



P.O. Box 1749
Halifax, Nova Scotia
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Item No. 3.2
Halifax Regional Council
July 4, 2017

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY: _____
Jacques Dubé, Chief Administrative Officer

DATE: June 12, 2017

SUBJECT: **Cost Sharing Agreement– Layton Road Paving (Herring Cove – Penny)**
West Region

ORIGIN

The Approved 2017/18 Project Budget.

LEGISLATIVE AUTHORITY

Section 74(1) of the *Halifax Regional Municipality Charter* provides that “The Municipality may agree with one or more municipalities, villages, service commissions, the Government of the Province or of Canada or a department or agency of either of them or a band council pursuant to the Indian Act (Canada) to provide or administer municipal or village services.

Section 79(1) of the *Halifax Regional Municipality Charter* provides that “The Council may expend money required by the Municipality for ... (aa) streets, culverts, retaining walls, sidewalks, curbs and gutters;”

RECOMMENDATION

It is recommended that Halifax Regional Council authorize the Director of Transportation and Public Works to enter into a cost sharing agreement with Halifax Water and authorize reimbursement of an amount of \$71,682 (net HST included) to Halifax Water with funding from Project Account No. CR000005 – Street Recapitalization, as outlined Attachment A and the Financial Implications section of this report.

BACKGROUND

The Approved 2017/18 Project Budget includes funds for the Paving of Layton Road from Herring Cove Rd. to Penny.

The proposed paving work will be done in conjunction with a Halifax Water watermain renewal project by Halifax Water.

Both projects will be tendered together as one construction contract. The construction related to this work will be completed to Halifax Regional Municipality's standards.

DISCUSSION

The Tender (T21.2017) for Layton Road Water Main Renewal was publicly advertised on the Province of Nova Scotia's Procurement website by Halifax Water on May 8, 2017 and closed on May 25, 2017

Halifax Water has evaluated six (6) successful bids from Ocean Contractors Limited, Atlantic Road Construction & Paving Limited, Dexter Construction Company Limited, Harbour Construction Company Limited, Sackville Trenching Limited and Brycon Construction Limited. Based on the lowest bidder, the cost sharing component for the construction of paving will be completed by Sackville Trenching Limited at a cost of \$70,971.84 (net HST included), plus Halifax Water overhead charges (1%) of \$709.72 for a cost of \$71,681.56. The total cost including Halifax Water's portion of the work is \$391,519.00 plus net HST of \$16,780.50 for a net total of \$408,299.50.

It is anticipated work will commence within three weeks of award and completed in conjunction with the Halifax Water project.

There are no Local Improvement charges associated with this work.

FINANCIAL IMPLICATIONS

Based on the low bidders price the cost to HRM is of \$68,055 plus net HST of \$2,917, and overhead of 1% (\$710) for a net total of **\$71,682** (net HST included). Funding is available in the Approved 2017/18 Project Budget from Project Account No. CR000005 – Street Recapitalization. The budget availability has been confirmed by Finance.

Budget Summary:

Project Account No. CR000005 – Street Recapitalization

Cumulative Unspent Budget	\$15,152,303
Less: Outgoing Cost Sharing	<u>\$ 71,682 *</u>
Balance	\$15,080,621

* This project was estimated in the Approved 2017/18 Project Budget at \$70,000.

The balance of funds will be used to implement the remaining 2017/18 Street Recapitalization projects approved by Council.

COMMUNITY ENGAGEMENT

There has been no community engagement program associated with this recommendation.

RISK CONSIDERATION

There are no significant risks associated with the recommendation in 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

Implications not identified.

ALTERNATIVES

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

ATTACHMENTS

Attachment A – HRWC Cost Sharing Agreement Layton Rd.

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 490-4210, or Fax 490-4208.

Report Prepared by: Anne Sherwood, P. Eng., Sr. Design Engineer, PPD, 902.490.6872

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Report Approved by: _____
Dave Hubley, P. Eng., Manager, Project Planning & Design at 490-4845

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Report Approved by: _____
Amanda Whitewood, Director Finance & Asset Management 490-6308

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Report Approved by: _____
Bruce Zvaniga, P.Eng., Director, Transportation & Public Works at 490-4855

AMS/rch.

MEMORANDUM

To: Peter Lynds, Design Engineer, HRM

From: Jeff McAulay, P.Eng., Project Engineer, Halifax Water

cc: Tom Gorman, P.Eng., Senior Engineer, Halifax Water
Anne Sherwood, Senior Design Engineer, Project Planning & Design, HRM

Date: June 15, 2017

Subject: **T21.2017 Layton Road Water Main Renewal - Cost Sharing Agreement**

The Tender for **Layton Road Water Main Renewal** closed May 25, 2017. Prior to awarding the project, a signed cost share agreement between HRWC and HRM for HRM's portion is required. Enclosed is a bid comparison summary for the items associated with street construction and the cost sharing breakout based on the lowest bidder, Sackville Trenching Ltd.

Based on the low bidder's tender prices, and the above cost sharing, HRM's costs for tender T21.2017 Layton Road Water Main Renewal can be summarized as follows:

Layton Road

Street Construction	\$68,055.00
Net HST (4.286%)	\$2,916.84
Subtotal	\$70,971.84
Overhead (1%)	\$709.72
Total	\$71,681.56

Actual cost sharing for this project will be based on final quantities determined during construction.

If you agree to this arrangement, please indicate by signing the enclosed copy and return it to my attention. If you have any questions, please contact me at [REDACTED].

Thank you,



Jeff McAulay, P.Eng.
Project Engineer
Halifax Water

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~~Tom Gorman, P.Eng., Senior Engineer, Halifax Water~~

Bruce Zvaniga, Director of Transportation & Public Works

Witness