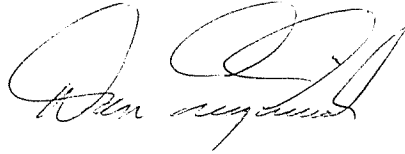


11.3.12

Halifax Regional Council
June 11, 2002

TO: Mayor Kelly and Members of Halifax Regional Council



SUBMITTED BY:

Dan English, Acting Chief Administrative Officer

DATE: June 7, 2002

SUBJECT: Award of Unit Price Tender No. 01-302, Point Pleasant Drive Sanitary Sewer and Pumping Station - West Region

ORIGIN

This report is a follow-up to the staff presentation and discussion that took place at the Halifax Regional Council Meeting on December 18th, 2001, item 8.5 and on May 28, 2002, item 12.1 (ii).

RECOMMENDATIONS

It is recommended that Council:

1. Approve the recovery of Local Improvement Charges applicable to the new sanitary sewer and pumping station on Point Pleasant Drive, in the amount of \$129,929.12, based on a Local Improvement Charge of \$99.95 per foot of frontage.
2. Authorize an increase to Account No. CYR00340, Point Pleasant Drive Sanitary Sewer in the amount of \$65,561.14 with funding provided from Account No. CRESPOOL as indicated in the Budget Implication section of this report.
3. Approve an increase in the Gross Budget for Account No. CZR00357, Paving Resurfacing by \$20,539., with no net impact to the capital budget as this represents funding from HRWC associated with the watermain renewal as indicated in the attached memorandum dated April 24, 2002 to the Halifax Regional Water Commission.
4. Award Tender No. 01-302, Point Pleasant Drive Sanitary Sewer and Pumping Station to Eisener Contracting Limited for materials and services listed at the unit prices quoted, including the upgrading of Point Pleasant Drive, for a total price of \$387,000., plus net HST for a total of \$411,880.23, with funding authorized from Capital Account Nos. CYR00340 and CZR00357 as per the Budget Implications section of this report.
5. Approve the appointment of KVM Consultants for project management and inspection services applicable to the pumping station component of the project, for a fee of \$10,000. plus net HST.

BACKGROUND

At the Halifax Regional Council Meeting held on December 18th, 2001, discussion took place between staff and Council regarding a proposal to install a new sanitary sewer and pumping station on Point Pleasant Drive. This was a project that was initially budgeted for in 1998 with a Local Improvement Charge determined in the amount of \$86.50 per lineal foot based on the estimated construction costs of \$225,000. The project did not proceed in 1998 and was not brought forward again until the fall of 2001, at which time it was tendered. The increase in construction costs between 1998 and 2001 resulted in the Local Improvement Charge increasing to \$130.76 per lineal foot. The tender bids received in the fall of 2001, exclusive of taxes, were:

1.	J.R. Eisener Contracting Limited	\$289,000.00
2.	Amber Contracting Limited	\$299,464.00
3.	W. Eric Whebby Limited	\$320,000.00
4.	A.C.L. Construction Limited	\$351,815.50
5.	Dexter Construction Company Limited	\$405,916.00
6.	Ocean Contractors Limited	\$481,600.00

A motion by Councillor Uteck asking Council to approve the initial Local Improvement Charge of \$86.50 was not approved. It is to be noted that the costs presented on this project both in 1998 and in 2001, did not include any reinstatement work to Point Pleasant Drive other than the immediate trench area, since there was a possibility that the Harbour Solutions would require a new trunk sewer.

DISCUSSION

Subsequent to the discussion at Regional Council on December 18th, 2001, and in consultation with Councillor Uteck, staff proceeded to take a further review of this project with the objective of reducing the Local Improvement Charges to the area residents. Staff was advised that Harbour Solutions would now not be impacting on Point Pleasant Drive, and thus staff has investigated and finds merit in having the Halifax Regional Water Commission involved in this project through the renewal of the water main system. Subsequently, HRWC advised that they are prepared to renew the watermain system and enter into a joint project. Since the reinstatement of the street pavement would now be a significant portion of the entire street, staff is recommending that the entire street pavement be renewed. This would make it possible for a significant portion of the pavement reinstatement costs to be absorbed by the budgets for the water system and the pavement renewal, thus enabling the Local Improvement Charges to the residents to be reflective of the sanitary sewer costs only. Staff has received a price of \$98,000. exclusive of taxes from J. R. Eisener for the paving renewal of Point Pleasant Drive from Young Avenue to the Park entrance, which staff recognizes as a reasonable cost for the associated work involved. Considering HRWC's contribution towards reinstatement associated with the watermain renewal the cost of the paving renewal would be reduced by \$20,539. for a net cost of \$77,461. Using this approach the Local Improvement Charges can now be reduced to \$99.95 per foot frontage.

On the basis of the revised approach of adding the water main renewal and paving renewal to the overall scope for this project, staff is able to present a project package, inclusive of Tender 01-302, Upgrading of Point Pleasant Dr., Project Mgmt. Consultant Fees and net HST, that results in a total cost of \$422,523.13 and a revised Local Improvement Charge of \$99.95 per foot frontage.

The cost of the watermain renewal is not included in these figures as the contractor is entering into a separate agreement with HRWC.

BUDGET IMPLICATIONS

Based on the lowest tendered price of \$387,000., from J. R. Eisener Contracting Limited for the sanitary sewer and reconstruction of Point Pleasant Drive , plus net HST plus consultant fees funding is available in the 2002/2003 Approved Capital Budget under Account Nos. CYR00340 and CZR00357. The budget availability has been approved by Financial Services.

