


Item No. 11.1.4
Halifax Regional Council
September 27, 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

DATE: July 20, 2011

SUBJECT: Award - Tender No. 11-169, Long Track Oval – Tender Package #2

ORIGIN

- Approved 2011/12 Project Budget
- Halifax Regional Council Canada Games Oval report, dated March 29, 2011, Agenda No. 3(ii)

RECOMMENDATION

It is recommended that Halifax Regional Council award Tender No. 11-169 - Long Track Oval, to the lowest bidder meeting specifications, Dexter Construction Ltd., for a Total Tender Price of \$2,785,791.92 (net HST included), with funding from Project No. CBX01344 - Outdoor Arena Legacy Project, Project No. CPX01190 - Parks Upgrades (Bundle), and Project No. CPX01329 - Parks Upgrades, as outlined in the Budget Implications section of this report.

BACKGROUND

On March 29, 2011, Regional Council approved a total estimated project budget of \$4,297,000 with \$247,000 in Project No. CPX01190, \$300,000 in Project No. CPX01329, and \$3,750,000 in Project No. CBX01344. The approved HRM Project Budget 2011/12 identified \$500,000 as cost sharing. The cost sharing is being addressed in a separate report to Regional Council.

The completion of the permanent oval is scheduled to take place over two phases:

Phase 1, 2011/12: Will focus on the construction of the field of play, infield, and mechanical/electrical equipment. Completion date scheduled for this work is December 15, 2011.

In order to have the oval completed for this skating season, Phase 1 of the project is being tendered sequentially namely:

- Tender Package #1 – Civil Works awarded and under construction. The work in Tender Package 1 is scheduled to be completed by September 30th.
- Tender Package #2 – Concrete slab, mechanical and electrical (this award). The work of this tender package is weather dependent and requires a very aggressive schedule to complete in time for the winter skating season. An extended period of adverse weather could effectively delay the opening of the Oval prior to Christmas. HRM staff will continue to work with the contractor to manage the construction sequencing, hours of work, and delivery schedules to meet the scheduling objectives.
- Tender Package #3 – Furniture, Fixtures and Equipment (FFE)

Phase 2, 2012/13: Scope of work for this project is the construction of accessory permanent buildings to house the ice resurfacer, skate storage room, skate sharpening equipment, and public washrooms. Pending approval of the 2012/13 Capital Budget, projected cost for this phase is \$1,400,000 from 2012/13 Project Budget No. CBX01344 - Outdoor Arena Legacy Project. This work will be scheduled for the summer/fall of 2012. Community consultation on accessory permanent buildings will be undertaken in the fall of 2011.

DISCUSSION

Tenders were publicly advertised on the HRM procurement website and closed on August 30, 2011. Bids were received from the following companies:

Long Track Oval – Civil Works - Tender No. 11-169

Company	Lump Sum Price (before net HST)	Total Cost (net HST included)
Dexter Construction Ltd.	\$3,167,700.00	\$3,303,467.63*
Lindsay Construction.	\$3,882,063.27	\$4,048,448.51

* Recommended bidder (reduced scope of work resulted in lower award price)

The scope of this tender award includes flood lighting, insulation, under slab heating piping, refrigeration piping, supply and installation of concrete, energy management controls and installation of HRM owned mechanical equipment.

Due to the variance of the tender from the estimate, HRM with the consultant team completed a “value engineering” exercise to reduce the scope of the project without compromising the capability of providing quality of ice and longevity of the installation. This resulted in a decrease of \$517,675.71 (net HST included) to the project. The changes to the scope of the project are generally reflected in the following areas: building services and mechanical room modifications.

BUDGET IMPLICATIONS

Based on the lowest tendered price of \$2,671,300, plus net HST of \$114,491.92, for a total project cost of \$2,785,791.92, funding is available from Project Nos. CBX01344, CPX01190, and CPX01329. The budget availability has been confirmed by Finance.

Budget Summary: Project No. CBX01344, Outdoor Arena Legacy Project

Cumulative Unspent Budget	\$ 2,369,472.24
Less: Tender No. 11-169	<u>\$ 2,239,473.67*</u>
Balance	\$ 129,998.57

Project No. CPX01190 – Parks Upgrades, Res# 1746.6

Cumulative Unspent Budget	\$ 246,318.25
Less: Tender No. 11-169	<u>\$ 246,318.25*</u>
Balance	\$ 0.00

Project No. CPX01329 – Parks Upgrades, Res# 1997.2

Cumulative Unspent Budget	\$ 300,000.00
Less: Tender No. 11-169	<u>\$ 300,000.00*</u>
Balance	\$ 0.00

* This tender package was estimated in the Approved 2011/12 Project Budget at \$2,300,000.

The balance of funds (\$129,998.57 - CBX01344) will be used for FFE and leasing of trailers at the Long Track Oval site which will complete Phase 1 of this project.

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

Regional Council could choose to not award this Tender, but this is not recommended by staff as this work is essential to the completion of the oval for this skating season.

ATTACHMENTS

None

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.

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