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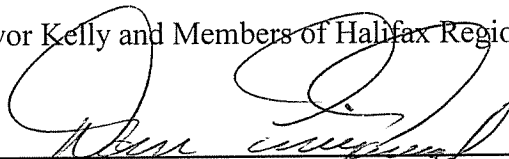



PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Halifax Regional Council**  
**May 8, 2007**

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

**SUBMITTED BY:**

  
\_\_\_\_\_  
Dan English, Chief Administrative Officer

  
\_\_\_\_\_  
Wayne Anstey, Deputy Chief Administrative Officer - Operations

**DATE:** April 26, 2007

**SUBJECT:** **Award - Unit Price Tender No. 07-220 Commodore Drive and John Savage Ave. City of Lakes and Burnside Business Parks**

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**ORIGIN**

The Approved 2007/08 Capital Budget.

**RECOMMENDATION:**

It is recommended that Council:

1. award Tender No. 07-220, City of Lakes Business Park and Burnside Business Park Phase II-5 Development to Dexter Construction Company Limited for a Total Tender Price of \$2,624,962 (no HST included), from Capital Account CQ300741, Burnside and City of Lakes Development, with funding authorized as per the Budget Implications Section of this report;
2. approve an increase in the Gross Budget of Capital Account CQ300741 by \$54,022.50 (no HST included) with no change to the Net Budget to reflect the cost sharing of the installation of a natural gas pipeline from Heritage Gas as per the Budget Implications Section of this report;
3. and furthermore, that Council authorize, as per the Budget Implications Section of this report, the appointment of CBCL Ltd. for construction inspection services for an estimated fee of \$126,305 (no HST included); the appointment of Jacques Whitford Ltd. for construction inspection and lot certification for an estimated fee of \$12,000 (no HST included), and authorize a payment of \$200,000 (no HST included) to Nova Scotia Power Inc. for the extension of overhead electrical transmission lines.

**BACKGROUND**

In keeping with the approved Business Plan, the next phase of Burnside Business Park and City of Lakes Business Park (“CLBP”) requires the completion of the Commodore and Wright Avenue connections. This key infrastructure will serve as the spine for the future development of +/- 600 gross acres of business park expansion lands and provide the much anticipated connectivity to Dartmouth Crossing which opened this year.

The total proposed 2007-08 build-out of Burnside and CLBP includes Phases 11-5 and Phase 12 which will provide access, infrastructure and services to approximately 134 acres of new lot inventory. This tender is the first component of the 2007-08 plan of Burnside Business Park and City of Lakes Business Park with additional tender packages to follow in close succession. The Wright Avenue Tender has been advertised and closed on May 1, 2007.

The continued expansion and availability of lot inventory for development within Burnside and the CLBP will be dependent upon market demand and the timing of the required and planned connection of the North Dartmouth Trunk Sewer. A portion of Phase 12 will be designed for sewer to be temporarily pumped back into Phase 11 Burnside until the North Dartmouth Trunk Sewer is completed and the permanent connection can then be made to Wright Avenue.

**DISCUSSION**

Tenders were called on April 8, 2007 and closed on April 24, 2007. Bids were received from the following companies:

<b><u>Name of Company</u></b>	<b><u>Bid Price (Net HST Included)</u></b>
1. Dexter Construction Company Limited	\$ 2,714,791.90*
2. Amber Contracting Limited	\$ 2,916,224.00
3. Ocean Contractors Limited	\$ 3,024,057.10
4. Brycon Construction Limited	\$ 3,608,309.40
5. ACL Construction Limited	\$ 3,747,708.40

\* Recommended bidder

It is anticipated that construction will commence within three weeks of the tender award and the work program is anticipated to take 18 weeks to complete. However, the Commodore Drive portion of the project will be open to traffic within 6 weeks from the start date indicated on the Order to Start Work.

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.

This Tender award will provide access and services to 23 acres of new lot inventory within the City of Lakes Business Park with minimum selling prices ranging from \$3.00/sq.ft. to \$5.00/sq.ft (ungraded). yielding anticipated gross revenues of \$3.8 million over its development time line.

