



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada


Item No. 14.1.1
Halifax Regional Council
June 21, 2016

TO: John Traves Q.C., Acting Chief Administrative Officer

Original Signed by 

SUBMITTED BY:

John Traves Q.C., Acting Chief Administrative Officer

Original Signed by 

Jane Fraser, Acting Deputy CAO

DATE: May 26, 2016

SUBJECT: Award – Tender No. T16-177 – Scotiabank Centre Roof Replacement

ORIGIN

The approved 2016/17 Project Budget, Supplemental Report Page A32 (Scotiabank Centre).

LEGISLATIVE AUTHORITY

Under the HRM Charter, Section 79 Halifax Regional Council may expend money for municipal purposes. Administrative Order #35, the Procurement Policy, requires Council to approve the award of contracts for sole sources exceeding \$50,000 or \$500,000 for Tenders and RFPs. See Charter Sections 79(1) and 322(3).

The following report conforms to the above Policy and Charter.

RECOMMENDATION

It is recommended that Council award Tender No. T16-177, Scotiabank Centre Roof Replacement, to the lowest bidder meeting specification, McCarthy's Roofing Ltd. for a Total Price of \$2,136,000 (HST fully refundable), with funding from Project No. CB000028 – Scotiabank Centre, as outlined in the Financial Implications section of this report.

BACKGROUND

HRM is undergoing a multi-year multi-phase recapitalization program for Scotiabank Centre. To date, upgrades have included new seats, upgraded concourse and mezzanine washrooms and exterior repairs. Planned renovations include an LED lighting upgrade, new roof (this award), new ice slab, ice level washroom upgrades and additional exterior repairs. The recapitalization program is supported by the sale of the naming rights approved by Regional Council on June 24, 2014.

This tender covers the roof replacement of the original roof from 1978. The existing roofing system is comprised of approximately 67,000 square feet of inverted roof and approximately 19,000 square feet of sloped asbestos containing roof panels. It has exceeded its useful life expectancy of 30 years and has numerous leaks, resulting in roof repair costs, drywall damage repairs and potential disruptions to events. The proposed new roofing will be a TPO (thermoplastic olefin) membrane roofing system with a 20 year warranty.

The new roofing will improve envelope performance, increase reliability and improve insulation properties.

The Supplemental Sheet for CB000028 – Scotiabank Centre included both the roof replacement and ice slab replacement in 2016/17. However, the replacement of the ice slab has been deferred to 2017/18 to suit Scotiabank Centre operations. This provides the capital funds in 2016/17 to complete the entire roof rather than a phased approach.

The advantages to replacing the entire roof under one project include:

- Cost savings for demobilization and re-mobilization of consultant team and roofing contractor
- Cost savings due to economies of scale
- Reduced risks related to safety training for construction crews
- Consistent standard of quality and workmanship
- Reduced disruption to Scotiabank Centre operations

DISCUSSION

Tender No. T16-177 – Scotiabank Centre Roof Replacement was publicly advertised on the Nova Scotia Public Tenders web portal on May 6, 2016, and closed on May 26, 2016. Qualified bids were received from the following companies.

Name of Company	Base Bid Price (HST fully refundable)	Optional Price** (HST fully refundable)	Total Price (HST fully refundable)
*McCarthy's Roofing Ltd.	\$1,588,000	\$548,000	\$2,136,000
Flynn Canada Ltd.	\$1,754,000	\$498,000	\$2,252,000

***Recommended Bidder**

**The base bid price was intended for replacing 65,000 square feet of roofing. An optional price was requested to replace the remaining 22,000 square feet of roofing.

Scope and Schedule:

This tender includes the following scope of work:

- Removal and disposal of existing roof system down to metal deck
- Removal and disposal of asbestos roof panels
- Installation of new roofing systems
- 20 year warranty

Work is expected to commence two weeks after award and be complete by November 15, 2016.

FINANCIAL IMPLICATIONS

Based on the bid price of \$2,136,000 (HST fully refundable) funding is available in the Approved 2016/17 Project Budget from Project No. CB000028 – Scotiabank Centre. The budget availability has been confirmed by Finance.

Budget Summary:	<u>Project No. CB000028 – Scotiabank Centre</u>	
	Cumulative Unspent Budget	\$ 3,166,782
	Less: Tender No. T16-177	\$ 2,136,000
	Balance	\$ 1,030,782

The 2016/17 Capital Budget allotment for the roof replacement project was \$1,345,000 based on approximately 75 percent of the total roof area. The proposed area of roofing has been increased as outlined in the Discussion section of this report. The remaining funds will be used for other costs associated with the Scotiabank Centre.

ENVIRONMENTAL IMPLICATIONS

Asbestos roof panels will be removed and disposed of in accordance with regulations.

RISK CONSIDERATION

- Installation/product quality issues: Mitigated through the requirement of a 20 year warranty and a formal inspection plan by the roof membrane manufacturer and the project architect.
- Installation delays: Mitigated through the tender requirement to be substantially complete by November 15, 2016.
- Safety incident: Mitigated through a safety management plan, hazard assessments and coordination with other concurrent construction projects.

ALTERNATIVES

1. Council may choose not to approve the recommendation in the report; this is not recommended by staff as this work is part of the planned re-capitalization of the facility and will reduce utility and maintenance costs.
2. Council may choose to award a partial roof replacement represented by the Base Bid. This is not recommended by staff due to the increased costs and disruption of phasing the project.

ATTACHMENTS

None

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: John MacPherson, Senior Project Manager, Corporate Facility Design and Construction, 902-209-0763

Report Approved by:

Terry Gallagher, Manager, Corporate Facility Design and Construction, 902-476-4067

Report Approved by:

Peter Stickings, A/Director, Operations Support, 902-490-7129

Procurement Review:

E. Jane Pryor, Manager, Procurement, 902-490-4200
