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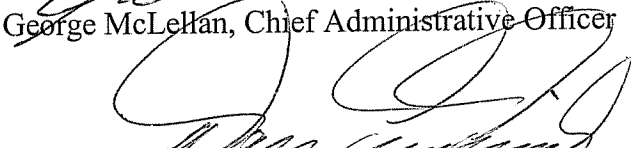
Halifax Regional Council
June 17, 2003

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



George McLellan, Chief Administrative Officer



Dan English, Deputy Chief Administrative Officer

DATE: June 6, 2003

SUBJECT: Award of Unit Price Tender No. 03-211, New Sidewalk, Pavement Resurfacing and New Water main, Skyridge Avenue - Central Region

ORIGIN

Approved 2003/04 Capital Budget.

RECOMMENDATIONS:

It is recommended that Regional Council:

1. approve the recovery of Local Improvement Charges for the new concrete sidewalk on Skyridge Avenue in Sackville, to be applied to an area rate to District 20 at the rate to be established in By-Law S-412, which was presented to Council on June 10, 2003.
2. approve an increase in the Gross Budget for Account No. CZR00357, Resurfacing, by \$67,825 with no change in the Net Budget to cover the cost of the water main renewal on Skyridge Avenue, from The Halifax Regional Water Commission.
3. award Tender No. 03-211, New Sidewalk, Pavement Resurfacing and New Water main, Skyridge Avenue - Central Region to Dexter Construction Company Limited for materials and services listed at the unit prices quoted for a Tender Price of \$372,270, plus net HST for a total of \$396,203 from Account No. CZR00357, Resurfacing, and CJR00956, New Sidewalk with funding authorized as per the Budget Implications section of this report.

BACKGROUND

The 2003/04 Approved Capital Budget includes funds for a paving resurfacing and new sidewalk program that will significantly improve the level of service to the public.

DISCUSSION

Tenders for this project were called on April 30, 2003 and closed on May 13, 2003. The following bids, exclusive of taxes, were received:

	<u>Bid Price</u>
1. Dexter Construction Company Limited	\$372,270.00
2. Ocean Contractors Limited	\$378,325.00
3. Lafarge Canada Inc.	\$506,600.00

The work generally consists of the replacement of asphalt curb with concrete curb and gutter, resurfacing of the asphalt surface and the placement of concrete sidewalk on Skyridge Avenue from Kaye Street to Prince Street.

It is anticipated that work will commence within two weeks after award of tender.

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

The installation of concrete sidewalk is subject to Local Improvement Charges (LIC's). As per Councillor Robert P. Harvey's request, the recovery of Local Improvement Charges is to be by way of an area rate for District 20. The proposed By-Law S-412, Respecting Charges for Street Improvements, was presented to Council on June 10, 2003, but will not likely be approved until the formal adoption process is finalized in July. Staff is therefore recommending that Council approve this tender with the understanding that the LIC rates that are to be applied, will be those approved by Council in By-Law S-412. This will allow construction to begin at an earlier date rather than waiting until the By-Law is approved. In the event that By-Law S-412 is not adopted, 2002 rates will apply.

BUDGET IMPLICATIONS

Based on the lowest tender price of \$372,270, plus net HST, for a total of \$396,203, funding is available in the 2003/04 Approved Capital Budgets under Account No. CZR00357, Resurfacing, and Account No. CJR00956 New Sidewalk. The budget availability has been approved by Financial Services.

<u>Budget Summary</u>	<u>Project CZR00357 - Resurfacing</u>	
	Cumulative Unspent Budget	\$4,820,995
	Plus: HRWC Cost Sharing 03-211	\$ 67,825
	Less: Tender 03-211	\$ 311,060*
	Plus: HRWC Cost Sharing 03-240	\$ 35,930
	Less: Tender 03-240	\$ 426,924
	Plus: HRWC Cost Sharing 03-205	\$ 69,402
	Less: Tender 03-205	<u>\$ 152,868</u>
		\$4,103,300

The net cost to this account will be \$243,235 following the reimbursement of \$67,825 by the HRWC for the water main renewal on Skyridge Avenue as per the attached correspondence dated June 3, 2003.

* This project was estimated at \$291,000.

The remaining funds from this account are required to implement the remaining 2003/04 Resurfacing related projects approved by Council.

