

Item No. 11.1.2

Halifax Regional Council

June 10, 2014

TO: Mayor Savage 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: May 12, 2014

SUBJECT: Award - Unit Price Tender No. 14-204, Street Reconstruction and Water Main Renewal – Gaston Road, Regency Drive and Galaxy Avenue - East Region

ORIGIN

The Approved 2014/15 Project Budget.

LEGISLATIVE AUTHORITY

Under the HRM Charter, Section 79 Halifax Regional Council may expend money for municipal purposes. Administrative Order #35, the Procurement Policy, requires Council to approve the award of contracts for sole sources exceeding \$50,000 or \$500,000 for RFPs and Tenders respectively.

RECOMMENDATIONS:

It is recommended that Council:

1. Approve a budget increase of \$847,710.17 (net HST included) to Project Account No. CR0000005 – Street Recapitalization, funded through cost sharing with the Halifax Water and Heritage Gas; and

RECOMMENDATION CON'T ON NEXT PAGE

2. Award Tender No. 14-204, Street Reconstruction & Water Main Renewal – Gaston Road, Regency Drive and Galaxy Avenue – East Region, to the lowest bidder meeting specifications, Brycon Construction Limited for a Total Tender Price of \$1,996,451.18 (net HST included) with funding from Project Account Nos. CR000005 – Street Recapitalization and CKU01084 – Sidewalk Renewals, as outlined in the Financial Implications section of this report.

BACKGROUND

The Approved 2014/15 Project Budget includes funds for the street reconstruction of Regency Drive from Gaston Road to the end, Galaxy Avenue from Gaston Road to the end and Gaston Road from Portland Street to Galaxy Avenue, and the sidewalk renewal on both sides of Gaston Road from Portland Street to Galaxy Avenue. The budget does not include water main renewal, sewer spot repairs or the lowering of the gas main in Galaxy Avenue and Gaston Road; this is the reason for the budget increase request. The increase in budget of \$847,710.17 is being funded through cost sharing with Halifax Water and Heritage Gas as outlined in Attachments 1 and 2.

DISCUSSION

Tender No. 14-204 was publicly advertised on the Province of Nova Scotia's Procurement website on April 17, 2014 and closed on May 6, 2014. Bids were received from following companies:

<u>Name of Company</u>	<u>Bid Price (net HST included)</u>
Brycon Construction Limited	\$1,996,451.18
ARCP – Atlantic Road Construction & Paving Ltd.	\$2,125,849.25
Dexter Construction Company Limited	\$2,207,108.90

***recommended bidder**

The scope of work for this tender generally consists of (a) the paving renewal and curb and gutter replacement for Galaxy Avenue and Regency Drive; and (b) paving renewal, curb and gutter and new concrete sidewalks on Gaston Road (both sides). This project also includes water main renewal, sewer spot repairs and the lowering of the gas main to allow for construction of HRM's current road standard on Galaxy Avenue and Gaston Road.

It is anticipated that work will commence within three weeks of the tender award and take 20 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.

FINANCIAL IMPLICATIONS

Based on the lowest tendered price of \$1,914,400.00 plus net HST of \$82,051.18, for a net total of \$1,996,451.18, funding is available in the Approved 2014/15 Project Budget from Project Account Nos. CR000005 – Street Recapitalization and CKU01084 – Sidewalk Renewals. The budget availability has been confirmed by Finance.

Budget Summary:

Project Account No. CKU01084 – Sidewalk Renewals

Cumulative Unspent Budget	\$1,805,277.51
Less: Tender No. 14-204	<u>\$ 300,301.97 *</u>
Balance	\$1,504,975.54

Project Account No. CR000005 – Street Recapitalization

Cumulative Unspent Budget	\$2,146,488.47
Plus: Halifax Water Cost Sharing	\$ 755,082.82
Plus: Heritage Gas Cost Sharing	\$ 92,627.35
Less: Tender No. 14-204	<u>\$1,696,149.21 *</u>
Balance	\$1,298,049.43

*This project was estimated in the Approved 2014/15 Project Budget at \$345,000.00 and \$710,000.00 respectively. As a result of cost sharing from the Halifax Water and Heritage Gas, the net cost to Project Account No. CR000005 is \$848,439.04.

