



P.O. Box 1749  
Halifax, Nova Scotia  
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**Item No. 15.1**  
**Audit & Finance Standing Committee**  
**April 29, 2021**

**TO:** Chair and Members of Audit & Finance Standing Committee

**- Original Signed-**

**SUBMITTED BY:**

\_\_\_\_\_  
Kelly Denty, Executive Director, Planning and Development

**- Original Signed-**

\_\_\_\_\_  
Jacques Dubé, Chief Administrative Officer

**DATE:** April 21, 2021

**SUBJECT:** **Spring Garden Streetscape Budget Increase & Tender Award**

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**ORIGIN**

The approved 21/22 Capital Budget (p. E43, Streetscapes - Spring Garden Rd).

The following April 16, 2019 motion of Regional Council, which was put and passed:

*THAT Halifax Regional Council direct the Chief Administrative Officer to:*

- 1. Proceed with the design and construction of streetscaping improvements for the segment of Spring Garden Road between South Park Street and Queen Street, based on the built form and traffic operational approach described as Option 4 in the discussion section of the staff report dated February 11, 2019; and*
- 2. Gather data during construction on how loading is accommodated and how diverted traffic impacts other streets, and return to Council with further analysis of the impacts of a daytime transit priority corridor, including consideration of the feasibility of a temporary pilot project.*

**LEGISLATIVE AUTHORITY**

Halifax Regional Municipality Council approved on December 11, 2012, that all budget increases are to be presented to the Audit and Finance Standing Committee, prior to submission to Council.

*HRM Charter*, section 93(1) - The Council shall make estimates of the sums that are required by the Municipality for the fiscal year; section 79 – The Municipality may spend money for municipal purposes in accordance with this section; section 35(2)(d)(i) - The CAO can only authorize budgeted expenditures or

**RECOMMENDATIONS ON PAGE 2**

within the amount determined by Council by policy; section 120(6) - The Municipality may maintain other reserve funds for such purposes as the Council may determine; Halifax Regional Municipality policy on Changes to Cost Sharing for Capital Projects - Changes requiring Council approval; and the Halifax

Regional Municipality Reserve Policy - No reserve funds will be expended without the CAO's recommendation and Council approval.

*HRM Charter*, section 79A (4) The Municipality may authorize capital expenditures that are not provided for in its capital budget if the total of such expenditures does not exceed the greater of

(a) the amount authorized to be transferred from the operating budget to the capital budget under subsection (3);

(b) the borrowing limits established for the Municipality under Section 109; or

(c) the amount withdrawn from a capital reserve fund under subsection 120(4).

79B The Council shall establish procedures to authorize and verify expenditures that are not included in an operating budget or capital budget.

Section 28 of Administrative Order 2020-004-ADM, the *Procurement Administrative Order* states that Council may award contracts in any amount.

Section 32 of Administrative Order 2020-004-ADM, the *Procurement Administrative Order* states that Council may approve Contract Amendments in any amount.

The recommended contract award complies with all of the pre-requisites for awarding contracts as set out in section 26 of Administrative Order 2020-004-ADM, the *Procurement Administrative Order*.

## **RECOMMENDATION**

It is recommended that the Audit and Finance Standing Committee recommend that Regional Council:

