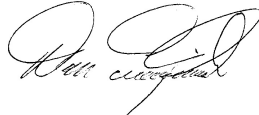


**TO:** Mayor Kelly and Members of Halifax Regional Council



**SUBMITTED BY:**

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



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

**DATE:** June 4, 2010

**SUBJECT:** **Award - Unit Price Tender No. 10-212, Gateway Road,  
Pavement and Watermain Renewal - West Region**

---

**ORIGIN**

The Approved 2010/11 Capital Budget.

**RECOMMENDATIONS:**

\_\_\_\_\_  
It is recommended that Council:

1. Approve an increase in the Gross Capital Budget of Capital Account CYU01081 - Pavement Renewal Program in the amount of \$67,000, funded from HROP GL2314 - Natural Gas Future Settlement Charges as per the budget implication section of this report.
1. Approve a budget increase of \$455,078.03 (net HST included) to Capital Account No. CYU01081- Pavement Renewal Program, funded through cost sharing with Halifax Water.
2. Award Tender No.10-212, Gateway Road (Lacewood Drive to Bayview Road), Pavement and Watermain Renewal - West Region to Brycon Construction Limited for a Total Tender Price of \$964,645.50 (net HST included) with funding from Capital Account No's. CYU01081 - Pavement Renewal Program, CYU01076 - Curb Renewal & HROP GL2314 Natural Gas Future Settlement Charges as outlined in the Budget Implications section of this report.

## **BACKGROUND**

The Approved 2010/11 Capital Budget includes funds for the paving renewal and curb renewal of Gateway Road from Lacewood Drive to Bayview Road.

## **DISCUSSION**

Tenders were called on April 22, 2010 and closed on May 13, 2010. Bids were received from the following companies:

<b><u>Name of Company</u></b>	<b><u>Bid Price (net HST included)</u></b>
Brycon Construction Limited	\$ 964,645.50*
Allterrain Construction Inc.	\$1,026,689.93
Dexter Construction Limited	\$1,153,351.02
Ocean Contractors Limited	\$1,238,291.96

### **\*recommended bidder**

The scope of work for this tender generally consists of removing all of the existing pavement and asphalt curb including materials and replacing them with a new concrete curb & gutter, gravel base and asphalt surface. The work also includes watermain replacement, several sanitary sewer lateral replacements, new gas pipeline (orphan system) and associated landscaping and reinstatement.

It is anticipated that work will commence within three weeks of the tender award and take 14 weeks to complete.

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 the lowest tendered price of \$964,645.50 (net HST included), funding is available in the Approved 2010/11 Capital Budget from Capital Account Nos. CYU01081 - Pavement Renewal Program, CYU01076 - Curb Renewal Program & HROP GL2314 - Natural Gas Future Settlement Charges. The budget availability has been confirmed by Financial Services.

**Budget Summary: Capital Account No. CYU01081 - Pavement Renewal Program**

Cumulative Unspent Budget	\$ 487,946
<b>Plus: Budget Increase from GL 2314</b>	<b>\$ 67,000</b>
<b>Plus: Halifax Water Cost Sharing 2314</b>	<b>\$ 455,078</b>
<b>Less: Tender No. 10-212</b>	<b>\$ 834,864 *</b>
Balance	\$ 175,160

\* This project was estimated in the Approved 2010/11 Capital Budget at \$480,000. As a result of funding from Natural Gas Pipeline Future Settlement Charges, GL 2314 and cost sharing from Halifax Water, the net cost to Capital Account No. CYU01081 is \$312,786.

The balance of funds will be used to implement the remaining 2010/11 Pavement Renewal Program projects approved by Council.

**Capital Account No. CYU01076 - Curb Renewal Program**

Cumulative Unspent Budget	\$ 198,485
<b>Less: Tender No. 10-212</b>	<b>\$ 129,782 **</b>
Balance	\$ 68,703

\*\* This project was estimated in the Approved 2010/11 Capital Budget at \$205,000.

The balance of funds will be used to implement the remaining 2001/11 Curb Renewal Program projects approved by Council.

**FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation. If approved this will increase the gross 2010/11 Capital Budget but not the net.

**ALTERNATIVES**

There are no recommended alternatives to this course of action.

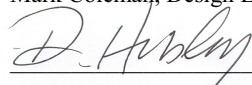
**ATTACHMENT**

10-212 Gateway Rd - A1

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 at 490-4208.

