


Item No. 10.1.1
Halifax Regional Council
June 28, 2011

TO: Mayor Kelly and Members of Halifax Regional Council

Original signed by 

SUBMITTED BY:

Richard Butts, Chief Administrative Officer

Original Signed by 

Mike Labrecque, Deputy Chief Administrative Officer, Operations

DATE: June 2, 2011

SUBJECT: Award - Unit Price Tender No. 11-205, Underground Utilities -
Morris/Hollis Street - West Region

ORIGIN

The Approved 2010/11 Project Budget.

On February 23, 2010, Regional Council approved the allocation of \$500,000 to enable the Halifax Regional Municipality to participate in the undergrounding of overhead utilities.

RECOMMENDATIONS:

It is recommended that Council:

1. Approve a budget increase of \$61,421.24 (net HST included) to Project No. CDX01182 - Downtown Streetscape, funded through cost sharing with Bell/Aliant; and
2. Award Tender No. 11-205, Underground Utilities - Morris/Hollis Street - West Region, to the lowest bidder meeting specifications, Black & McDonald Limited, for a Total Tender Price of \$622,561.35 (net HST included) with funding from Project Nos. CDX01182 - Downtown Streetscape, CRU00792 – Street Lighting, and CTU01284 – Overhead Wiring Conversion, as outlined in the Budget Implications section of this report.

BACKGROUND

The Halifax Regional Municipality has been committed to the undergrounding of overhead utilities in the Capital District of the Municipality since the initial “pole free zone” was established in downtown Halifax in 1977. Substantial undergrounding occurred during the 1980s under the Provincial Main Street program funding. This is how Portland Street and areas of downtown Halifax were funded. Utilities committed to cost sharing agreements as well, which resulted in as much as a 50/50 cost sharing for various undergrounding projects. However, the only work completed since the 1990s has been in conjunction with specific developments.

The Development Agreement associated with the Dixel Developments Limited project at the corner of Hollis and Morris Streets includes an undergrounding of utilities clause which requires the developer to underground any overhead infrastructure found along the perimeter of the development. However, because there was such extensive overhead infrastructure in the intersection, it was not possible to remove any poles on the Morris Street side of the development. HRM concluded that it was beyond the scope of the developer to underground the entire intersection and parts of Hollis Street and Morris Street. However, because this location represented one of the remaining areas of the original pole free zone, it included a commitment from the developer to participate in the undergrounding of the area, and cost sharing agreements were in place with participating utilities, so HRM proceeded to scope out the project with various stakeholders. On February 23, 2010, Regional Council approved the participation in the Hollis and Morris Streets project and an expenditure of \$400,000 for infrastructure installation, with an additional \$100,000 for a traffic signal system upgrade.

As its contribution to undergrounding, the developer agreed to provide dedicated space and future access, in its development, for housing Nova Scotia Power’s transformers and switches needed to replace the existing overhead infrastructure, removing the need for HRM to install a vault in its right of way. Nova Scotia Power and Bell Aliant’s scope includes supply and installation of all cable and equipment necessary to replace the existing system as well as removal of the existing overhead equipment, wires and poles. HRM’s scope of work includes the installation of a conduit and manhole system that is necessary to accommodate the underground equipment and cabling requirements.

The Approved 2010/11 Project Budget includes funds for the undergrounding of overhead power and telecom infrastructure along Morris Street between Lower Water Street and Hollis Street, and including the Morris Street-Hollis Street intersection.

DISCUSSION

Tenders were called on February 21, 2011, and closed on April 14, 2011. Bids were received from the following companies:

<u>Name of Company</u>	<u>Bid Price (net HST included)</u>
Black & McDonald Limited	\$622,561.35*
XL Electric Limited	\$721,047.80
Atlantic Industrial Services Limited	\$759,671.37

***recommended bidder**

The scope of work for this tender generally consists of the installation of a utility manhole, conduit and pull pits for the undergrounding of power and telecommunication utilities. The undergrounding conduit portion of the traffic signal system upgrade at the Hollis and Morris Street intersection is included in the scope of work for this tender. Also included is the installation of concrete bases for street lighting, which was not included in the original scope of work. It is expected that the remaining traffic signal work will take place in 2012, under a separate tender, following the completion of the conduit system and the utilities installation of the underground cabling.

It is anticipated that work will commence within three weeks of the tender award and take ten 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 \$596,975.00, plus net HST of \$25,586.35, for net total of \$622,561.35. Funding is available in the Approved 2010/11 Project Budget from Project Nos. CDX01182 - Downtown Streetscape, CRU00792 - Street Lights, and CTU01284 - Overhead Wiring Conversion. The budget availability has been confirmed by Financial Services.