1. Approve an increase to RFP 19-343 (PO# 2070833513) to WSP for design services required to remove Halifax Water's watermain from the project scope in the amount of \$8,049.31 (net HST included) from Capital Account No. CD000001- Streetscapes - Spring Garden Road (to be recouped through cost sharing), as outlined in the Financial Implications section of this report.
2. Approve a gross budget increase of \$1,006,569 to Capital Account No. CD000001 – Streetscapes – Spring Garden Road, with no net budget increase, with cost sharing from Halifax Water, Bell Aliant, Heritage Gas and Westwood Development Ltd, as outlined in the Financial Implications section and detailed in the attachments of this report.
3. Approve a gross budget increase of \$1,714,996 to Capital Account No. CD000001- Streetscapes - Spring Garden Road, with no net budget increase, with funding from an unbudgeted reserve withdrawal from Capital Reserve (Q526) as outlined in the Financial Implications section of this report.
4. Award Tender No. 21- 209, Request for Tender - Spring Garden Road Streetscape to the lowest bidder meeting specifications, Brycon Construction Ltd. for a Total Tender Price of \$10,518,393.37 (net HST included) with funding from Capital Account No. CD000001- Streetscapes - Spring Garden Road as outlined in the Financial Implications section of this report.
5. Award the Construction Phase and Post-Construction Services component of RFP No. 19-343 Spring Garden Road Streetscape: Detailed Design and Construction Documents, to WSP in the amount of \$372,104.96 (net HST included).

## **BACKGROUND**

Spring Garden Road is a vibrant street with high pedestrian volumes and is a major corridor for Halifax Transit. East of South Park Street, it is a diverse commercial street with destination retail as well as shops and services for a growing residential neighbourhood. It is also a direct link between regionally significant public destinations – the Halifax Central Library and the Public Gardens.

Further to recommendations in Halifax's 2011-16 Economic Growth Plan, in 2016, Regional Council approved a major streetscaping project for Spring Garden Road to signal its commitment to the downtown core with meaningful investment that would see the street's basic infrastructure upgraded to reflect its prominent civic role. This project represents the second major recent investment of this nature, following the popular Argyle & Grafton Shared Streetscape project which was completed in 2017.

HRM engaged a team of consultants, led by Fathom Studio (then Ekistics Plan + Design) in 2018/19 to complete functional plans for the corridor between Barrington Street and Robie Street. After an extensive amount of stakeholder and public engagement, a preferred functional plan for the portion of Spring Garden Road between Queen Street and South Park Street was approved by Regional Council in April 2019. Building on the approved functional plan, two schematic streetscape design options were vetted by stakeholders and the public in summer 2019 before a single schematic design option was selected. In 2020, WSP was retained to complete the detailed design and construction documentation based on the preferred schematic design.

The Spring Garden Road Streetscape project includes:

- collaboration with Halifax Water to repair and maintain existing infrastructure;
- collaboration with Nova Scotia Power and Bell Aliant to relocate all overhead wiring underground;
- new asphalt road and concrete curb;
- new wider sidewalks surfaced with large block unit pavers;
- planters (including some which attenuate and treat stormwater on the south side);
- 29 trees planted within soil cells;
- new enhanced transit shelters;
- a variety of benches and seating options;
- new bike racks;
- podiums for six pieces of public art to be installed once construction is complete; and,
- decorative streetlighting and feature lighting for various features.

Work in the tender has been broken into three phases to allow for coordination with the redevelopment of the "Mills Block" between Queen Street and Birmingham Street. It is expected that both Phase I and Phase II will be completed by the end of 2021. Phase I includes most of the work along the street, excluding the frontage of the Mills Block, while Phase II includes the underground work along the Mills Block. Phase III includes the surface finishing of the Mills Block (sidewalk, planters, trees, furnishings, etc.) between Queen and Birmingham Street, and will commence with the substantial completion of the Mills Block development, planned for 2022/2023.

## **DISCUSSION**

### **Change Order (Recommendation #1)**

Recommendation #1 refers to additional design services required from WSP in response to the removal of the watermain from the scope of the project by Halifax Water upon tender close. Halifax Water originally chose to integrate renewal of an aging watermain with the streetscape project due to potential economic efficiencies. After reviewing the tender pricing, they chose to opt out because these efficiencies did not appear to be present. Halifax Water has advised that the existing watermain on Spring Garden Road does not have a history of breaks and Halifax Water is confident the service life can be maintained for many years to come. Halifax Water has opted instead for selective upgrades to valves, anodes, and laterals at a

reduced overall cost. As this change is on behalf of Halifax Water, these costs will be recouped from Halifax Water through a cost sharing agreement with no net cost to HRM. This scope change is a cumulative increase of 22% of the contract and requires Council approval.

