

**Item No. 11.1.3**  
**Halifax Regional Council**  
**December 7, 2010**

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

Original Signed by 

**SUBMITTED BY:**

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Wayne Anstey, Acting Chief Administrative Officer

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Mike Labrecque, Deputy Chief Administrative Officer

**DATE:** November 22, 2010

**SUBJECT:** Award – RFP No. 10-186, Construction Management Consultant  
Services Central Library

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**ORIGIN**

- April 28, 2009 – Regional Council approved the Central Library as a Building Canada Fund Project
- October 19, 2009 – Federal Funding Announcement
- March 30, 2010 - Central Library Funding Strategy – Regional Council Report
- March 30, 2010 – Council Report - Award RFP No. 09-195
- August 3, 2010 – Council Report - Four Pad Arena Funding
- November 16, 2010 – Council Report - Contribution Agreement

**RECOMMENDATION**

It is recommended that Halifax Regional Council:

1. Award RFP No. 10-186, Construction Management Consultant Services, to EllisDon Limited for a Total Price of \$2,868,929.76 (net HST included), from Project No. CBW00978, Central Library Replacement, as outlined in the Budget Implications section of this report; and
2. Approve the delegation of contract award authority to the Acting CAO to approve the award of the sub-trade tender packages and Requests for Proposals for this specific project, as outlined in this report, in order to meet the tight project timelines.

## **BACKGROUND**

On May 26, 2009, Halifax Regional Council passed the 2009-2010 operating and project budgets which included the budget for detailed design of the Central Library. On April 28, 2009, Council authorized staff to submit an application for funding under the Federal Infrastructure Build Canada Program for the Central Library. This application was successful and a priority announcement for funding the Central Library was made in October of 2009. The announcement noted:

- Federal contribution of \$18.3 million;
- Provincial contribution of \$13 million; and
- HRM contribution of \$23.7 million.

The need for a modern facility to replace the outdated and undersized Spring Garden Road Memorial Public Library has been well documented in numerous studies, involving considerable public consultation.

A new Central Library will improve library services throughout the region, in response to demand for service, and provide a much needed cultural anchor for the Capital District. The new facility will provide spaces for community programming, comfortable seating, study/research areas and radically improved access to technology.

The building site is located on the southeast corner of the intersection of Spring Garden Road and Queen Street. As described by the Spring Garden Road/Queen Street Area Joint Public Lands Plan (2007), and reinforced in the Downtown Halifax Secondary Municipal Planning Strategy (HRM by Design), this site is of critical importance in downtown Halifax. It has frontage on the premiere retail corridor in the Atlantic Provinces and enjoys the highest pedestrian traffic volumes east of Montreal. The site is also on one of the busiest public transit corridors in the region.

A Central Library within the HRM compliments municipal strategic initiatives, including the extensive HRM by Design project, the cultural plan, economic development and immigration strategies, youth engagement and infrastructure revitalization. It was the public's input from focus groups, public meetings and survey responses that identified the library site, and drove the proposed building program and the final theme and vision adopted for the new Central Library - "A Partnership of Learning and Culture." The new Central Library building program calls for a signature building that will be an enduring and instantly recognized Halifax landmark, embodying not only Halifax's civic values but also conveying a sense of wonder, expectation, and discovery.

During the summer and fall of 2010, HRM has undertaken an unprecedented community consultation for the design of this facility. The community consultation has included 5 public forums as well as numerous focus groups. During this process, the citizens of HRM have had an opportunity to directly impact the programming, the planning and the design of this facility. The community consultation has been conducted by the design team of Fowler Bauld and Mitchell Architects Limited, along with their design associates Schmidt Hammer Larsen.

Over the next few months the design will be evolving from concept drawings, to construction documents and then to the actual construction. To meet the critical success factors on time and on budget, HRM staff is recommending that Regional Council approve the engagement of a Construction Management Team and the delegation of authority to the Acting CAO to approve the award of the sub trade contracts. This is the same construction process that has been successful on the Canada Games Centre which achieved substantial completion in November 2010.

## **DISCUSSION**

There are three options for the contracting for the Central Library:

- Design/Bid/Build;
- Design Build; or
- Construction Management.

