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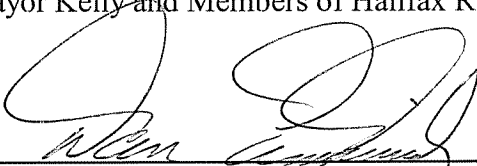


PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Halifax Regional Council
December 6, 2005

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Dan English, Chief Administrative Officer



Wayne Anstey, A / Deputy Chief Administrative Officer

DATE: November 15, 2005

SUBJECT: **Approval to increase PO # 2070217918**
Additional Consultant Work Scope and Fees
Former CA Beckett School (23 Fenerty Road, Halifax)

ORIGIN

This report originates from a need to increase the existing purchase order to beyond 15 per cent of the current value.

RECOMMENDATION

It is recommended that :

HRM Regional Council approve an increase to Purchase Order No. 2070217918 by \$29,942.70 (net HST included), as per the Background Section of this report. The increase is 32 % of the current purchase order value.

BACKGROUND

The fuel oil contamination of soil at the former C.A. Beckett School at 23 Fenerty Road, Halifax, which HRM has since demolished, is believed to be associated with a 1993 underground fuel oil tank release.

On September 28, 2004, Regional Council approved the expenditure of \$62,057.40, including net HST, for consultant fees for the remediation of adjacent private property at 15 Fenerty Road contaminated by the former school's fuel tank release. The remediation at 15 Fenerty Road has been completed, however, a consultant report indicated that other adjacent private properties (12 & 14 Fenerty Road and 64 Crown Drive) required investigation to delineate the nature and extent of potential fuel oil contamination from the former school site. On August 8, 2005, the CAO approved an additional \$28,960.12, inclusive of net HST, for the site investigation of these private properties.

Subsequently, a further report has indicated that other adjacent private properties (8 & 10 Fenerty Road and 1, 3 & 5 Coronet Avenue) require site investigation, including sampling and analysis, and site supervision for the borehole and the monitoring well drilling. For continuity, it is intended to use the services of the same consultant, Jacques Whitford, to proceed with the site investigation on these adjacent private properties. The consultant fees are indicated in the Budget Implications.

DISCUSSION

The potential for additional private property investigation and remediation exists, and the full extent of the financial commitment is unknown at this time.

Further, HRM has commenced an action against HRSB to effect recovery, a defence to which was filed by HRSB on November 2, 2005. Council will be briefed at In Camera as the matter progresses.

BUDGET IMPLICATIONS

The requested increase to the current value of \$91,018.12 for Purchase order # 2070217918 is \$29,942.70 (inclusive of taxes). The required funds are available from Operations Account W200 - 6399.

Budget Summary: Operations Account No. W200 - 6399

Contract award amount inclusive of taxes	\$62,057.40
Previously approved increases	28,960.12
Current request for increase	<u>29,942.70</u>
Revised contract value	\$120,960.22

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

There are no reasonable alternatives to the recommendation.

ATTACHMENTS

Staff Report to CAO dated August 8, 2005 – Approval to Increase PO #2070217918

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.

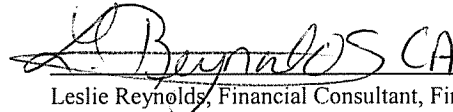
Report Prepared by: Larry Oakes, Project Manager, Capital Projects, RPAM (490 - 4148)

Division Review:



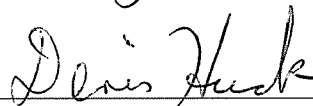
Phillip Townsend, Manager of Capital Projects, RPAM (490 - 7166)

Financial Review:



Leslie Reynolds, Financial Consultant, Financial Services (490 - 6902)

Report Approved by:



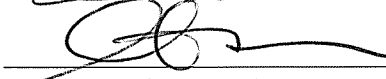
Dennis Huck, Manager, Real Property Operations (490 - 4673)

Recommendation Approved by:



Peter Stickings, Acting Director RPAM (490 - 7129)

Procurement Approval by:




Catherine Sanderson, Senior Manager, Financial Services (490-1562)