**Cost Sharing (Recommendations #2)**

Recommendations #2 refers to the tender documents which include the installation and repair of works on behalf of other entities. These companies have either identified a need to undertake work within the subject site or have coordinated their work with HRM's to achieve the project goals. The contractor was asked to bid on these elements under the contract.

These arrangements are permitted under the Procurement Administrative Order in limited circumstances where:

- (i) the named entities have a statutory right (as a utility, telecom) to enter, disturb and then repair the municipal right-of-way in order to install and repair their piping and conduits, and
- (ii) coordinating construction schedules will help preserve the lifespan of the municipal infrastructure.

Staff is recommending Council approve of the cost sharing agreements under Attachments A, B, C, and D wherein each signatory agrees to repay the municipality for the supply and installation of the specified infrastructure according to the price identified by the contractor.

**Budget Increase (Recommendation #3)**

Recommendation #3 relates to the increase in funds required to complete the project for the following items:

- Brycon Construction Limited contract (Tender No.21-209)
- The construction services component of RFP No.19-343 (WSP will provide full time inspection and part time contract administration services)
- Other project costs described in detail in the Financial Implications section

An increase in funds is required because tender pricing came in 23% (lowest bidder) up to 34% (highest bidder) higher than estimated.

**Tender Award (Recommendation #4)**

Recommendation #4 relates to Tender No. 21- 209 which was publicly advertised on the Province of Nova Scotia's Procurement website on March 8, 2021 and closed on March 30, 2021. Bids were received from the following companies:

<b><u>Name of Company</u></b>	<b><u>Bid Price (net HST included)</u></b>
<b>Brycon Construction Limited</b>	<b>\$11,753,032.20*</b>
Dexter Construction Limited	\$12,683,928.66
Ocean Construction Limited	\$13,712,055.14

**\*recommended bidder**

All three bids exceeded the project budget. Per the provisions of the Unit Price Tender, staff entered negotiations with the lowest qualified bidder to bring the project closer to the original budget. Additionally, Halifax Water has removed the watermain component of their work for reasons described above. In addition to the removal of the watermain component, the following changes were made:

- Removal of additional paving at Queen Street intersection and repaving Brenton Street
- Adjustment to material requirements for gravels and excavation
- Substitution of one of the paver types with an alternative

These reductions have brought the lowest bid to a final price of \$10,518,393.37 (net HST included). With \$9,511,824.45 being HRM's portion of the work and \$1,006,569.14 for cost shared works.

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 engineer's estimate was \$9,043,648.21 (including net HST) which left a gap of \$1,474,445.16.

Staff are recommending that Council proceed to award this tender, at the reduced price, for the following reasons:

- The bids received represent fair market value due to the competitive procurement process. The overage above the estimated value is consistent with anecdotal reports from the development industry of general construction cost increases of 30% to 40% this year.
- This increase in general construction cost appears to be related primarily to supply chain issues, high demand and general risk resulting from the Covid-19 pandemic. To complicate matters, it is impossible to predict whether cost increases are temporary and if they will return to pre-Covid levels, or how many years that reduction could take. It is also possible costs could continue to increase as the economy rebounds and the price of cost drivers, like fuel, potentially rise again.
- This project is a strategic investment in the downtown. According to building permit values, the last five years have seen private investments in the area generally bounded by South Park, Sackville, Brunswick and Clyde Streets, of approximately \$181 million dollars (including about \$10.5M of commercial development). Quality of life investments such as the Central Library and this streetscape project play a role in continuing to make this an attractive location to invest.
- This year is the ideal time to complete construction on this corridor while the impact of Covid-19 remains in our community: businesses have government financial support; tourism volumes are down; and, pedestrian, transit, and traffic volumes are down in general. Completing the work this summer means a revitalized Spring Garden Road will be ready to welcome the world upon post-pandemic recovery and re-opening.
- The value of streetscaping investments can potentially be illustrated with comparative pedestrian counts in downtown Halifax: while the majority of downtown streets continue to suffer significant reductions in pedestrian volumes (50% or more compared to pre-Covid), June and July 2020 pedestrian volumes on Argyle Street showed a slight increase when compared to the same months in 2019.