Budget Summary:

Project No. CDX01182, Downtown Streetscape

Cumulative Unspent Budget	\$2,645,815.41
Plus: Cost sharing from Bell/Aliant	\$ 61,421.24
Less: Tender No. 11-205	\$ <u>572,421.24</u>
Balance	\$2,134,815.41

Project No. CRU00792, Street Lighting

Cumulative Unspent Budget	\$ 239,938.63
Less: Tender No. 11-205	\$ <u>41,714.00</u>
Balance	\$ 198,224.63

Project No. CTU01284, Overhead Wiring Conversion

Cumulative Unspent Budget	\$ 750,000.00
Less: Tender No. 11-205	\$ <u>8,426.11</u>
Balance	\$ 741,573.89

Project Total (net HST included) \$ 622,561.35*

* This project was estimated in the Approved 2010/11 Project Budget at \$500,000 including upgrades to the traffic signal system. After cost sharing with Bell/Aliant, the net cost to HRM is \$561,140.11. As noted in the Discussion section of this report, the remaining portion of the traffic signal system work will be tendered separately in 2012. The completion of the street lighting replacement will require the approval of approximately \$50,000 in 2012 project budget in order to proceed.

The balance of funds will be used to implement the remaining 2010/11 Downtown Streetscape, Street Lighting and Overhead wiring Conversion 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 Project Budget but not the net.

ALTERNATIVES

Council could choose to not approve the recommendations in this report, but this is not recommended by staff.

ATTACHMENTS

Attachment 1: Cost Sharing Letter - Bell/Aliant

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.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: Dean Knowles, CET, Design Engineering Technologist, Design & Construction Services
at 490-6825

Report Approved by: _____
Peter Bigelow, Manager, Real Property Planning, I&M at 490-6047

Procurement Review: _____
Anne Feist, Manager, Procurement (490-4200)

Report Approved by: _____
Phillip Townsend, Director, Infrastructure and Asset Management at 490-7166

DHK/



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

May 20, 2011

BellAliant
1505 Barrington Street
Maritime Centre, 2 North
Halifax, Nova Scotia B3J 2W5

Attention: Stephen Prevost, P.Eng., Atlantic Regional Manager, Access Engineering

RE: Tender No. 11-205, Underground Utilities – Morris/Hollis Street
– West Region

Tender No. 11-205, Underground Utilities – Morris/Hollis Street – West Region closed on April 14th, 2011. Prior to tender award, a cost sharing agreement must be finalized between HRM and BellAliant. I am including a summary of the items associated with communications infrastructure installation for this project. These unit prices are similar to those forwarded to you on April 29, for your review. They represent unit prices from the low tender, Black and McDonald Ltd.

In accordance with cost sharing agreements between HRM and BellAliant, BellAliant agrees to cost share 20% of the associated infrastructure costs, in addition to installing cable in the new system and removing all overhead infrastructure. Based on the estimated unit quantities, BellAliant's share of reinstatement cost is as follows:

Conduit Installation (various configurations)	665 metres	\$108,548.04
Manhole construction		\$ 91,600.00
Splice Box		\$ 11,000.00
Trenching Contribution (Prorated at 53%)		\$ 56,336.55
Traffic Control Contribution (prorated @ 50%)		<u>\$ 27,000.00</u>
	SubTotal	\$294,484.59
	Project Contribution (@20%)	\$ 58,896.92

Based on the low bidder's tender pricing and the above cost sharing, BellAliant's cost for Tender No. 11-205, Underground Utilities – Morris/Hollis Street – West Region can be summarized as follows:

Underground Infrastructure Cost Sharing	\$58,896.92
Net HST (@4.286%)	<u>\$ 2,524.32</u>
Project Total	\$61,421.24

Page Two


Actual Cost sharing for this project will be based on final quantities determined during construction.

If you are in agreement with the summary of costs, as stated, please indicate by signing and returning this letter to me. If you have any questions, please call me at 490-5019.

Thank you,



Angus Doyle, P.Eng.
Manager Utilities Coordination
Halifax Regional Municipality


Stephen Prevost, BellAliant

May 31 / 2011
Date

CC: Jeff Spares, P.Eng., Sr. Design Engineer, Design & Construction HRM
Alex Quinn, P.Eng., Design Engineer, Design & Construction, HRM
David Hubley, P.Eng., Manager Design & Construction, HRM
Kirk D'eon, BellAliant