<u>Budget Summary</u>	<u>Project CJR00956 - New Sidewalk</u>	
	Cumulative Unspent Budget	\$2,813,057
	Less: Tender No. 03-211	\$ 85,143*
	Less: Tender 03-205	<u>\$ 50,000</u>
		\$2,677,914

*This project was estimated at \$150,000.

The remaining funds from this account are required to implement the remaining 2003/04 New Sidewalk and Resurfacing related projects approved by Council.

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 recommended alternatives.

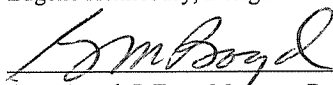
ATTACHMENT

Memorandum dated June 3, 2003, from the Halifax Regional Water Commission.

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.

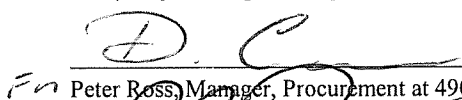
Report Prepared by: Eugene Hennebury, Design & Construction Services at 490-4751

Report Approved by:



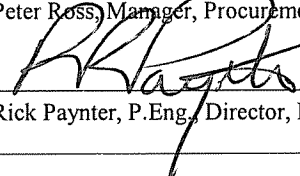
Gerry Boyd, P.Eng., Manager, Design & Construction Services at 490-4896

Report Approved by:



Peter Ross, Manager, Procurement at 490-6499

Report Approved by:



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

EH/bhs



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MEMORANDUM

TO: Harold MacNeil, P. Eng., Halifax Regional Water Commission

CC: Rick Paynter, P.Eng., Director, Public Works and Transportation Services
Gerry Boyd, P.Eng., Manager, Design & Construction Services

FROM: Jeff Spares, P. Eng., Design Engineer

DATE: June 3, 2003

SUBJECT: Tender 03-211 - Skyridge Avenue Street Resurfacing and Water Main Renewal

Hi Harold, as you know, Dexter Construction Company Limited, the lowest bidder on this tender, submitted a tender that we consider to be unbalanced. More specifically, the prices they provided for water main items are well below industry prices thus imposing more cost on HRM. Through discussions, HRWC and HRM have agreed to adjust the unit prices for water main components to "re-balance" the tender without losing Dexter's competitive bid. This memo serves to formalize this agreement.

Following are the unit prices proposed for each of the water main components:

250 mm dia. DI - Class 52	\$135 per meter
Install New Fire Hydrant	\$3200 per hydrant
Direct Buried 250 mm Gate Valve	\$1000 per valve
Reconnection of 19 mm Service	\$200 per service
Temporary Water Service	\$5000 lump sum

Based on these unit prices, the net cost for water main components for this project is \$47,600. This is based on estimated quantities. Actual cost will be based upon final quantities multiplied by the above unit prices.

Past agreements also require that HRWC pay for 50% of the reinstatement costs associated with the water main work. The following is a calculation for Skyridge Avenue:

Reinstatement Area	240 m x 2.8 m	=	672 m ²
Type 1 Gravel	672 m ² x \$7.00/ m ²	=	\$ 4,704.00
Type 2 Gravel	672 m ² x \$17.00/m ²	=	\$11,424.00
Type B Asphalt	672 m ² x \$13.00/m ²	=	\$ 8,736.00
Type C Asphalt	672 m ² x \$11.00/m ²	=	\$ 7,392.00
	Subtotal	=	\$32,256.00
	50% Share of Reinstatement Costs	=	\$16,128.00

Memo

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HRWC's total cost for Tender 03-211 - Skyridge Avenue can be summarized as follows:

Water Main Component Cost	\$47,600.00
Reinstatement Cost	<u>\$16,128.00</u>
	\$63,728.00
Plus Net HST (6.429%)	<u>\$ 4,097.07</u>
Total Cost to HRWC	\$67,825.07

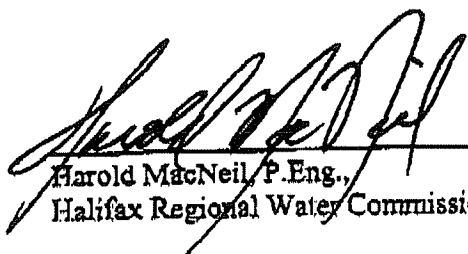
If you agree to this arrangement, please indicate by signing the enclosed copy and returning it to me. If you have any questions, please call me at 490-6900.

Thanks,



Jeff Spares, P.Eng.
Design Engineer

JS:ar

Agreed: 
 Harold MacNeil, P.Eng.,
 Halifax Regional Water Commission

June 04/03
 Date: