


**Item No. 11.1.3**  
**Halifax Regional Council**  
**July 5, 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 16, 2011

**SUBJECT:** **Tender No. 11-156 - Beaver Bank/Kinsac Community Centre Rebuild**

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**ORIGIN**

- May 15, 2002, Regional Council approval of the new Area Rate for Beaver Bank Recreation Centre
- April 19, 2010, Beaver Bank/Kinsac Community Centre Fire Loss - Insurance Settlement
- Approved 2011/12 Project Budget

**RECOMMENDATION**

It is recommended that Halifax Regional Council:

1. Increase Project No. CBX01281 - Beaver Bank/Kinsac Recreation Centre, by **\$1,566,000** with funding provided from the existing area rate for the facility; and
2. Award Tender No. 11-156, for Beaver Bank/Kinsac Community Centre Rebuild, to the lowest bidder meeting specifications, Dora Construction Ltd., for a Total Tender Price of **\$6,298,874.40** (net HST included), with funding from Project No. CBX01281, Beaver Bank/Kinsac Community Centre, as outlined in the Budget Implications section of this report.

## **BACKGROUND**

The Beaver Bank/Kinsac Community Centre and Fire Hall was constructed in 2004 to serve the recreation and fire services needs of the area. The Community Centre was funded from a new area rate and the fire hall was funded from the 2002/2003 Capital Budget.

On the evening of September 23, 2009, the Community Centre sustained substantial damage as a result of a fire of unknown origin. The fire fighting vehicles and equipment in the apparatus bays of the Fire Hall were not damaged. This was due to the firewall that separated the two occupancies from each other.

After the fire, public consultation identified a strong preference not to rebuild the original building. The community felt that this was an opportunity to construct a facility that would be more welcoming, accessible, energy efficient (LEED) and, most importantly, non-combustible.

Community Development, through consultation with the Beaver Bank/Kinsac Community Centre's Rebuild Steering Committee, the Community and Infrastructure & Asset Management staff, recognized the need to increased program requirements and to address a number of deficiencies of the original facility. These included security, building layout, mechanical and electrical design deficiencies. This has resulted in a new design that is approximately 4,365 square feet larger, which addresses the deficiencies encountered in the original facility's design and better responds to the requirements of the community.

The facility would be approximately 22,555 sq/ft, not including the existing apparatus bay. The Community Centre part of the facility, features a multi-purpose room, kitchen, Youth/Seniors program space, board room and children programing space. Fire Services support area includes a training room, dormitory, training office and kitchen.

## **DISCUSSION**

There is no change proposed to the area rate for the Beaver Bank/Kinsac Community Centre which is \$0.07 per \$100 of taxable residential and resource assessment. Since the catchment area extends into the Urban Tax Zone, there is a transfer from the Urban General Tax Rate to cover what would otherwise be area rate revenues.

The area rate for construction of the original building was projected to retire the original debt by 2017-18. If an additional **\$1,566,000** is added to the outstanding debt as recommended in this report, it will not be until as early as 2025-26 or as late as 2030-31 before it is retired, depending on the rate of growth of the assessment base in the community (2% to 5%).

The above listed tender was posted on the HRM internet web site May 25, 2011, and closed June 17, 2011.

Bids were received from the following qualified bidders:  
Tender No. 11-156

Company	Unit Price Cost (Before net HST)	Total Unit Price Cost (net HST included)
<b>Dora Construction Ltd.</b>	<b>\$6,040,000.00</b>	<b>\$6,298,874.40*</b>
Bird Construction Company	\$6,077,000.00	\$6,337,460.22
PCL Constructors Canada Inc.	\$6,160,000.00	\$6,424,017.60
Avondale Construction Ltd.	\$6,266,808.00	\$6,535,403.39
J.W. Lindsay Construction	\$6,394,000.00	\$6,668,046.84

\* Recommended bidder

**BUDGET IMPLICATIONS**

Based on the lowest tendered price of \$6,040,000 plus net HST of \$258,874.40 for a total project cost of \$6,298,874.40, funding is available in Project No. CBX01281 - Beaver Bank Community Centre. The budget availability has been confirmed by Finance.

**Budget Summary: Project No. CBX01281 – Beaver Bank/Kinsac Community Centre**

Cumulative Unspent Budget	\$ 6,017,862.45
Add: Increase funding from area rate	\$ 1,566,000.00
Less: Tender No. 11-156	<u>\$ 6,298,874.40</u>
Balance	\$ 1,284,988.05

This project was estimated in the Approved 2010/11 and 2011/12 Project Budgets at \$7,500,000.

The balance of the funds will be used for architect fees, building commissioning, testing, mandatory public art, permits and fees and contingencies.

There is no change to the area rate for the Beaver Bank/Kinsac Community Centre, although the requirement to fund an additional \$1,566,000 will add 8 to 13 years to the time period needed to accumulate enough area rate revenue to retire the debt incurred for construction.

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**FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, 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 result in an increase to the gross Project budget, but not the net.

**COMMUNITY ENGAGEMENT**

Beaver Bank/Kinsac Community Centre is a community volunteer operated facility under HRM Facility Lease Program. The Beaver Bank/Kinsac Community Centre Board representatives worked (on a Steering committee) together with HRM on the planning process of the new Beaver Bank/Kinsac Community Centre building.

The Beaver Bank/Kinsac Community Centre Board has undertaken fundraising initiatives for the replacement of equipment and supplies lost to the fire.

**ALTERNATIVES**

Council could choose not to proceed with the award for reconstruction of the Beaver Bank/Kinsac Community Centre; however, this is not recommended by staff.

**ATTACHMENTS**

None

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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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