



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 11.1.1
Halifax Regional Council
May 12, 2015

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: April 20, 2015

SUBJECT: Unit Price Tender No. 15-206, Resurfacing, New Concrete Curb & Gutter,
New Sidewalk, Watermain Renewal and New Gas Main – Penhorn Drive
and Sarnia Avenue – East Region

ORIGIN

The Approved Advanced 2015/16 Project Budget as per the Council approved policy of September 16, 2008 regarding advanced funding of capital projects.

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 RFP's and tenders respectively.

RECOMMENDATIONS:

It is recommended that Council:

1. Approve a budget increase of \$666,252.12 (net HST included) to Project Account No. CR000005 Street Recapitalization, funded through cost sharing with Halifax Water and Heritage Gas.
2. Award Tender No. 15-206, Resurfacing, New Concrete Curb & Gutter, New Sidewalk, Watermain Renewal and New Gas Main – Penhorn Drive and Sarnia Avenue – East Region, to the lowest bidder meeting specifications, Dexter Construction Company Limited for a Total Tender Price of \$1,326,194.63 (net HST included) with funding from Project Account Nos. CR000005 – Street Recapitalization and CR000003 – New Sidewalks, as outlined in the Financial Implications section of this report.

BACKGROUND

The Approved Advanced 2015/16 Project Budget includes funds for street resurfacing of Penhorn Drive from Curley Drive to Jean Avenue and on Sarnia Avenue from Penhorn Drive to Regent Drive and new concrete sidewalk on the north side of Sarnia Avenue from Penhorn Drive to Regent Drive.

The budget does not include the watermain renewal, water and sewer lateral replacement or the new gas main; this is the reason for the budget increase request. The increase in budget of \$666,252.12 is being funded through cost sharing with Halifax Water and Heritage Gas as outlined in Attachments 1 and 2.

DISCUSSION

Tender No. 15-206 was publicly advertised on the Province of Nova Scotia's Procurement website on March 20, 2015 and closed on April 3, 2015. Bids were received from following companies:

<u>Name of Company</u>	<u>Bid Price (net HST included)</u>
Dexter Construction Company Limited	\$1,326,194.63*
Sackville Trenching Limited	\$1,591,274.00
Brycon Construction Limited	\$1,615,390.14
Basin Contracting Limited	\$1,841,821.12
ARCP – Atlantic Road Construction & Paving Ltd.	\$1,868,455.76
Ocean Contractors Limited	\$1,895,656.68

***recommended bidder**

The scope of work for this tender generally consists of the removal of the existing asphalt, installation of new asphalt and associated reinstatement, new concrete curb and gutter and a new concrete sidewalk on Sarnia Avenue. This project also includes watermain renewal, water and sewer lateral replacement and new gas main.

It is anticipated that work will commence within three weeks of the tender award and take 18 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 \$1,271,690.00 plus net HST of \$54,504.63, for a net total of \$1,326,194.63 funding is available in the Approved Advanced 2015/16 Project Budget from Project Account Nos. CR000005 – Street Recapitalization and CR000003 – New Sidewalks. The budget availability has been confirmed by Finance.

Budget Summary:

Project Account No. CR000003 – New Sidewalks

Cumulative Unspent Budget	\$668,076.91
Less: Tender No. 15-206	\$ 52,906.37 *
Balance	\$615,170.54

Project Account No. CR000005 – Street Recapitalization

Cumulative Unspent Budget	\$9,733,141.85
Plus: Halifax Water Cost Sharing	\$ 518,987.77
Plus: Heritage Gas Cost Sharing	\$ 147,264.35
Less: Tender No. 15-206	<u>\$1,273,288.26 *</u>
Balance	\$9,126,105.71

*This project was estimated in the Approved Advanced 2015/16 Project Budget at \$50,000 and \$725,000 respectively. The estimate does not include the watermain renewal, water and sewer lateral replacement or the new gas main. As a result of cost sharing from the Halifax Water and Heritage Gas, the net cost to Project Account No. CR000005 is \$607,036.14.

The balance of funds will be used to implement the remaining 2015/16 street recapitalization and new sidewalks projects approved by Council.

If approved, there will be an increase to gross 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.