The balance of funds will be used to implement the remaining 2014/15 Street Recapitalization and Sidewalk Renewal projects approved by Council.

ENVIRONMENTAL IMPLICATIONS

Implications not identified.

ALTERNATIVES

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

ATTACHMENTS

- A1- Halifax Water Cost Share Memo
- A2- Heritage Gas 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

Report Approved by: _____
Dave Hubley, P. Eng., Manager, Design & Construction Services at 490-4845

Procurement Review: _____
Anne Feist, Manager, Procurement at 490-4200

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

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MEMORANDUM

TO: Mark Feener, 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: John Fawcett, P.Eng., Design Services

DATE: May 13, 2014

SUBJECT: **Tender No. 14-204, Street Reconstruction & Water Main Renewal,
Gaston Road, Regency Drive & Galaxy Avenue – East Region**

Tender No. 14-204, Street Reconstruction & Water Main Renewal, Gaston Road, Regency Drive & Galaxy Avenue – East Region, closed May 6, 2014. 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, Brycon Construction Limited.

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

Based on the bidder's tender prices and the above cost sharing, Halifax Water's costs for Tender No. 14-204, Street Reconstruction & Water Main Renewal, Gaston Road, Regency Drive & Galaxy Avenue – East Region, can be summarized as follows:

Gaston Road

Water Main Reinstatement	=	\$ 43,475.00
Water Main Work	=	\$316,990.00
Sanitary Sewer Reinstatement	=	\$ 22,235.00
Sanitary Sewer Work	=	\$139,950.00

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Regency Drive

Sanitary Sewer Reinstatement	=	\$ 5,450.02
Sanitary Sewer Work	=	\$ 31,500.00

Galaxy Avenue

Water Main Reinstatement	=	\$ 11,000.00
Water Main Work	=	\$ 96,000.00
Sanitary Sewer Reinstatement	=	\$ 5,450.02
Sanitary Sewer Work	=	\$ 52,000.00
		\$724,050.04
Net HST (i.e., 4.286%)	=	\$ 31,032.78
Project Total	=	<u>\$755,082.82</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 490-6824.

Thank you,

Original Signed

John Fawcett, P.Eng.

JF/rch.

Original Signed

Mark Feener, P.Eng.
Halifax Water

May 14, 2014
Date

MEMORANDUM

TO: Bill Swan, President

CC: David Hubley, P.Eng., Manager, Design & Construction Services
Jeff Spares, P.Eng., Sr. Design Engineer, Design & Construction Services

FROM: John Fawcett, P.Eng., Design & Construction Services

DATE: May 8, 2014

SUBJECT: **Tender No. 14-204, Street Reconstruction & Water Main Renewal,
Gaston Road, Regency Drive and Galaxy Avenue – East Region**

Tender No. 14-204, Street Reconstruction & Water Main Renewal, Gaston Road, Regency Drive and Galaxy Avenue – East Region, closed May 6, 2014. Prior to tender award, a cost sharing agreement must be finalized between HRM (Halifax Regional Municipality) and Heritage Gas. Enclosed is a bid comparison summary for the items associated with the gas main installation for this project. They are from the lowest bidder, Brycon Construction Limited.

In the most recent discussions on this subject, Heritage Gas has agreed to pay 50% of the cost of the reinstatement. This includes the cost of the asphalt over the length of the gas main and across the reinstatement width.

Based on the low bidder's tender prices and the above cost sharing, Heritage Gas's costs for Tender No. 14-204, Street Reconstruction & Water Main Renewal, Gaston Road, Regency Drive and Galaxy Avenue - East Region, can be summarized as follows:

Gas Main – Gaston Road	=	\$ 48,720.00
Reinstatement Cost Sharing – Gaston Road	=	\$ 20,280.50
Gas Main – Galaxy Avenue	=	\$ 14,980.00
Reinstatement Cost Sharing – Galaxy Avenue	=	\$ 4,840.00
Net HST (i.e. 4.286%)	=	\$ 3,806.85
Project Total	=	<u>\$ 92,627.35</u>

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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 490-6824.

Thank you,

Original Signed

John Fawcett, P.Eng.

JF/rch.

Original Signed

Bill Swan, President
Heritage Gas

MAY 16, 2014
Date

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