The scope of Phase 11-5 includes:

- ▶ the extension of Commodore Drive to Dartmouth Crossing and the extension of John Savage Avenue from Wright Avenue to Commodore Drive
- ▶ municipal servicing
- ▶ underground power/communications
- ▶ natural gas pipeline
- ▶ sidewalks and shared bike lanes
- ▶ roadway lighting and two traffic signals
- ▶ associated landscaping

**BUDGET IMPLICATIONS**

Based on the lowest tendered price of \$2,624,962 (no HST included) HST is 100% rebatable in this case, funding is available in the approved 2007/08 Capital Budget from Account No. CQ300741.

The budget is available and has been confirmed by Financial Services.

**Budget Summary:      Capital Account No. CQ300741, Burnside/City of Lakes Development**

Cumulative Unspent Budget CQ300741	\$ 21,380,116.93
Plus: Tender 07-220 Heritage Gas Cost Sharing	\$    54,022.50
Less: Tender No. 07-220	\$ 2,624,962.00*
CBCL Inspection Services	\$    126,305.00
NSP Infrastructure	\$    200,000.00
Jacques Testing and Certification	<u>\$    12,000.00</u>
	\$18,362,827.43

\*This work was originally estimated at \$3,102,193.

Any remaining funds will be used on related 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. If approved, this will increase the 2007/08 Capital Budget and the Reserve withdrawals.

**ALTERNATIVES**

There are no recommended alternatives to this course of action.


**ATTACHMENTS**


- Attachment 1 - Memorandum from Heritage Gas
- Attachment 2 - Proposed 2007-08 Burnside/City of Lakes Construction
- Attachment 3 - Phase 11-5 Site Plan

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.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: John Fawcett, P.Eng., Design Engineer, Design and Construction Services at 490-6824  
Michael Wile, Business Parks Manager, Real Property, TPW at 490-5521

Report Approved by:   
Peter Strickings, Manager, Real Property, TPW at 490-7129

Report Approved by:   
Mike Labrecque, P.Eng., Director, Transportation and Public Works at 490-4855

Report Approved by:   
Catherine Sanderson, Senior Manager, Financial Services at 490-1562



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Halifax, Nova Scotia  
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**MEMORANDUM**

**TO:** Leonard Avery, P. Eng., Heritage Gas

**CC** John Fawcett, P.Eng., Design Engineer, Design & Construction  
David Hubley, P.Eng., Manager, Design & Construction

**FROM:** Jeff Spares, P.Eng., Sr. Design Engineer, Design & Construction

**DATE:** April 26, 2007

**SUBJECT:** Tender 07-220, Commodore Drive & John Savage Avenue Completion

Tender 07-220, Commodore Drive & John Savage Avenue Completion, Dartmouth, East Region closed April 24, 2007. 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 gasmain installation for this project. They are from the lowest bidder, Dexter Construction Company Limited to 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 Heritage Gas's share of reinstatement costs is as follows:

Reinstatement Area - John Savage Avenue	625 m x 1.0 m	=	625 m <sup>2</sup>
Cost for Type 1 Gravel (200 mm thick)	625 m <sup>2</sup> x \$6.00/m <sup>2</sup>	=	\$ 3,750
Cost for Type 2 Gravel (550 mm thick)	625 m <sup>2</sup> x \$15.00/m <sup>2</sup>	=	\$ 9,375
Cost for Type B-HF Asphalt (75 mm thick)	625 m <sup>2</sup> x \$16.00/m <sup>2</sup>	=	\$10,000
	Subtotal	=	\$23,125
50% Share of \$23,125	Reinstatement Costs	=	\$11,562.50

Based on the low bidder's tender prices and the above cost sharing, Heritage Gas's costs for Tender 07-220 Commodore Drive & John Savage Avenue Completion, can be summarized as follows:

Gas Main	\$ 42,460.00
Reinstatement Cost Sharing	<u>\$ 11,562.50</u>
	\$ 54,022.50
Net HST	<u>\$ 1,852.43</u>
<b>Project Total</b>	<b><u>\$ 55,874.93</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 490-6820.

Thank you.