Budget Summary Account No. CYR00340, Point Pleasant Drive Sanitary Sewer

Cumulative Unspent Budget	\$252,661.57
Plus: Transfer from CRESPOOL	\$ 65,561.14
Less: Tender No. 01-302	<u>\$318,222.71</u>
	\$ 0.00

Budget Summary Account No. CZR00357, Paving Resurfacing

Cumulative Unspent Budget	\$3,561,477.00
Plus: Cost Sharing from HRWC	\$ 20,539.00
Less: Tender No. 01-302	\$ 104,300.42*
Tender No. 02-247	\$ 196,729.00
Tender No. 02-251	<u>\$ 342,717.00</u>
	\$2,938,269.58

The remaining funds in Account No. CZR00357 are required to implement the remaining 2002/2003 Paving Resurfacing and Street Reconstructions.

*This project was not included in the estimate in the 2002/03 Capital Budget, and these additional costs, as a result of the reconstruction of Point Pleasant Drive, will be offset by a reduction in scope of work in other paving projects approved in District 13. At the time of confirming this report it was anticipated that Council would be reviewing the above 3 tenders on June 11, 2002.

This meets the criteria for use of the Capital Pool Fund as per the Capital Pool Procedures Report dated May 8, 2001 and approved by Council May 15, 2001.

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.

The installation of a new sanitary sewer and pumping station will add to existing infrastructure inventories and as such will increase the annual operating budget. Over the long-term, as infrastructure ages, future capital dollars will be required for replacement.

ALTERNATIVES

There are no alternatives being recommended.

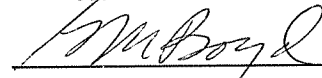
ATTACHMENT

Memorandum dated April 24, 2002 confirming cost sharing with HWRC.

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.

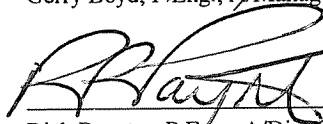
Report Prepared by: Ian Guppy, P.Eng., Design Engineer at 490-6824

Report Approved:



Gerry Boyd, P.Eng., A/Manager, Design & Construction Services at 490-6820

Report Approved by:



Rick Paynter, P.Eng., A/Director, Public Works and Transportation Services at 490-4855

IG/bhs

To Jan Guppy



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PUBLIC WORKS AND TRANSPORTATION SERVICES
DESIGN & CONSTRUCTION SERVICES

MEMORANDUM

TO: Jamie Hannam, Chief Engineer, Halifax Regional Water Commission
FROM: Ian Guppy, Design Engineer
DATE: April 24, 2002
SUBJECT: Point Pleasant Drive (Watermain Replacement)

In order to proceed with this project we need to formalize the cost sharing of reinstatement costs. In the most recent discussions on this subject, HRWC has agreed to pay their share of the cost of reinstatement. This includes the cost of the asphalt and gravel over the length of the watermain and across the reinstatement width. Since the original tender work scope did not include street construction I have used, as agreed, the unit prices for asphalt and gravel from HRM's 2001 cost database.(average tender prices for 2001). Based on these unit prices the HRWC's share of reinstatement costs is as follows:

Reinstatement Area	340 m x 1.2 m	=	408 m ²
Cost for Type 1 Gravel	408 m ² x \$9.00/ m ²	=	\$ 3,672.00
Cost for Type 2 Gravel	408 m ² x \$13.00/ m ²	=	\$ 5,304.00
Cost for Type C Asphalt	408 m ² x \$8.00/ m ²	=	\$ 3,264.00
Cost for Type B Asphalt	408 m ² x \$13.00/ m ²	=	\$ 5,304.00
	Subtotal	=	\$ 17,544.00
	Net HST	=	\$ 1,127.90
	Total	=	\$ 18,671.90

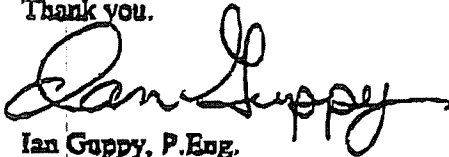
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Based on the 2001 average tender prices and the above cost sharing, HRWC's costs for the Point Pleasant Drive project can be summarized as follows:

Watermain Renewal Tender (Direct arrangement between HRWC and Eisener Contracting Limited)	\$ 0.00
Reinstatement Cost Sharing	<u>\$ 17,544.00</u>
Net HST	\$ 17,544.00
	<u>\$ 1,127.90</u>
Project Subtotal	\$ 18,671.90
<hr/>	
10% Quality Control / Quality Assurance and Unforeseen Works	\$ 1,867.10
Project Total	= \$ 20,539.

If you agree to this arrangement, please indicate by signing the enclosed copy and returning it to me. If you have any questions, please call me at 490-6824.

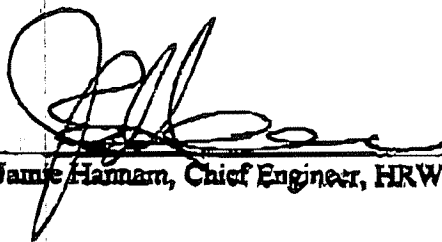
Thank you.



Ian Guppy, P.Eng.
Design Engineer

cc: Rick Payner, P.Eng., Manager, Design and Construction Services
Gerry Boyd, P.Eng., Senior Design Engineer, Design and Construction Services

IG/



Jamie Hamann, Chief Engineer, HRWC

May 3, 2002
Date

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