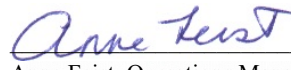
Report Prepared by: Mark Coleman, Design Engineering Technologist, Design & Construction Services at 490-6843

Report Approved by:



David Hubley, P. Eng., Manager, Design & Construction Services at 490-4845

Procurement Review by:



Anne Feist, Operations Manager, Procurement at 490-4200

Report Approved by:



for Phillip Townsend, Director, Infrastructure and Asset Management at 490-7166

MC/pm



PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**MEMORANDUM**

**TO:** John Eisnor, P.Eng., Project Engineer, Halifax Water  
**CC:** David Hubley, P.Eng., Manager, Design and Construction Services, HRM  
 Jamie Hannam,, MBA, P.Eng., HW  
 Mark Feener, P.Eng., HW  
 Jeff Spares, P.Eng., Sr. Design Engineer, Design and Construction Services, HRM  
**FROM:** Anne Sherwood, P.Eng., Design Engineer, Design and Construction Services, HRM  
**DATE:** June 2, 2010  
**SUBJECT:** Tender No. 10-212 - Pavement and Watermain Renewal, Gateway Road (Lacewood Dr. to Bayview Rd.) - West Region

Tender No. 10-212 - Pavement and Watermain Renewal on Gateway Road (Lacewood Drive to Bayview Road) - West Region , closed May 27, 2010. Prior to tender award, a cost sharing agreement must be finalized between HRM (Halifax Regional Municipality) and HW (Halifax Water).

Enclosed is a bid comparison summary for the items associated with the water main and sewer lateral repairs for this project. They are from the lowest bidder, Brycon Construction Limited.

In the most recent discussions on this project, HW has agreed to pay for the watermain work, sewer lateral replacement work and 50% of the asphalt reinstatement cost relating to their work, which (based on the unit prices) is as follows:

**Reinstatement Area for John Cross Drive**

550 m x 2.8 m = 1540.0 m<sup>2</sup> (watermain trench)  
 1540.0 x 50% = 770.0 m<sup>2</sup> (HW Share)

Cost for Type C-Special Asphalt	770.0 m <sup>2</sup> x \$ 12.50/m <sup>2</sup> =	\$ 9625.00
Cost for Type B-HF Asphalt	770.0 m <sup>2</sup> x \$ 15.40/m <sup>2</sup> =	\$ 11858.00
Cost for Type 1 Gravels	255 t x \$ 35.00/t =	\$ 8925.00
Cost for Asphalt Removal Full Depth	770.0 m <sup>2</sup> x \$ 5.00/m <sup>2</sup> =	\$ 3850.00
Cost for Road Surface Grading	770.0 m <sup>2</sup> x \$ 1.30/m <sup>2</sup> =	\$ 1001.00
	<b>Subtotal =</b>	<b><u>\$ 35,259.00</u></b>

**INFRASTRUCTURE & ASSET MANAGEMENT, Design and Construction**

*Facilities Planning/  
Capital Projects*

*Regional Transportation Planning*

*Real Property/  
Parks Planning*

*Sustainable Environmental  
Management Office (SEMO)*

Tel: (902) 490-6872

Fax: (902) 490-4858

E-mail: sherwood@halifax.ca

Website: www.halifax.ca

**Watermain Pipe Work (100% of Cost to HW)**

Cost for Watermain Renewal	=	<u>\$ 249,692.00</u>
<b>Sanitary Sewer Trench Methods (100% of Cost to HW)</b>	=	<u>\$ 146,400.00</u>
<b>Bayview Road Reinstatement (100% of Cost to HW)</b>	=	<u>\$ 5,024.00</u>

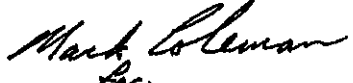
Based on the bidder's tender prices and the above cost sharing, HRWC's costs for Tender 10-212 Gateway Road - West Region, can be summarized as follows:

Asphalt Reinstatement	=	\$ 35,259.00
Watermain Pipe Work	=	\$249,692.00
Sanitary Sewer Trench Methods	=	\$146,400.00
Bayview Road Reinstatement	=	\$ 5,024.00
Net HST (i.e., 4.286%)	=	\$ 18,703.03
<b>Project Total</b>	=	<u>\$455,078.03</u>


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 return it to my attention. If you have any questions, please call me at 490-6872.

Thank you,

  
 Anne Sherwood, P.Eng.,  
 Design Engineer

mc

  
 John Eisnor, P.Eng.,  
 Halifax Water

June 3/10  
 Date

H:\BNG\teams\team5\2010 projects\10-212 Gateway Road\WP\10-212 Halifax Water Cost Share Letter.wpd