Due to the scale, complexity and tight schedule of the Central Library, HRM staff are recommending a Construction Management delivery methodology. This system combines the advantages of the two other options without their inherent risks. The Construction Manager will be responsible to HRM to manage the subcontractors on the site and provide costing input to the design team. Construction Management gives HRM the opportunity to increase the number of contractors on site, thereby increasing the competition and reducing project costs. We anticipate that there will be approximately 75 subcontractors on site, from tenders advertised by HRM Procurement. This is a fee based service in which the Construction Manager acts in HRM's interests from the initial design to the close out of the project. The Construction Manager performs the role of the General Contractor and is not an extra cost to the project.

Tender was publicly advertised on HRM's website on September 17, 2010, and closed on October 13, 2010. Six (6) Companies submitted proposals as follows:

EllisDon Construction Ltd.  
Aecon  
Pomerleau  
Trow Project Services  
PCL Constructors  
Graham Marceau

Proposals were evaluated based on the evaluation criteria in Appendix A, Proposal Evaluation Criteria by a committee comprised of staff from IAM and facilitated by Procurement. Of the six (6) proposals, only two (2) firms, EllisDon and Aecon, received the minimum number of points to proceed to the second stage. Each of the two (2) firms was invited to clarify points within their proposal with a presentation to the evaluation committee, and the subsequent final evaluation was as follows:

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<b>Name of Company</b>	<b>Evaluation Points</b>
EllisDon Construction Ltd.	89
AECON	82

EllisDon's recent relative experience for large scale Construction Management includes the Canada Games Centre, HRM's 4-pad Arena, NSCC's new Metro Campus, RIM's Customer Support Operations Centre, Colchester East Hants Hospital Replacement Project and the Art Gallery of Ontario's recent Frank Gehry designed Transformation Project. The Art Gallery of Ontario Construction Management included the constraint of a guaranteed maximum construction cost.

### **BUDGET IMPLICATIONS**

The budget availability has been confirmed by Financial Services.

**Budget Summary: Project No. CBW00978 - Central Library Replacement**

Cumulative Unspent Budget	\$48,236,724.03
Less: RFP No. 10-186	<u>\$ 2,868,929.70</u>
Balance	\$45,367,794.33

\* This component of the project was estimated in the Approved 2010/11 Project Budget at \$3,500,000.00

The balance of funds will be used for completion of the Central Library.

### **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.

### **ALTERNATIVES**

Council could choose not to award this contract. This is not recommended as it would result in a loss of cost sharing funding from the federal and provincial governments.

### **ATTACHMENTS**

Appendix 1 – Evaluation Matrix

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: Terry Gallagher, Manager Facility Development (476-4067)

Report Approved by: \_\_\_\_\_  
Phillip Townsend, Director, Infrastructure and Asset Management (490-7166)

Procurement Review: \_\_\_\_\_  
Anne Feist, Operations Manager, Procurement (490-4200)

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**APPENDIX 1**

**PROPOSAL EVALUATION CRITERIA**

	Weight	Ellis Don	Aecon	Pomerleau	Graham Marco	PCL	Trow
<b>1. Capability</b> Project Team Experience, Construction Management, Experience, Company Experience, References	<b>30</b>	27	28	6	12	17	13
<b>2. Work Plan</b> Proponents shall provide a proposed work plan that will indicate an understanding of the complexity of the planning and executing the Construction Management for this Project. Proponents understanding of the roles/relationships between HRM Project Manager, Halifax Regional Library, the Design Team and the Construction Manager.	<b>30</b>	26	23	13	11	12	10
<b>3. Understanding the Project</b> Understanding project objectives & associated issues	<b>30</b>	26	23	8	14	12	5
<b>4. Sub-Total (Proposal Submission)</b>	<b>90</b>	79	74	27	37	41	28
<b>5. Proposal Fee*</b>	<b>10</b>	10 (\$2,868,929.70 Incl. net HST)	8 (\$3,670,731.60 Incl. net HST)	--	--	--	--
<b>6. Total</b>	<b>100</b>	<b>89**</b>	<b>82</b>	--	--	--	--

\*\* Recommended Proponent

- Note: The cost proposals each included \$1,000,000 (not including Net HST) as a General Conditions Allowance. This amount was specified by HRM in the Request for Proposals.