> x \$7.60/m <sup>2</sup>	=	\$1,277.00
	Subtotal	=	\$1,277.00
	50% Share of Reinstatement Costs	=	\$ 638.00

Based on the low bidder's tender prices and the above cost sharing, Heritage Gas costs for Tender 05-244 - Phase 11-4 Development, East Region, can be summarized as follows:

Gas Main Installation	\$ 33,600.00
Reinstatement Cost Sharing	<u>\$ 638.00</u>
	\$ 34,238.00
Net HST	\$ 1,174.00
<b>Project Total</b>	<b><u>\$ 35,412.00</u></b>

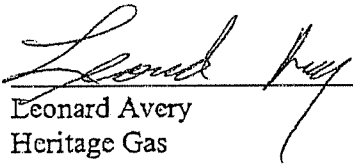
Actual cost sharing for this project will be based on final quantities determined during construction.

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 490-6824.

Thank you.

Audrey Buchanan, P.Eng.  
Design Engineer

*Reviewed with Michel Sarrouy  
June 29, 2005*

  
Leonard Avery  
Heritage Gas

June 29, 2005  
Date

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# PHASE 11-4 BURNSIDE BUSINESS PARK

