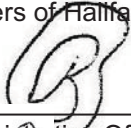



HALIFAX

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

Item No. 11.1.9
Halifax Regional Council
May 26, 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 30, 2015

SUBJECT: **Award – Unit Price Tender No. 15-213, Streets and Services, Burnside Business Park Phase 12-5 – East Region**

ORIGIN

This report originates with the Operations Support approved business plan and the approved 2014/15 Project Budget. The continued development of the municipality's industrial lot supply is a key deliverable under HRM's Regional Plan/RP+5 through the Business Park Functional Plan and is further supported through HRM's 2011-2016 Economic Strategy and 2014-15 Economic Development Priority Outcomes.

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 Halifax Regional Council:

1. Award Tender No. 15-213, Streets and Services, Burnside Business Park Phase 12-5 – East Region to the lowest bidder meeting specifications, Brycon Construction Limited for a Total tender Price of \$2,037,000.00 (no HST included, 100% recoverable) with funding from Project Account No. CQ000008 – Burnside and City of Lakes Development, as outlined in the Financial Implications section of this report.
2. Approve an increase in the Gross Budget of Project CQ000008 – Burnside and City of Lakes Development – in the amount of \$64,135.00, to reflect the cost sharing of the installation of a natural gas pipeline from Heritage Gas;

3. Authorize, as per the Financial Implications section of this report, the appointment of CBCL Ltd. for construction inspection services, in the amount of \$143,545 (no HST included, 100% recoverable); payment to Nova Scotia Power Inc. for the extension of electrical transmission lines, in the amount of \$34,531.20 (no HST Included, 100% recoverable); and payment to the Halifax Water (HW) for water system inspection, in the amount of \$19,224.56 (no HST Included, 100% recoverable).

BACKGROUND

The development of Phase 12 Burnside Park is being constructed in response to market demand. Tender No. 15-213 is the completion of streets and services project for Phase 12-5 Burnside. The award for the completion of Phase 12-5 follows the 2013 award of Phase 12-5 & 12-6 mass grading.

The development of Phase 12-5 and 12-6 is comprised of approximately 113 net acres and is being delivered in three components. Mass earthworks/grading for both Phases 12-5 and 12-6 was awarded by Council in 2013 and is followed by the subject tender for completion of streets and services for Phase 12-5. The third and final component, subject to market demand, Phase 12-6 is programmed to be constructed in 2016.

The final construction of Phase 12-5 will provide for approximately 68 acres of industrial lot inventory inclusive of natural gas, sidewalks, bike lanes and street trees. There is currently 94 acres of available lot inventory within Burnside of which 49 acres represents the Atlantic Gateway – Halifax Logistics Park subsection of Burnside in support of the Halifax Gateway initiative.

The municipal investment in developing the subject lands is fully funded by the Q121 capital reserve which in turn is funded through the market sale of industrial lots. The Lot unit pricing shall be subject to a separate report to Council. The complete Phase 12-5 lot inventory is expected to generate in excess of \$15 million in gross sales revenue.

DISCUSSION

Tender # 15-213 was publicly advertised on the Province of Nova Scotia's Procurement website on April 14, 2015 and closed on April 29, 2015. Bids were received from following companies:

<u>Name of Company</u>	<u>Bid Price</u>
Brycon Construction Limited	\$2,037,000.00*
Dexter Construction Company Limited	\$2,067,676.00
ARCP – Atlantic Road Construction and Paving Ltd.	\$2,427,657.50
J.R. Eisener Contracting Limited	\$2,553,300.00

***recommended bidder**

The scope of work for this tender generally consists of the installation of water, sanitary, storm and natural gas mains and street construction including gravels, asphalt, curb and gutter, sidewalk, trees and sod.

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.

FINANCIAL IMPLICATIONS

Based on the lowest tendered price of \$2,037,000.00 (no HST included, 100% recoverable), funding is available in the Approved 2014/15 Project Budget from Project Account No. CQ000008 – Burnside and City of Lakes Development. The budget availability has been confirmed by Finance.

Budget Summary:

Project Account No. CQ000008 – Burnside and City of Lakes Development

Cumulative Unspent Budget	\$16,936,731.36
Less: Tender No. 15-213	\$ 2,037,000.00*
Less: HRWC – Inspection Fees	\$ 19,224.56
Less: NSPI – Fees	\$ 34,531.20
Less CBCL Inspection Fees	\$ 143,545.00
Plus: Heritage Gas Cost Sharing	\$ 64,135.00
Balance	\$14,766,565.60

* This project was estimated in the Approved 2014/15 Project Budget at \$3,057,789.

The balance of funds will be used to implement the remaining 2015/16 Burnside and City of Lakes Development 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

Attachment 1 - Location Map/Construction Limits
Attachment 2– Heritage Gas Cost share letter

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.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: John Fawcett, P.Eng., Project Planning & Design, TPW at 490-6824
Michael Wile, Business Parks Manager, Corporate Real Estate, Operations Support at 490-5521

Business Unit Review: _____
David Hubley, P.Eng. Manager, Project Planning & Design, TPW at 490-4845

Business Unit Review: _____
Peter Stickings, Manager, Corporate Real Estate, OS at 490-7129

Business Unit Review: _____
Jane Fraser, Director Operations Support 490-7166

Business Unit Review: _____
Mike Labrecque, A Director TPW 490-4630

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

Original Signed



Lakeview Dr

Cineplex

WILKINSON AVENUE

Cherubini

PHASE 12-5

New Street and Services Construction

Armour Transportation

Wright Ave

John Savage Ave

Akerley Blvd

Akerley Blvd

PHASE 13 Burnside

Gloria McCluskey Avenue

BURNSIDE

Don Bayer Sport Field

East Coast Forensic Psychiatric Hospital

SPCA Provincial Animal Shelter



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: May 4, 2015

SUBJECT: Tender No. 15-213, Streets and Services, Burnside Business Park Phase 12-5, –
East Region

Tender No. 15-213, Streets and Services, Burnside Business Park Phase 12-5 - East Region, closed April 29, 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, Brycon Construcion 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. 15-213, Streets and Services, Burnside Business Park Phase 12-5- East Region, can be summarized as follows:

Gas Main	=	\$ 47,625.00
Reinstatement Cost Sharing	=	\$ 16,510.00
		<hr/>
Project Total	=	<u>\$ 64,135.00</u>

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

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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.
Design Engineer
Project Planning & Design

Original Signed

Chris Smith, President
Heritage Gas

May 2/15
Date

JF/rch.