**CAO Report - Approval
Increase Purchase Order**

TO: George McLellan, Chief Administrative Officer


Approved

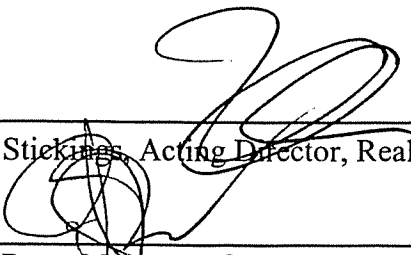

Date


Dan English, Deputy Chief Administrative Officer

Approved

Date

SUBMITTED BY:


Peter Stickings, Acting Director, Real Property and Asset Management


Peter Ross, Manager of Procurement, Financial Services

DATE: May 17, 2005

SUBJECT: Increase PO # 2070217927, Rebuild Dwelling, Restore Landscaping &
Business Loss / Interruption Compensation
15 Fenerty Road, Halifax

ORIGIN

This report originates from a need to increase the existing purchase order to beyond 15 percent of its original value.

RECOMMENDATION

IT IS RECOMMENDED THAT the Chief Administrative Officer approve an increase to P.O. No.: 2070217927 by \$17,357.40 (net HST included), as per the Background/Discussion section of this report. This increase is 42.4 % of the original purchase order value.

BACKGROUND/ DISCUSSION

The fuel oil contamination of soil at a private dwelling at 15 Fenerty Road, Halifax is believed to be associated with a 1993 underground fuel tank release from the adjoining property, the former C. A. Beckett School, which HRM has since demolished.

On September 28, 2004, Regional Council approved the expenditure of \$31,500 for reimbursement for re-building a portion of the dwelling and \$9,450 for the owner's business interruption / loss for an original purchase order value of \$40,950, including net HST. However, the actual costs have exceeded the previously approved estimated costs. During the course of the project to remediate the contaminated site, additional work for re-building the owner's dwelling; additional restorative landscaping from prior years' excavations for testing and exploratory work; additional business interruption/loss compensation for actual costs; and additional tenant compensation for increased utilities consumption, nuisance and inconvenience became necessary.

In addition, the owner does not have an HST registration number, and Finance have advised that the HST applicable to the re-imburement should be paid as a lump sum inclusive with the reimbursement, as would an insurance compensation claim.

BUDGET IMPLICATIONS

The requested increase to the original PO value of \$40,950 for Purchase Order # 2070217927 is \$17,357.40 (inclusive of taxes). Because contractor costs are less than forecast and the contingency allowance is available, the required funds are within the total project cost approved by Regional Council on September 28, 2004. Costs will be tracked under RPAM-Operations Account W200 - 6399.

Budget Summary:

	<u>Original Approval</u>	<u>Revised Approval</u>
Contractor costs (tender 04-166)	\$ 107,379.98	\$ 100,022.58
Consultant fees	62,058.00	62,058.00
Owner Rebuilding / Business Loss & Interruption Allowance	40,950.00	58,307.40
Contingency	<u>10,000.00</u>	<u>0.00</u>
	\$ 220,387.98	\$220,387.98

It is intended to undertake the necessary actions to recover costs for this work, the previous remediation, and associated expenses, including HRM project management and consultant fees, from the Halifax Regional School Board upon project completion. HRSB is aware of HRM's intentions with respect to the recovery claim.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

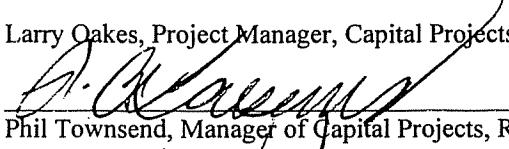
There are no reasonable alternatives to the recommendation.

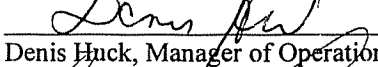
ATTACHMENTS:

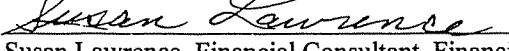
1. Staff Report dated September 10, 2004, Item # 10.1.7 - Soil Remediation at 15 Fenerty Road, Halifax
2. HRM Council Minutes dated September 28, 2004 - approval of Item # 10.1.7 Remediation at 15 Fenerty Road, Halifax.

Copies of this report, and information on its status, can be obtained by contacting the Procurement Dept. at 490-4170, or Fax 490-6425.

