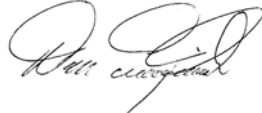
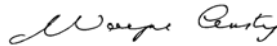


TO: Mayor Kelly and Members of Halifax Regional Council



SUBMITTED BY:

Dan English, Chief Administrative Officer



Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: January 29, 2008

SUBJECT: Award-Tender No. 07-432, Replacement Dome for Mann Street

ORIGIN

Approved 2006/07 and 2007/08 Capital Budgets.

RECOMMENDATION

It is recommended that Regional Council award:

1. Award Tender No. 07-432 for a design/build wooden dome structure for 1 Mann Street, Bedford, NS, to Storage Systems Construction Corp for a Total Tender price of \$109,634.74 (net HST included) with funding from Capital Account Nos. CB300840 - HRM Depot Upgrades, Res# 1061.18 and 1061.28.
2. Increase Capital Account CB300840 Reservation - HRM Depot Upgrades by \$43,419.70 to reflect cost sharing for this project from the HRWC as per the Budget Implications section of this report.

BACKGROUND

The old wooden structure (Salt Dome) at Mann Street was scheduled to be repaired in 2006. Early in 2007, HRM called in a Structural Engineer to assess the extent of repairs needed to bring the dome back to an acceptable level for both safety and functionality. Although HRM received an estimate of \$65,000.00 to make repairs, the Structural Engineer said it was not worth saving and, though it was still standing, it was becoming a safety concern.

The old dome was demolished in January 2007. In February 2007, HRM requested and received an estimate of \$100,274.42 (net HST included) to replace the dome. In November 2007, a tender was called for the supply and installation of one Maintenance Dome for the Mann Street depot. The tender called for two prices: winter 2007/08 construction and spring 2008 construction.

After review of the tender price and consultation with the end user, it was decided to proceed with construction in the spring of 2008 for a lower price of \$109,634.74 (net HST included); a savings of \$4,000 over the price of winter construction. The 2007/08 HRM Capital Budget included some funding for this project, a notional allocation of \$80,000 within the HRM Depot Upgrades bundled capital account CBR00840. There is currently a balance of \$66,215.04 remaining in this capital account. The inclusion of this project in the Depot Upgrades capital plan for 2007/08 was premised upon the fact this would be a municipal asset being used for municipal purposes. The dome structure was intended to be used by TUGS as a maintenance depot for large pumps and related equipment. Subsequently, the transfer of waste water services delivery to the Halifax Regional Water Commission was approved by Council, effective August 1, 2007. Clause 19 of the Transfer Agreement approved by Council, essentially states that HRWC shall have the benefit of any existing funding commitments.

DISCUSSION

Tenders were publicly advertised on November 17th and 21st and closed on December 4, 2007. A tender bid was received from the following company:

<u>Name of Company</u>	<u>Bid Price (Net HST included)</u>
Storage Systems Construction Corp.	\$109,634.74 (spring construction)* \$113,771.90 (winter construction)

***recommended bidder**

Note: Two (2) additional local construction companies attended the “mandatory” site meeting on November 7, 2007 but did not submit a bid.

In keeping with the spirit and intent of Clause 19 of the Transfer Agreement, HRM and HRWC propose that an equitable approach to address the existence of this funding commitment toward replacement of the Mann Street Dome, is for HRM to contribute the balance remaining in the 07/08 Depot Upgrades account (\$66,215.04) toward the replacement cost, and the HRWC will transfer funds to HRM sufficient to pay the balance.

BUDGET IMPLICATIONS

Based on the lowest tendered price of \$109,634.74 (net HST included), funding is available in the Approved Capital budget from Capital Account Nos. CB300840 - HRM Depot Upgrades.

Budget Summary:	Capital Account No. CB300840 - HRM Depot Upgrades, Res# 1061.18 & 1061.28	
	Cumulative Unspent Budget	\$ 66,317
	Cost sharing from HRWC	43,420
	Less: Tender No. 07-432	<u>\$109,635</u>
	Balance	\$102

Budget Summary:

This report will increase the 2007/08 Gross Capital budget for this project to \$109,634.74 with external cost sharing of \$43,419.70 from the Halifax Regional Water Commission.

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 report will increase the 2007/08 Gross Capital Budget.

ALTERNATIVES


There are no recommended alternatives to this course of action.


ATTACHMENTS


None.

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: Dan Haycock, Construction Supervisor, Construction Services, 490-6256

Report Approved by: 
Phil Townsend, Manager of Capital Projects, 490-7166

Financial Approval by: 
Catherine Sanderson, Senior Manager, Financial Services, 490-1562

Report Approved by: 
Cathie O'Toole, Director, Infrastructure & Asset Management, 490-4825