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PO Box 1749
Halifax, Nova Scotia
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Halifax Regional Council
November 22, 2005

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

A handwritten signature in cursive script, appearing to read "Dan English".

Dan English, Acting Chief Administrative Officer

A handwritten signature in cursive script, appearing to read "Wayne Anstey".

Wayne Anstey, Acting Deputy Chief Administrative Officer

DATE: November 2, 2005

SUBJECT: **Award of Tender #05-148, Refurbish Voith Schneider Propulsion Units, Halifax III**

ORIGIN

Approved 2005/2006 Capital Budget - Capital Account No. CVD00436 -Bi-Annual Ferry Refit

RECOMMENDATION

It is recommended that Tender #05-148, Refurbish Voith Schneider Propulsion Units, Halifax III, be awarded to Lunenburg Foundry & Engineering Limited for a cost of \$ 100,579.53 including Net HST, with funding from Capital Account Number CVD00436, Bi-Annual Ferry Refit, as outlined in the Budget Implications section of this report.

BACKGROUND

The Halifax Regional Municipality operates three ferries that travel across the harbour between Halifax and Dartmouth. One of the vessels, the Halifax III, requires work to refurbish the Voith Schneider Propulsion Units which to date have never had a refit. This work must be completed as soon as possible due to the age of the units and the potential of increased down time. The vessel is currently in drydock and work needs to be completed at the same time or service delays will be extended.

DISCUSSION

Tenders were issued for the refurbishing of the Voith Schneider Propulsion units, Halifax III on 20 August and closed on 14 September 2005. The following bid was received:

Tender #05-148, Refurbish Voith Schneider Propulsion Units, Halifax III

<u>Bidder</u>	Total Price (incl. Net HST)
Lunenburg Foundry & Engineering Limited	\$100,579.53

Staff from Fleet Services and Transit Services has evaluated the bid and is recommending award to Lunenburg Foundry & Engineering Limited. The other potential bidder did not meet the tender requirements. Staff believe that the recommended bid is reasonable. The work will be completed by the end of November.

BUDGET IMPLICATIONS

Budget Summary	<u>Capital Account No. CVD00436, Bi-Annual Ferry Refit</u>	
	Cumulative Unspent Budget	\$ 420,480.00
	Less: Tender #05-148	\$ 100,579.53
	Tender 05-122	\$ 65,685.69
	Tender 05-137	<u>\$ 92,760.30</u>
	Uncommitted budget	\$ 161,454.48

The remaining funds will be utilized for other maintenance work required for the continued operation of the ferries.

The budget availability has been confirmed by Financial Services.

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

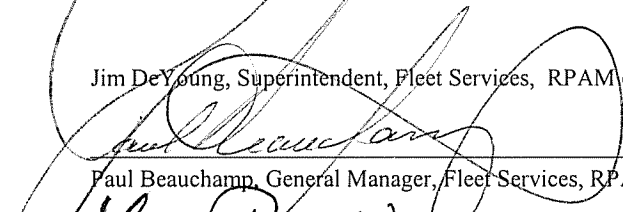
There are no alternatives as staff believe it is imperative that this work proceed as scheduled for this Fall.

ATTACHMENTS

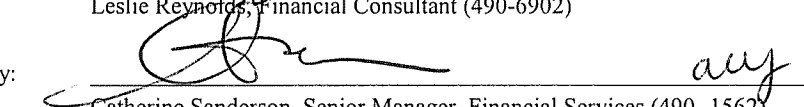
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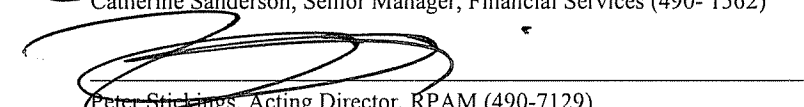
A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Jim DeYoung, Superintendent, Fleet Services, RPAM (490-6916)

Report Reviewed by: 
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Financial Review by: 
Leslie Reynolds, Financial Consultant (490-6902)

Procurement Review by: 
Catherine Sanderson, Senior Manager, Financial Services (490- 1562)

Report Approved by: 
Peter Stirlings, Acting Director, RPAM (490-7129)