


Item No. 11.1.1

Halifax Regional Council

July 10, 2012

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by 
Mike Labrecque, Acting Chief Administrative Officer

DATE: June 11, 2012

SUBJECT: Award - Unit Price Tender No. 12-204, Paving and Water Main
Renewal, Mountain Avenue – East Region

ORIGIN

The Approved 2012/13 Project Budget.

RECOMMENDATIONS:

It is recommended that Council:

1. Approve a budget increase of \$435,606.53 (net HST included) to Project Account No. CYX01345 – Street Recapitalization, funded through cost sharing with the Halifax Water; and
2. Award Tender No. 12-204, Paving and Water Main Renewal, Mountain Avenue – East Region, to the lowest bidder meeting specifications, Harbour Construction Co. Ltd. for a Total Tender Price of \$911,793.36 (net HST included) with funding from Project Account No. CYX01345 – Street Recapitalization, as outlined in the Budget Implications section of this report.

BACKGROUND

The Approved 2012/13 Project Budget includes funds for the Paving Renewal of Mountain Avenue from Plymouth Road to Lakecrest Drive.

DISCUSSION

Tenders were called and posted to the Province of Nova Scotia's Procurement website on May 24, 2012 and closed on June 6, 2012. Bids were received from the following companies:

<u>Name of Company</u>	<u>Bid Price (net HST included)</u>
Harbour Construction Co. Ltd.	\$ 911,793.36*
Sackville Trenching Limited	\$ 923,198.07
J. R. Eisener Contracting Limited	\$ 926,945.07
Dexter Construction Company Limited	\$ 961,489.81
Brycon Construction Limited	\$1,059,858.62
Ocean Contractors Limited	\$1,065,907.21
Amber Contracting Limited	\$1,123,004.83
*recommended bidder	

The scope of work for this tender generally consists of a paving renewal including full depth removal of existing asphalt, installation of new asphalt and associated reinstatement and some curb and gutter replacement. The project also includes water main renewal, sanitary spot repair and sewer lateral replacements.

It is anticipated that work will commence within three weeks of the tender award and take 12 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 \$874,320.00 plus net HST of \$37,473.36, for a net total of \$911,793.36, funding is available in the Approved 2012/13 Project Budget from Project Account No. CYX01345 – Street Recapitalization. The budget availability has been confirmed by Finance.

Budget Summary: **Project Account No. CYX01345 – Street Recapitalization**

Cumulative Unspent Budget	\$4,039,353.02
Plus: Halifax Water Cost Sharing	\$ 435,606.53
Less: Tender No. 12-204	<u>\$ 911,793.36 *</u>
Balance	\$3,563,166.19

*This project was estimated in the Approved 2012/13 Project Budget at \$550,000. As a result of cost sharing from Halifax Water, the net cost to Project Account No. CYX01345 is \$476,187.

The balance of funds will be used to implement the remaining 2012/13 Street Recapitalization 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 2012/13 Project Budget but not the net.

ENVIRONMENTAL IMPLICATIONS

Implications not identified.

ALTERNATIVES

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

ATTACHMENT

A1 – Halifax Water Cost Share Memo

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: Linda Ward, Design Engineering Technologist, Design & Construction Services at 490-6868

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

Report Approved by: _____
David Hubley, P.Eng., A/ Director, Transportation & Public Works at 490-4855

LW/pm

MEMORANDUM

TO: Kevin Healy, P.Eng., Halifax Water

CC: David Hubley, P.Eng., Manager, Design & Construction Services
Jamie Hannam, P.Eng., MBA, Halifax Water
Jeff Spares, P.Eng., Sr. Design Engineer, Design & Construction Services

FROM: Peter Lynds, P.Eng., Design & Construction Services

DATE: June 13, 2012

SUBJECT: Tender No. 12-204, Paving and Water Main Renewal, Mountain Avenue – East Region

Tender No. 12-204, Paving and Water Main Renewal, Mountain Avenue – East Region, closed June 6, 2012. Prior to tender award, a cost sharing agreement must be finalized between HRM (Halifax Regional Municipality) and HW (Halifax Water).

Enclosed is a bid comparison summary for the items associated with the water main and sewer work for this project. They are from the lowest bidder, **Harbour Construction Co. Ltd.**

In the most recent discussions on this project, HW has agreed to pay for the water main and sewer work and 50% of the asphalt reinstatement cost relating to their work, which (based on the unit prices) is as follows:

Reinstatement Area

Water Main Reinstatement:

$542 \times 2.5 = 1,355$ [$1,355 \times 50\% = 677.5$ (HW Share)]

Cost for Type B - HF Asphalt	$677.5 \text{ m}^2 \times \$15.00/\text{m}^2$	=	\$10,162.50
Cost for Type D - HF Asphalt	$677.5 \text{ m}^2 \times \$13.00/\text{m}^2$	=	\$ 8,807.50
Cost for Fine Grading of Road	$677.5 \text{ m}^2 \times \$ 1.50/\text{m}^2$	=	\$ 1,016.25
Cost for Full Depth Asphalt Removal	$677.5 \text{ m}^2 \times \$ 6.00/\text{m}^2$	=	\$ 4,065.00
Cost for Type 1 Gravel	$677.5 \text{ m}^2 \times \$ 8.00/\text{m}^2$	=	\$ 5,420.00
Subtotal		=	<u>\$29,471.25</u>

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Sanitary Sewer Reinstatement:

$$4.5 - 1.25 = 3.25 \text{ Trench Length} \quad 3.25 \times 5 = 16.25 \text{ m}^2$$

$$16.25 \times 24 \text{ Laterals} = 390 \text{ [} 390 \times 50\% = 195 \text{ (HW Share)]}$$

Cost for Type B - HF Asphalt	195 m ² x \$15.00/ m ²	=	\$2,925.00
Cost for Type D – HF Asphalt	195 m ² x \$13.00/ m ²	=	\$2,535.00
Cost for Fine Grading of Road	195 m ² x \$ 1.50/ m ²	=	\$ 292.50
Cost for Full Depth Asphalt Removal	195 m ² x \$ 6.00/ m ²	=	\$1,170.00
Cost for Type 1 Gravel	195 m ² x \$ 8.00/ m ²	=	<u>\$1,560.00</u>
Subtotal		=	<u>\$8,482.50</u>

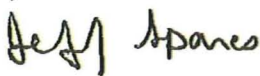
Based on the bidder's tender prices and the above cost sharing, HW's costs for Tender No. 12-204, Paving and Water Main Renewal, Mountain Avenue – East Region, can be summarized as follows:

Water Main Reinstatement	=	\$ 29,471.25
Water Main Work	=	\$298,650.00
Sanitary Sewer Reinstatement	=	\$ 8,482.50
Sanitary Sewer Work	=	\$ 81,100.00
Net HST (i.e., 4.286%)	=	<u>\$ 17,902.78</u>
Project Total	=	<u>\$435,606.53</u>

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

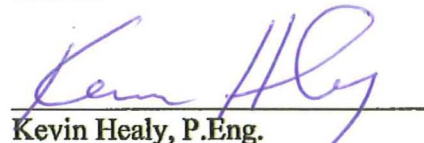
If you agree to this arrangement, please indicate by signing the enclosed copy and return it to my attention. If you have any questions, please call me at 490-6898.

Thank you,



Peter Lynds, P.Eng.

PL/rch.



Kevin Healy, P.Eng.
Halifax Water

JUNE 13, 2012

Date

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