Staff do not recommend changing the design or decreasing the tender any more than has been done already, as any further reductions will begin to significantly impact the design intentions of this streetscaping project; impacting how the street will function; and reducing this project from a beautification project to a street renewal project. It is important to note that a significant amount of engagement with the public went into the final design. Additionally, any further design changes will require significant changes to the construction documents which will add more design fees and take up valuable time, making it unlikely that construction could happen this year.

#### **Construction Services Award (Recommendation #5)**

Recommendation #5 of this report pertains to the award of the Construction Phase and Post-Construction Services component of RFP No. 19-343. This RFP asked the consultant to develop the drawing package from detailed design, tendering, and construction services, including full time inspection. Only the design and tender phase was originally awarded by the CAO, with the expectation that construction services would be awarded at the same time as the tender. The original proposal was based on assumptions about the construction phase and served primarily to identify key personal and their rates. The basic assumptions were that HRM would require part time contract administration services and full-time construction inspection as well as professional services oversight, including archeological monitoring. The proposal amount is

\$356,812.00 plus net HST of \$15,292.96, for a total of \$372,104.96. However, final costs for construction services will be dependent on actual time spent on site supervising the project and must be 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 \$10,086,103 plus net HST of \$432,290, for a net total of \$10,518,393, there is a requirement to increase the budget by \$2,721,565 Capital Account No. CD000001 – Streetscapes - Spring Garden Road. \$1,006,569 of the increase is related to cost sharing which will be recovered from external parties. The other \$1,714,996 is related to the tender being more than was originally anticipated and ensuring HRM has enough funds in the capital account to complete the project. The HRM portion of this work, including the construction administration and increase to the RFP, is \$9,891,978 (net HST included) with the remaining amount being covered through cost sharing for work undertaken on behalf of others. The budget review has been confirmed by Finance.

### **Budget Summary: Project Account No. CD000001 – Streetscapes - Spring Garden Road**

Cumulative Unspent Budget	\$ 9,672,482
Less: Tender No. 21- 209	\$ 10,518,393
Less: Construction Administration	\$ 372,105
Less: Increase to RFP No.19-343	\$ 8,049
Plus: Halifax Water additions	\$ 589,917
Plus: Bell Aliant additions	\$ 328,570
Plus: Heritage Gas additions	\$ 2,775
Plus: Westwood additions	\$ 85,306
Plus: Unbudgeted reserve withdrawal from Capital Reserve Q526	<u>\$ 1,714,996</u>
Revised Balance	\$ 1,495,500

### **Budget Summary: Capital Reserve Q526**

Projected Net Available Balance as of January 31, 2020	\$ 56,537,004
Unbudgeted withdrawals	<u>\$ 1,714,996</u>
Net Available Balance	\$ 54,822,008

The remaining budget will be used to complete the project.

### **RISK CONSIDERATION**

While this project is well supported by the public and area stakeholders such as the Spring Garden Area Business Association, the area is also highly sensitive to disruption from construction activities and will be under a great deal of scrutiny. A project risk registry has been developed to identify such risks as well as potential mitigation strategies and is continually updated. Key to mitigating certain risks will be a high level of communication with stakeholders, to make them aware of possible disruptions and enable them to plan accordingly. The project is not regulated by the Administrative Order adopted by Regional Council in respect of construction mitigation on private development, however construction will meet equivalent requirements to the administrative Order.

Good project management and cost control will also ensure the project remains within the approved budget, subject to the consideration and approval of change orders justified by unforeseen circumstances that may arise. There are some risks to project duration due to the presence of unknowns under the ground and

delay in delivery of specialty items. Staff have taken steps to mitigate these risks through exploratory bore holes in the area and have pre-ordered key items at risk of delayed delivery.

