

HALIFAX

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Item No. 14.1.1
Halifax Regional Council
December 13, 2016

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by 

Jacques Dubé, Chief Administrative Officer

Original Signed by 

Jane Fraser, Acting Deputy Chief Administrative Officer

DATE: November 14, 2016

SUBJECT: **Tender No. 16-253 Northwest Arm Seawall Phase 4, Sir Sandford Fleming Park – West Region**

ORIGIN

The approved 2015/16 Capital Budget, Supplemental Report page G13.

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. 16-253 Northwest Arm Seawall Phase 4, Sir Sandford Fleming Park – West Region to the bidder meeting specifications, Lange's Rock Farm Construction Limited, for a Tender Price of \$729,889 (net HST included), with funding from Project Account No. CPX01331 – Regional Water Access/Beach Upgrades; and
2. Award the construction and administration fees to Design Point Engineering & Surveying Limited in the amount of \$7,149 (net HST included), with funding from Project Account No. CPX01331 – Regional Water Access/Beach Upgrades, as outlined in the Financial Implications section of this report.

BACKGROUND

The Northwest Arm seawall and pathway runs along three park systems including Sir Sandford Fleming Park, Horseshoe Island and Regatta Point, and totals approximately two kilometers. Parts of the system in Fleming Park and Horseshoe Island are more than sixty years old and were built using traditional methods. It is now evident that changing sea levels and weather conditions are making an impact to the integrity of this infrastructure.

In 2010, Coldwater Consulting Ltd., an engineering firm specializing in the analysis of coastal characterization and designing infrastructure to match against these oceanographic conditions, completed a shoreline restoration study and technical report. This comprehensive report has provided staff with data and recommendations toward the design details and priorities for a phased restoration strategy in the years ahead.

Sir Sandford Fleming Park consists of 800 metres of seawall and to date the following work has been completed:

Tender No. 11-285 Northwest Arm Seawall - Phase 1 awarded November 8, 2011 for a 200m section at \$611,587.

Tender No. 13-285 Northwest Arm Seawall - Phase 2 awarded October 23, 2013 for a 150m section at \$521,420.

Tender No. 14-289 Northwest Arm Seawall - Phase 3 awarded January 13, 2015 for a 170m section at \$660,131.

Funding was approved in the 2015/16 Capital budget for the restoration of a 135 metre section in Sir Sandford Fleming Park identified as Phase 4. This brings the total wall restoration to 655 m out of the 800 metres. The remaining 145 metres of seawall (Phase 5) are in structurally average condition as larger granite curb stones were used to construct this section of wall.

DISCUSSION

Tender No.16-253 was publicly advertised on the Province of Nova Scotia's website on October 26, 2016 and closed on November 9, 2016. Bids were only received from one company:

<u>Name of Company</u>	<u>Bid Price (net HST included)</u>
Lange's Rock Farm Construction Limited	\$ 729,889

The scope of work for this tender generally consists of the construction of a granite rock seawall, replacement of three culverts, asphalt walkway, drainage and associated reinstatement. The existing wall is approximately 1.6 metres high and the new granite wall will be 2.6 metres high. The high risk of this project is related to when this project can be completed, due to tidal zone and weather conditions.

The recommended bidder's price was consistent with unit rates for Phases 1, 2 and 3. They were the contractor for Phases 2 and 3, and are experienced in working with natural granite stone. As noted Lange's is the only bidder for this project. The due diligence with respect to why other potential bidders may not have bid revealed that both the natural granite stone and the installation thereof is specialized (time consuming, involving detailed masonry work) on large pieces of granite. Further, for all potential bidders, the granite stone would more than likely be sourced from Lange's.

As a result of these requirements, Lange's was the successful bidder for tenders 13-285 (\$194,910 less than the next bid) and 14-289 (\$413,000 less than the next bid). Lange's has completed several of the

other phases, but not all, and we have been very pleased with their quality of work to date.

The terms and conditions of every public tender notice must be consistent with the Atlantic Standard Terms and Conditions for the procurement of goods and services and Construction Contract Guidelines for the procurement of construction. The Nova Scotia Construction Contract Guidelines, Section CCG28 Closing Time for Bids states the following:

28.1 Bid closing time shall be selected to reasonably allow for distribution of the invitations and the preparation of bids.

28.2 The tendering period for publicly advertised invitations shall be a minimum of 15 calendar days, except where urgency may require a shorter period.

It is anticipated that work will be completed by July 31, 2017.

This is a **UNIT PRICE** contract and the cost will be dependent upon the actual quantities measured and approved by the HRM Project Manager.

This project includes the construction of three culverts that were sized, designed, and permits were applied for, by Design Point Engineering Limited. Therefore, they will also complete the inspection on this component of the project and administer the permits. HRM's construction services will inspect and administer the remaining components of the project.

There are no Local Improvement Charges with this work.

FINANCIAL IMPLICATIONS

Based on the lowest tendered price of \$699,891 plus net HST of \$29,998 for a net total of \$729,889, and consultant fees of \$6,855 plus net HST of \$294 for a net total of \$7,149, funding is available in the Approved 2015/16 Capital Budget from Project Account No. CPX01331 – Regional Water Access/Beach Upgrades. The budget availability has been confirmed by Finance.

Budget Summary: **Project Account No. CPX01331 – Regional Water Access/Beach Upgrades**

Cumulative Unspent Budget	\$ 954,396
Less: Tender No. 16-253	\$ 729,889*
Less: Design Point Inspection Fees	\$ 7,149
Balance	\$ 217,358

* This project was estimated in the Approved 2015/16 Project Budget at \$1,100,000.

The balance of funds will be used to implement the remaining Regional Water Access/Beach Upgrades projects approved by Council.

RISK CONSIDERATION

There are no significant risks associated with the recommendations of this Report. The risks considered rate low. To reach this conclusion, consideration was given to financial, legal and compliance, and service delivery risks.

ENVIRONMENTAL IMPLICATIONS

If the seawall is not repaired and the elevation of the wall is raised, then rising sea levels combined with storm surges could cause more erosion along Sir Sandford Fleming Park in the Northwest Arm.

ALTERNATIVES

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

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 902.490.4210, or Fax 902.490.4208.

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