Report Prepared by: Larry Oakes, Project Manager, Capital Projects, RPAM (490-4148)

BU Review / Approved by: 
Phil Townsend, Manager of Capital Projects, RPAM (490-7166)

BU Review / Approved by: 
Denis Huck, Manager of Operations, RPAM (490-4673)

Financial Review: 
Susan Lawrence, Financial Consultant, Financial Services (490-6832)

Procurement Process Review: 
Anne Feist, Procurement Coordinator, Financial Services (490-4200)

10.1.7

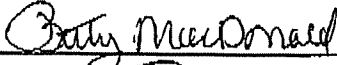


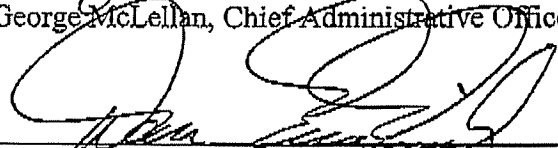
PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Halifax Regional Council
September 28, 2004

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


George McLellan, Chief Administrative Officer


Dan English, Deputy Chief Administrative Officer

DATE: September 10, 2004

SUBJECT: Award Tender 04 -166 - Soil Remediation of 15 Fenerty Road

ORIGIN

Oil contamination was discovered at residential property 15 Fenerty Road.

RECOMMENDATION

It is recommended that Regional Council:

1. Award Tender 04-166 for the soil remediation of 15 Fenerty Road, Halifax to Permacrete Restoration Services Limited for \$103,820.00 plus net HST for a total of \$ 107,379.98.
2. Approve the expenditure of \$60,000.00 plus net HST for a total of \$62,058 for consultant services from Jacques Whitford Ltd.
3. Approve the expenditure of \$31,500.00 for reimbursement for re-building a portion of the dwelling and \$9,450.00 for the owner's business interruption / loss.

Award Tender 04-166
Soil Remediation of 15 Fenerty Road
Council Report

- 2 -

September 28, 2004

BACKGROUND

Weathered fuel oil contamination exists in the soil and ground water at the private dwelling located at 15 Fenerty Road, Halifax. Contamination is believed to be associated with the 1993 underground fuel oil tank release on the adjoining property, the former C.A. Beckett School. This building was declared surplus to the Halifax Regional School Board, turned over to HRM and subsequently has been demolished.

DISCUSSION

The site is approximately 650 square meters and a 3 unit residential building is located near the centre of the site. In 1993, 160 tonnes of contaminated soil was excavated and removed as part of a remediation carried out by the Halifax School Board. In 2003, HRM undertook the excavation and removal 150 tonnes of contaminated soil to a point where the structure would not be disturbed. HRM also installed 4 monitoring wells, 3 test pits, 1 borehole and 4 hammer holes to facilitate selective soil and ground water sampling and analysis of petroleum hydrocarbon contamination. Based on the information gathered from these sources, and other more recent investigations, it has been determined that the extent of oil contamination includes soil under the building.

In order to meet NS Department of Environment guidelines, approximately 600 tonnes of contaminated soil and 25,000 liters of impacted groundwater adjacent and beneath this 3-storey building are required to be excavated, removed and disposed off site. This work and repair to any damage to the building and site landscaping are the scope of work of this project.

A portion of the building was to be demolished in order to undertake the work, and was intended to be restored to its original condition. The owner wishes to increase the size and improve the condition of the demolished portion upon rebuilding. HRM has agreed to reimburse to the owner the identified tendered value of the demolition and reconstruction to original conditions, and the owner has agreed to demolish the existing portion and reconstruct to his own specifications at his own cost. HRM will not be responsible for design, project management, tendering or construction of this demolished portion of the building. The costs for the property owner's re-building reimbursement are indicated in the Budget Implications.

Reasonable tenant and landlord expenses for necessarily vacating the premises at 15 Fenerty Road while work is undertaken will be reimbursed. The associated business interruption and loss allowance is also indicated in the Budget Implications.

The consultant fees for the project are estimated at \$62,058.00 for site investigation, sampling and analysis, and site supervision during remediation contract execution. Jacques Whitford has undertaken the site investigation and sampling and analysis to date, and is scheduled to undertake site supervision for the site remediation. The consultant fees are indicated in the Budget Implications.