### **COMMUNITY ENGAGEMENT**

Project engagement started in the summer of 2018 with the launch of the “stoplet” (a colourful temporary deck illustrating the impact of a widened sidewalk, seating, and greenery, at a busy bus stop on Spring Garden Road). This initiative was coupled with extensive engagement with residents and business owners that influenced the outcome of the project’s design and the requirements of the construction tender. Engagement included 10+ meetings with businesses, residents, the public, and other stakeholders, and 8+ pop-up engagement sessions.

Two meetings, supported by mailout information and questionnaires, were held with abutting businesses and the Spring Garden Area Business Association (SGABA) in advance of the tender release to understand their needs for loading, deliveries, and other matters during construction period, and to update them on the status and expected timing of the project.

The project team has been working closely with the SGABA to prepare for construction and coordinate approaches for construction mitigation.

### **ENVIRONMENTAL IMPLICATIONS**

Achieving some form of transit priority on this critical artery for Halifax Transit has the potential to improve service on many routes and positively influence ridership.

Enhancing the pedestrian experience would complement any transit priority measures because every bus trip begins and ends on foot.

The combination of efforts has the potential to positively influence transportation mode share towards the more sustainable targets identified in the Regional Plan and the Integrated Mobility Plan which form the baseline for the municipality’s climate action plan, HalifACT.

Achieving the installation of 29 trees with appropriate infrastructure/ soil to support their growth to maturity works to achieve canopy targets in the Urban Forest Masterplan.

The project will include the first application of stormwater management ‘best management practices’ in an HRM street right-of-way which will reduce surface run-off volumes and improve surface run-off quality.

The development of a high-quality public realm compliments efforts to add residential and employment density to the core, where services already exist, and diminish growth pressure on greenfield sites and natural habitat.

Undergrounding wires adds additional protection in the context of climate adaptation and improves the reliability of service in the downtown.

### **ALTERNATIVES**

Council could choose not to approve the recommendations in this report and cancel this project. This is not recommended for the reasons outlined above.

Council could direct staff to redesign the street to bring the project in line with the original budget. This is not recommended for the reasons outlined above.

**ATTACHMENTS**

Attachment A	Halifax Water Cost Sharing Agreement
Attachment B	Bell Aliant Cost Sharing Agreement
Attachment C	Heritage Gas Cost Sharing Agreement
Attachment D	Westwood Development Limited Cost Sharing Agreement

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Elora Wilkinson, Planner II, 902-719-5029

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## MEMORANDUM

**DATE:** April 21, 2021

**TO:** Reid Campbell, P. Eng.  
Director, Engineering and Information Services, Halifax Water

**CC:** John MacDougall, Project Engineer, Halifax Water  
Peter Duncan, Director, Infrastructure Planning, HRM  
Tanya Davis, Program Manager, Strategic Transportation Planning, HRM  
Hanita Koblents, Principal Planner, Strategic Transportation Planning, HRM  
Elora Wilkinson, Planner II, Planning & Development, HRM

**FROM:** Phil Nickerson, Design Engineer, HRM

**SUBJECT: Cost Sharing Agreement: Tender No. 21-209, Spring Garden Road Streetscape**

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Tender No. 21-209, Spring Garden Road Streetscape closed on March 30, 2021. Since all bid prices were over budget, the Halifax Regional Municipality (HRM) and Halifax Water (HW) have reduced their scope of work to help bring project costs closer to budget and today we've received a new bid from the low bidder, Brycon Construction Limited. Prior to tender award, a cost-sharing agreement must be finalized between HRM and Halifax Water.

Please find enclosed a summary and break-down of items associated with water main anode installation, water lateral replacement, selective valve and hydrant replacement and related reinstatement work.

