



PO Box 1749  
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**Item No. 10.1.2**  
**Halifax Regional Council**  
**September 28, 2010**

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

Original Signed by

**SUBMITTED BY:**

Mike Labrecque, Acting Chief Administrative Officer

**DATE:** September 13, 2010

**SUBJECT:** Award - Tender No. 10-087, Supply and Install Weigh Scales

**ORIGIN**

Report to Council dated August 10, 2010 approved funding for the withdrawal of \$450,000 from Q204 - Fleet and Equipment Reserve for the installation of three weigh scales, one each at Turner Drive, MacKintosh and Bayer's Lake.

**RECOMMENDATION**

It is recommended that Halifax Regional Council:

1. Award Tender No. 10-087 to Avery Weigh-Tronix for a Total Tender Price of \$ 500,572.80 (net HST included);
2. Increase Project Account No. CBX01170 - HRM Depot Upgrades in the amount of \$50,572.80; and
3. Approve withdrawal of \$50,572.80 from Q204 - Fleet and Equipment Reserve for funding of Project CBX01170, as outlined in the Budget Implications section of this report.

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**BACKGROUND**

The weigh scales are critical in improving reporting on salt usage for Finance Procurement's salt inventory reconciliation, control of usage and loss of inventory and improvements to the HRM salt management program. The scales will eliminate surveying of the salt inventory which has a 10% error rate, manual recording, compilation and inputting of salt/sand usage data.

These improvements in salt/sand usage reporting and material control will address recommendations from the following audits/ reports:

- Comprehensive Review of HRM Snow & Ice Operations –HRM Business Systems & Control(2004);
- HRM Snow & Ice Program, Validation of Progress – Covenco Ltd. (2008);
- Reconciliation of Salt Inventory – HRM Business Systems & Control (2009).

Correct vehicle weight will also improve compliance with Provincial vehicle weight load compliance and reduce fines and vehicle damage from overweight loads.

Discussions are currently underway with Operations, Design and Construction and Corporate Security for the best placement and traffic flow around the scales to ensure vehicles are required to be weighed before and after loading/unloading. This would provide accurate recording of the actual inventory taken and/or returned.

**DISCUSSION**

Tenders were called on August 23, 2010 and closed on September 7, 2010. One Bid was received from the following company:

<b><u>Name of Company</u></b>	<b><u>Bid Price (Net HST Included)</u></b>
Avery Weigh Tronix	\$500,572.80 (Net HST included)*

\* Recommended bidder

Avery Weigh Tronix, BridgeMount truck scale, Model # BMS 6011 meets HRM's specifications for steel decking; capacity; weight sensors; guard rails; tandem axle rating and warranties for sensors structural steel.

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The initial reserve withdrawal was for \$450,000 based on the estimated cost of the scales. The tender price is higher and as a result an additional \$50,572.80 is being requested from the reserve.

**BUDGET IMPLICATIONS**

**Budget Summary: Project Account No. CBX01170 - HRM Depot Upgrades  
Res No. 1732.13 (Salt Dome and Weigh Scales)**

Cumulative Unspent Budget	\$ 529,354.00
Add: Budget Increase	\$ 50,572.80
Less: Tender No. 10-087	<u>(\$500,572.80)</u>
Balance	\$ 79,354.00

\* This project was estimated in the Approved 2010/11 Project Budget at \$450,000.

The balance of funds will be used for the renovation of Turner Drive and installation of a salt dome at Turner Drive.

An additional withdrawal of \$50,572.80 from Q204 - General Fleet Reserve is required to fund the purchase and installation of three weigh scales. Currently, Q204 projected uncommitted funds to March 31,2011 is \$1,112,035. As the useful life of the scales exceeds that of which the General Fleet Reserve has been approved to fund (10 years), it is requested that Council approve an exception and grant funding from the reserve to fund the scale purchase. The budget availability has been confirmed by Financial Services.

**Q204 - General Fleet Reserve**

Projected uncommitted balance at March 31/11	\$1,122,035.00
Proposed withdrawal	<u>(\$ 50,572.80)</u>
Projected balance March 31/11	\$1,071,462.20

**FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating and Project budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation. If approved, there will be an increase to the gross project budget but not the net. If approved, there will be an increase to reserve withdrawals.

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**ALTERNATIVES**

There is no recommended staff alternative.

**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.

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