It is intended to undertake the necessary actions to recover costs for this work, the previous remediation, and associated expenses, including HRM project management and consultant fees, from the Halifax Regional School Board upon project completion. HRSB is aware of HRM's intentions with respect to the recovery claim.

**Award Tender 04-166
Soil Remediation of 15 Fenerty Road
Council Report**

September 28, 2004

Tenders were called and closed on July 28, 2004. The Base Bid for listed itemised prices for excavation, treatment, removal, disposal and restoration work totalling \$93,820.00, and Option 2C for building underpinning totalling \$10,000.00 have been selected for the contract scope of work. Four bids were received as follows:

Company	Lump Sum Price (before taxes)	Total Cost (incl. net taxes)
1. Permacrete Restoration	\$ 103, 820.00	\$ 107, 379.98
2. R. Fraser Construction	\$ 108, 940.00	\$ 112, 675.55
3. Core Remediation	\$ 119, 555.90	\$ 123, 655.47
4. Clean Harbours Canada	\$ 142, 310.00	\$ 146, 933.65

BUDGET IMPLICATIONS

Budget Summary:

Operations Account No. W200-6902

Tender 04 -166	\$ 107, 379.98
Consultant Fees	62, 058.00
Owner Rebuilding Reimbursement	31, 500.00
Business Interruption / Loss Allowance	9, 450.00
Contingency	<u>10, 000.00</u>
Total Costs	\$ 220, 387.98

Based on the lowest tendered price of \$ 103,820.00, plus net HST, for a total of \$ 107,379.98, funding is available in the 2004/05 Approved Budget from Real Property Operations Account No. W200 - 6902. The budget availability has been approved by Financial Services. If settlement with the HRSB is not achieved prior to end of the 04/05 fiscal year this amount will be carried as a net receivable.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

**Award Tender 04-166
Soil Remediation of 15 Fenerty Road
Council Report**

September 28, 2004

ALTERNATIVES

There are no alternatives to the recommendation. This remediation is a legislated requirement

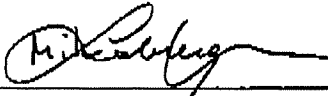
ATTACHMENTS

N/A

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Phillip Townsend, Manager Capital Projects, Real Property and Asset Management, 490-7166

Report Approved by:



Mike Labrecque, Director Real Property & Asset Management (490-4851)

Report Approved by:



Peter Ross, Manager of Procurement or his Designate

10.1.6 Case 00702: Municipal Planning Strategy and Land Use By-law Amendment - 6139 Young Street, Halifax

- A staff report dated September 9, 2004 prepared for George McLellan, Chief Administrative Officer, was before Council for consideration.

MOVED by Councillor Blumenthal, seconded by Councillor Sloane that Halifax Regional Council:

1. Approve the request to initiate the process to amend the Halifax Municipal Planning Strategy and Land Use By-Law for the property situated at 6139 Young Street, Halifax, as generally shown on Map 1 of the September 9, 2004 staff report to allow for commercial uses.
2. Request staff to follow the public participation program as approved by Council in February, 1997 including a public participation meeting to be held by staff.

MOTION PUT AND PASSED UNANIMOUSLY.

10.1.7 Tender 04-166, Soil Remediation of 15 Fenerty Road

- A staff report dated September 10, 2004 prepared for George McLellan, Chief Administrative Officer, was before Council for consideration.

MOVED by Councillor Mosher, seconded by Councillor Johns that Regional Council:

1. Award Tender 04-166 for the soil remediation of 15 Fenerty Road, Halifax, to Permacrete Restoration Services Limited for \$103,820.00 plus net HST for a total of \$107,379.98.
2. Approve the expenditure of \$60,000.00 plus net HST for a total of \$62,058 for consultant services from Jacques Whitford Ltd.
3. Approve the expenditure of \$31,500.00 for reimbursement for re-building a portion of a dwelling and \$9,450.00 for the owner's business interruption/loss.

MOTION PUT AND PASSED UNANIMOUSLY.

10.2 HERITAGE ADVISORY COMMITTEE

10.2.1 Revised Evaluation Criteria for Municipal Heritage Properties