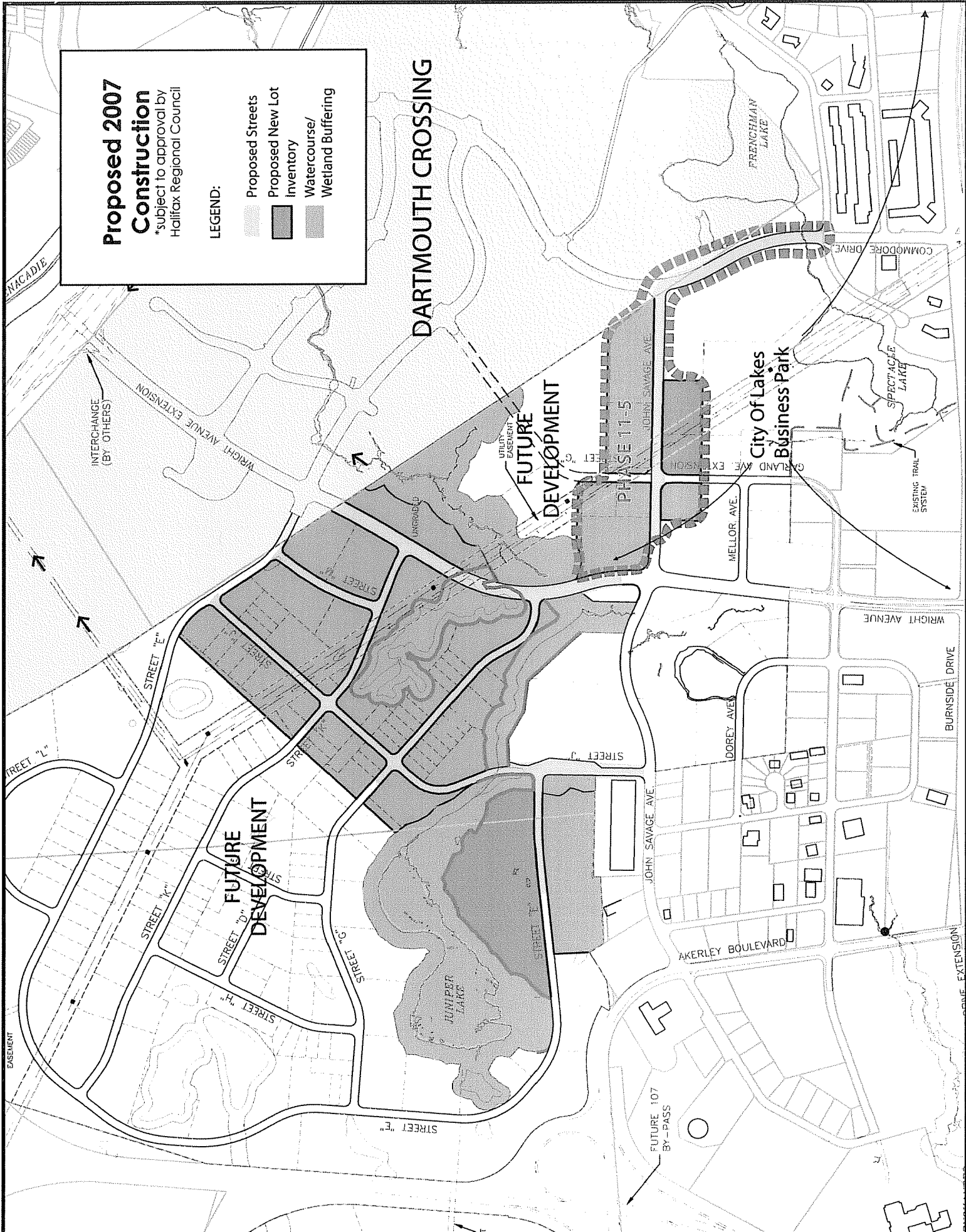
*Jeff Spares*

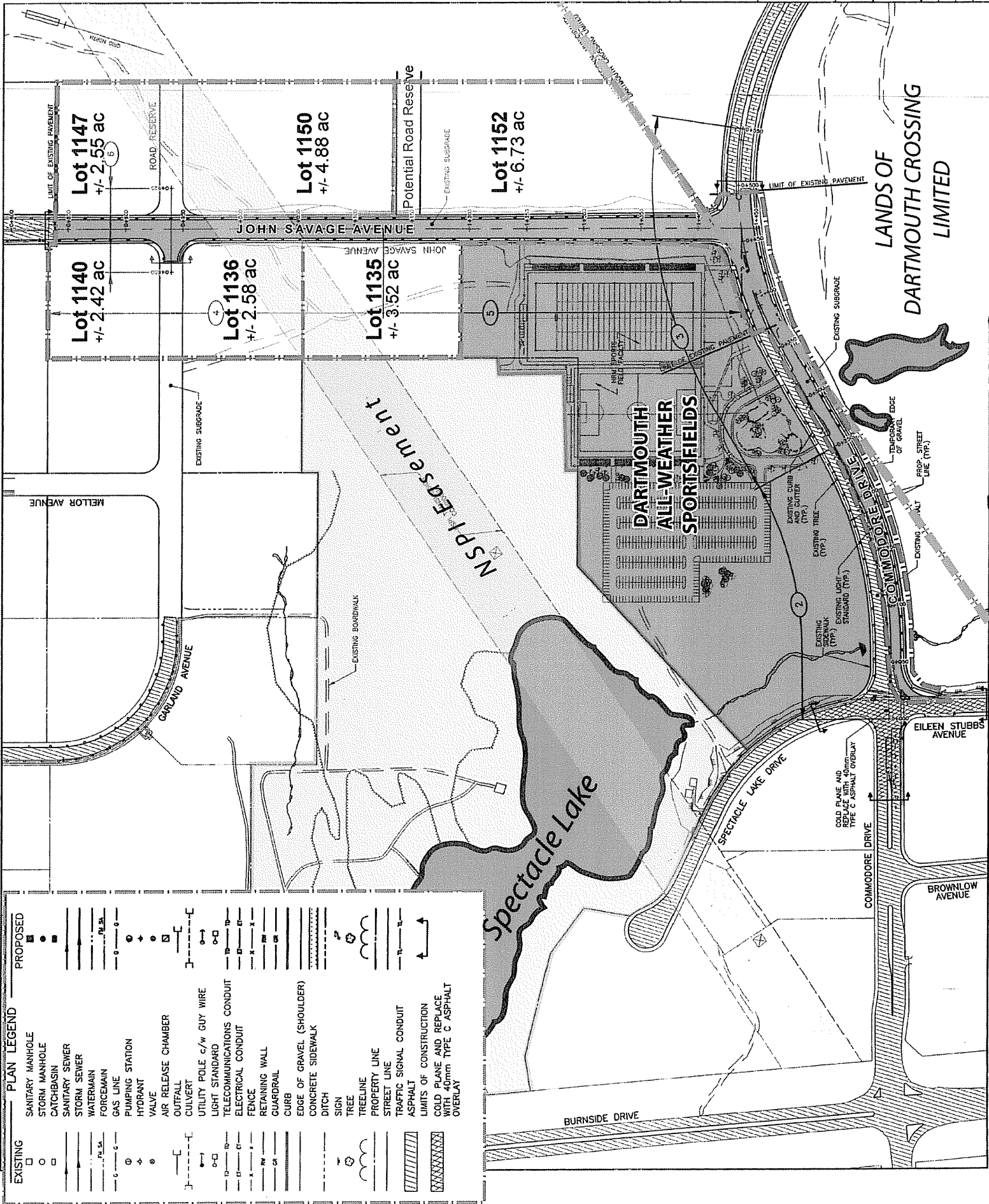
Jeff Spares, P.Eng.  
Senior Design Engineer

*Ray Ritay*  
Leonard Avery, P.Eng.  
Heritage Gas

Ray Ritay, Pres.

Date April 30, 2007





EXISTING	PROPOSED
Sanitary Manhole	Sanitary Manhole
Storm Manhole	Storm Manhole
Catchbasin	Catchbasin
Sanitary Sewer	Sanitary Sewer
Storm Sewer	Storm Sewer
Watermain	Watermain
Forcemain	Forcemain
Gas Line	Gas Line
Pumping Station	Pumping Station
Hydrant	Hydrant
Valve	Valve
Air Release Chamber	Air Release Chamber
Outfall	Outfall
Culvert	Culvert
Utility Pole c/w Guy Wire	Utility Pole c/w Guy Wire
Light Standard	Light Standard
Telecommunications Conduit	Telecommunications Conduit
Electrical Conduit	Electrical Conduit
Fence	Fence
Retaining Wall	Retaining Wall
Guardrail	Guardrail
Curb	Curb
Edge of Gravel (Shoulder)	Edge of Gravel (Shoulder)
Concrete Sidewalk	Concrete Sidewalk
Ditch	Ditch
Sign	Sign
Tree	Tree
Treeline	Treeline
Property Line	Property Line
Street Line	Street Line
Traffic Signal Conduit	Traffic Signal Conduit
Asphalt	Asphalt
Limits of Construction	Limits of Construction
Cold Plane and Replace with 40mm Type C Asphalt Overlay	Cold Plane and Replace with 40mm Type C Asphalt Overlay