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/agenda.php> 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, Project Planning & Design at 490-6868

Report Approved by: _____
Dave Hubley, P. Eng., Manager, Project Planning and Design at 490-4845

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

Report Approved by: _____
Mike Labrecque, A Director, Transportation & Public Works at 490-4855



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

MEMORANDUM

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

CC: David Hubley, P.Eng., Manager, Project Planning & Design
Jeff Spares, P.Eng., Sr. Design Engineer, Project Planning & Design

FROM: John Fawcett, P.Eng., Project Planning & Design

DATE: April 14, 2015

SUBJECT: Tender No. 15-206, Resurfacing, New Concrete Curb & Gutter, New Sidewalk, Water Main Renewal and New Gas Main, Penhorn Drive and Sarnia Avenue – East Region

Tender No. 15-206, Resurfacing, new Concrete Curb & Gutter, New Sidewalk, Water Main Renewal and New Gas Main, Penhorn Drive and Sarnia Avenue – East Region, closed April 2, 2015. Prior to tender award, a cost sharing agreement must be finalized between HRM (Halifax Regional Municipality) and Halifax Water. Enclosed is a bid comparison summary for the items associated with the gas main installation for this project. They are from the lowest bidder, Dexter Construction Company Limited.

In the most recent discussions on this subject, Halifax Water 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, Halifax Water's costs for Tender No. 15-206, Resurfacing, New Concrete Curb & Gutter, New Sidewalk, Water Main Renewal and New Gas Main, Penhorn Drive and Sarnia Avenue - East Region, can be summarized as follows:

Water Main and Sewer Systems	=	\$ 418,100.00
Reinstatement Cost Sharing Penhorn Drive	=	\$ 42,037.50
Reinstatement Cost Sharing – Sarnia Avenue	=	\$ 17,250.00
Reinstatement Cost Sharing Penhorn Drive – sanitary laterals	=	\$ 13,985.64
Reinstatement Cost Sharing Sarnia Avenue – sanitary laterals	=	\$ 6,285.00
Net HST (i.e. 4.286%)	=	\$ 21,329.63
Project Total	=	<u>\$ 518,987.77</u>

.../2

Transportation and Public Works, Project Planning & Design

Tel: 902.490.6824
Email: fawcettj@halifax.ca

Fax: 902.490.4939
halifax.ca

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.

Original Signed

Kevin Healy, P.Eng.
Halifax Water

/

Date

APRIL 21, 2015



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

MEMORANDUM

TO: Chris Smith, President, Heritage Gas

CC: David Hubley, P.Eng., Manager, Project Planning & Design
Jeff Spares, P.Eng., Sr. Design Engineer, Project Planning & Design

FROM: John Fawcett, P.Eng., Project Planning & Design

DATE: April 13, 2015

SUBJECT: Tender No. 15-206, Resurfacing, New Concrete Curb & Gutter, New Sidewalk, Water Main Renewal and New Gas Main, Penhorn Drive and Sarnia Avenue – East Region

Tender No. 15-206, Resurfacing, new Concrete Curb & Gutter, New Sidewalk, Water Main Renewal and New Gas Main, Penhorn Drive and Sarnia Avenue– East Region, closed April 2, 2015. 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, Dexter Construction Company 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. 15-206, Resurfacing, New Concrete Curb & Gutter, New Sidewalk, Water Main Renewal and New Gas Main, Penhorn Drive and Sarnia Avenue - East Region, can be summarized as follows:

Gas Main – Penhorn Drive & Sarnia Ave – NPS 2 or less	=	\$ 89,760.00
Reinstatement Cost Sharing Penhorn Drive	=	\$ 18,467.00
Reinstatement Cost Sharing – Sarnia Avenue	=	\$ 5,865.00
Gas Laterals – NTS ½ (estimate 160 m)	=	\$ 20,000.00
Gas Laterals - NTS ½ (Tee connections -20)	=	\$ 2,400.00
Gas Lateral Reinstatement	=	\$ 4,720.00
Net HST (i.e. 4.286%)	=	\$ 6,052.35
Project Total	=	\$ 147,264.35

.../2

Transportation and Public Works, Project Planning & Design

Tel: 902.490.6824 Fax: 902.490.4939
Email: fawcettj@halifax.ca halifax.ca

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.

Original Signed

Chris Smith, President
Heritage Gas

April 23/15

Date

R:\TPWD&C\Tenders\2015\Design Services\15-206 Penhorn_Garnis\Correspondence\15-206 Penhorn and Garnis - Heritage Gas Cost Share Memo.docx

Transportation and Public Works, Project Planning & Design

Tel: 902.490.6824
Email: fawcettj@halifax.ca

Fax: 902.490.4939
halifax.ca