

Item No. 10.1.1
Halifax Regional Council
May 7, 2013

TO: Mayor Savage and Members of Halifax Regional Council

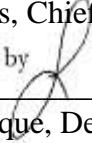
SUBMITTED BY:

Original signed by



Richard Butts, Chief Administrative Officer

Original Signed by



Mike Labrecque, Deputy Chief Administrative Officer

DATE: January 17, 2013

SUBJECT: **Increase to Contract - Tender No. 10-191, Memorial (Dingle) Tower
Masonry Restoration**

ORIGIN

- This report originates from the CAO Interim Award Report, dated December 14, 2010; and
- a need to increase the contract due to a change in scope of work.

LEGISLATIVE AUTHORITY

Under the HRM Charter, Section 79, Halifax Regional Council may expend money for municipal purposes.

RECOMMENDATION

It is recommended that Halifax Regional Council approve:

1. An increase of \$128,975.60 to Project No. CPX01230 - Dingle Tower Restoration, with funding from surplus Operating Pay as You Go Funding (Cappool), as outlined in the Financial Implications section of this report; and
2. An increase to Tender No. 10-191 - Memorial (Dingle) Tower Masonry Restoration, with the Coastal Restoration and Masonry Ltd., for adjustments resulting from changes in the contracted scope of work, in the amount of \$358,488.99 (net HST included), with funding from Project No. CPX01230, as outlined in the Discussion section of this report.

BACKGROUND

The Memorial Tower at Fleming Park (the Dingle) was completed in 1912 to commemorate the 150th anniversary of responsible government in Canada. The Tower was the idea of Sir Sandford Fleming, who donated the site of his summer home as a park and the location for the Memorial Tower.

In 2009, HRM staff scoped a maintenance project for the Memorial (Dingle) Tower and included the project in the 2009/10 Project budget, which was approved by Regional Council as part of the budget process. The total cost of the project was estimated at \$850,000 and it was expected that it could be completed within one year.

In the fall of 2010, with the benefit of exterior scaffolding, the consultant team were able to fully conduct and extensively investigate the building exterior wall. The investigation of the Tower indicated that the Tower was in far worse condition than what was originally defined. Proceeding with the original scope of work was not recommended due to the significant structural deficiencies that were discovered. Highlights of the condition assessment included erosion of the rubble core, separation of the interior and exterior wythes of stonework, overloading of the interior masonry and twisting of the wall structure. Based upon the findings of the consultant team, HRM staff prepared a revised scope for the project, which was to be completed in three phases, with a revised project budget and a revised timeline.

The revised scope of work for Phases 1 and 2, was issued as Tender No.10-191 – Memorial (Dingle) Tower Masonry Restoration. The award of this tender, CAO Interim Award Report dated December 14, 2010, documented a summary of the revised scope of work and included the recommendation to extend the work over subsequent fiscal years (to be completed by 2012).

DISCUSSION

Tender No. 10-191 – Memorial Tower Masonry Restoration (dated December 14, 2010), was approved as a CAO Interim Award report to Costal Restoration & Masonry Ltd. for \$809,290.66 (net HST included).

The requested increase requires approval by Halifax Regional Council, in compliance with Administrative Order 35, Procurement Policy Appendix B, which states:

Contract amendments to construction projects are to be tracked and significant variances addressed. Contract amendments are to be approved in accordance with the following guideline:

- Contract amendments must be fully funded. Council has approved funds and funds remain for this use. Shortfalls in funding must be addressed in accordance to policy.

Unforeseen building conditions, which could not have been assumed prior to the work being underway, caused increases to the contract including: additional external and internal ironstone

infills, additional granite repairs and additional concrete and soffit repairs. These increases resulted in the need for additional winter heating and additional site supervision costs.

While the original contract was underway, the contractor was directed to perform work that was outside of the contract and had been intended to be publicly tendered as Phase 3 to the restoration project. This work included weatherproofing of the observation deck, observation deck floor repairs and other general works on site.

Contract Award, Ph1 & 2 (PO# 2070515645)	\$ 809,290.66
Plus Previous Increase (within scope of original contract) (net HST incl)	\$ 51,723.88
Request for Increase within scope of original contract(net HST incl)	\$ 211,686.38
Request for Increase outside scope of original contract (net HST incl)	\$ <u>146,802.61</u>
New Contract Value (incl. net HST)	\$1,219,503.53

This represents a total increase of 50.8% to the original contract value of \$809,290.66 (net HST incl.) and completes all three phases planned for this project.

FINANCIAL IMPLICATIONS

The budget availability has been confirmed by Finance.

Budget Summary: Project No. CPX01230 - Dingle Tower Restoration

Cumulative Unspent Budget	\$235,816.27
Plus: Budget Increase from Cappool	\$128,975.60
Less: Increase to Tender No. 10-191	<u>\$358,488.99</u>
Balance	\$ 6,302.88

The balance of funds will be used for any other costs associated with the Dingle Tower. The project was originally estimated at \$850,000.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications with this report.

ALTERNATIVES

There are no alternatives. This work was done.

ATTACHMENTS

None

Increase to Contract - Tender No. 10-191
Memorial (Dingle) Tower Masonry Restoration
Council Report

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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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