



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

**Item No. 14.1.1**  
**Halifax Regional Council**  
**May 31, 2016**

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:** Original Signed by   
\_\_\_\_\_  
John Traves, Q.C. Acting Chief Administrative Officer

Original Signed by   
\_\_\_\_\_  
Jane Fraser, Acting Deputy Chief Administrative Officer

**DATE:** May 10, 2016

**SUBJECT:** **Award – Unit Price Tender No. 16-212 Pavement Renewal & Water Main  
Renewal – Murray Hill Drive & View Street – East Region**

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**ORIGIN**

The Approved 2016/17 Project Budget.

**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 RFP's and tenders respectively.

**RECOMMENDATIONS:**

It is recommended that Council:

1. Approve a budget increase of \$377,077 (net HST included) to Project Account No. CR000005 – Street Recapitalization, funded through cost sharing with Halifax Water; and
2. Award Tender No. 16-212, Pavement Renewal & Water Main Renewal – Murray Hill Drive & View Street - East Region, to the lowest bidder meeting specifications, Dexter Construction Company Limited for a Total Tender Price of \$672,332 (net HST included) with funding from Project Account No. CR000005 – Street Recapitalization, as outlined in the Financial Implications section of this report.

## **BACKGROUND**

The Approved 2016/17 Project Budget includes funds for the street recapitalization and water main renewal of Murray Hill Drive from Wyndholme Avenue to Summit Street and View Street from Murray Hill Drive to Murray Hill Drive.

The budget does not include the water main renewal. This is the reason for the cost sharing as outlined in Attachment A1.

## **DISCUSSION**

Tender # 16-212 was publicly advertised on the Province of Nova Scotia's Procurement website on April 8, 2016 and closed on April 22, 2016. Bids were received from following companies:

<b><u>Name of Company</u></b>	<b><u>Bid Price (net HST included)</u></b>
Dexter Construction Company Limited	\$672,332 *
Sackville Trenching Limited	\$711,222
Basin Contracting Limited	\$743,514
Cumberland Paving and Contracting Limited	\$765,981
Brycon Construction Limited	\$766,461
Harbour Construction Limited	\$830,768
Atlantic Road Construction & Paving Limited	\$848,982
Ocean Contractors Limited	\$916,885
JR. Eisener Contracting Limited	\$953,522

### **\*recommended bidder**

The scope of work on Murray Hill Drive consists of; excavation, grading, water main replacement, the removal and replacement of the asphalt pavement, concrete curb and sidewalk repairs, replacement of and/or adjustments to street hardware such as water valves, water lateral reconnections, hydrant removal and installation, a small section of new concrete sidewalk, driveway reinstatement and other associated reinstatement work.

The scope of work on View Street consists of; excavation, grading, water main replacement, the removal and replacement of the asphalt pavement, concrete curb and sidewalk repairs, replacement of and/or adjustments to street hardware such as water valves, water lateral reconnections, a section of new concrete curb and gutter, driveway reinstatement and other associated reinstatement work.

It is anticipated that work will commence within three weeks of the tender award and take 13 weeks to complete.

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

There are no Local Improvement Charges associated with this work.

### **FINANCIAL IMPLICATIONS**

Based on the lowest tendered price of \$644,700 plus net HST of \$27,632 for a net total of \$672,332, funding is available in the Approved 2016/17 Project Budget from Project Account No. CR000005 – Street Recapitalization. Increasing the approved Gross Project Budget in the amount of \$377,077 (net HST Included) to reflect the additional funding secured as outlined in Attachment A1, will not change the Net Project Budget. Budget availability has been confirmed by Finance.

Budget Summary:

#### **Project Account No. CR000005 – Street Recapitalization**

Cumulative Unspent Budget	\$ 26,725,114
<b>Plus: Increase for HW Cost Sharing</b>	<b>\$ 377,077</b>
<b>Less: Tender No. 16-212</b>	<b>\$ <u>672,332*</u></b>
Balance	\$ 26,429,859

\* The projects included in this tender were estimated in the Approved 2016/17 Project Budget at \$405,000. As a result of cost sharing from the Halifax Water, the net cost to Project Account No. CR000005 is \$295,255.

The balance of funds will be used to implement the remaining 2016/17 Street Recapitalization projects approved by Council.

### **RISK CONSIDERATION**

There are no significant risks associated with the recommendations in the 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 1 - Halifax Water Cost Sharing Letter.

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendas/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: Erin Allison, CET, Design Engineering Technologist, Project Planning & Design at 490-5894

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

Procurement Review: \_\_\_\_\_  
Jane Pryor, Manager, Procurement, 902.490-4200

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

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## MEMORANDUM

TO: Mark Feener, P.Eng., Project Engineer, HW

CC: Tom Gorman, P.Eng., Manager, Water Infrastructure Engineering, HW  
Anne Sherwood, P.Eng., Sr. Design Engineer, Project Planning & Design, HRM

FROM: Dylan Hayne, P.Eng., Design Engineer, Project Planning & Design, HRM

DATE: April 26, 2016

**SUBJECT: Tender No. 16-212 Murray Hill Dr & View St – Cost Sharing**

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Tender No. 16-212, Pavement and Water Main Renewal – Murray Hill Drive and View Street – East Region, closed April 22, 2016. Prior to tender award, a cost sharing agreement must be finalized between Halifax Regional Municipality (HRM) and Halifax Water (HW). Enclosed is a bid comparison summary for the items associated with the water main work and the cost sharing breakout based on the lowest bidder, Dexter Construction Company Limited.

In the most recent discussions on this subject, HW has agreed to pay 50% of asphalt reinstatement costs, and all other reinstatement costs, related to HW works.

Based on the low bidder's tender prices and the above cost sharing, Halifax Water's costs for Tender No. 16-212 Murray Hill Drive & View Street, can be summarized as follows:

Water Main Work – Murray Hill Drive	=	\$ 282,480.00
HW Reinstatement Costs – Murray Hill Drive	=	\$ 24,917.82
Water Main Work – View Street	=	\$ 43,400.00
HW Reinstatement Costs – View Street	=	<u>\$ 10,781.86</u>
Sub-total	=	\$ 361,579.68
Net HST (i.e. 4.286%)	=	<u>\$ 15,497.31</u>
<b>HW Project Total</b>	=	<b><u>\$ 377,076.99</u></b>

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 call me at 490-1457.

Thank you,

Original Signed

Dylan Hayne, P.Eng.

Original Signed

Mark Feener, P.Eng.  
Halifax Water

*April 27/16*  
Date