In the most recent discussion on this project, Halifax Water has agreed to pay 100% of the cost associated with the water system upgrades, 50% of the reinstatement cost associated with the water system work (based on unit prices), and a 1.5% project overhead and contract administration cost of HW cost share. HW has also agreed to pay for construction phase consultant fees related to HW's work such as shop drawing review, troubleshooting design issues, responding to contractor requests for information, producing change orders, and production of record drawings (with HW supplied survey).

Based on the unit prices of the latest bid and the above cost-sharing terms, the estimated HW's costs for Tender No. 21-209 can be summarized as follows:

### **WATER MAIN WORK**

Cost for water main anode installation, lateral replacement and related work (refer to evaluation sheet)	\$ 502,410.72
HW share (50%) for reinstatement cost (refer to evaluation sheet)	\$ 40,101.00

	Consultant construction services related to HW work	\$ 15,140.00
A	<i>Subtotal for HW cost share</i>	\$ 557,651.72
B	Overhead and contract administration cost 1.5% of HW cost share [ 0.015 x A ]	\$ 8,364.78
C	Net HST (i.e. 4.286%) [ 0.04286 x A ]	\$ 23,900.95
	<b>Total Estimated Cost for HW (including Net HST)</b> [ A + B + C ]	<b><u>\$ 589,917.45</u></b>

Actual cost sharing for this project will be based on final quantities determined during construction and actual consultant fees expended for construction services associated with Halifax Water related work. If these terms meet with your approval, please sign in the appropriate location below and return this document to my attention. If you have any questions or concerns, please call me at 902-476-0836.

Best regards,

Original Signed

\_\_\_\_\_  
Phil Nickerson, P.Eng.  
Design Engineer,  
Project Planning & Design  
HRM

Original Signed

\_\_\_\_\_  
Reid Campbell, P. Eng.  
Director, Engineering &  
Information Services, HW

\_\_\_\_\_  
Date







**Reinstatement Cost Share Quantity Calculation - Halifax Water**

Tender No: 21-209  
 Tender Name: Spring Garden Road Streetscape  
 Date: 20-Apr-21

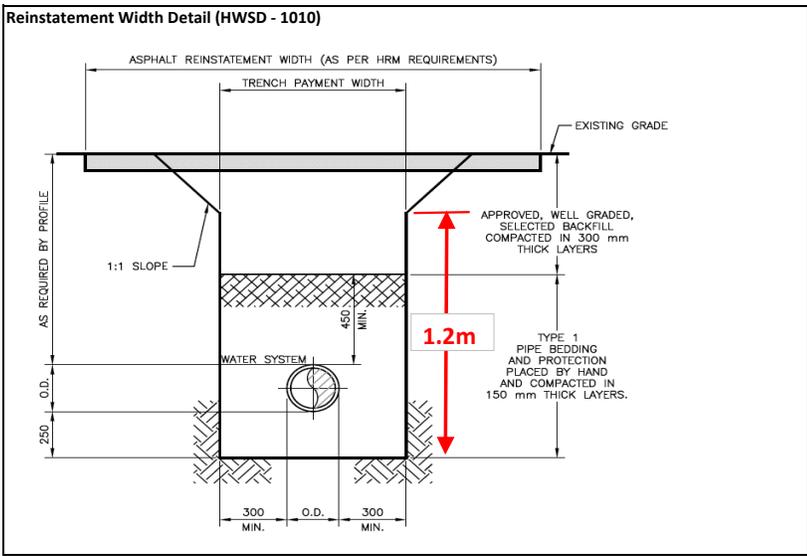
Full Depth Asphalt Reinstatement:	Pipe Dia. (mm)	Trench Length within Street (m)	Avg. Pipe Cover (m)	Trench Depth (m)	Reinstatement Width (m)	Reinstatement Area (m <sup>2</sup> )
Hydrant Laterals	150	7	1.6	2.00	2.4	16
Water Service Replacements / Extensions / Removals	19	8	1.6	1.87	2.0	16
	25	16		1.88	2.0	32
	38	4		1.89	2.0	8
	50	24		1.90	2.1	49
Anodes		Number of Anodes: 60		Excavation Area per Anode (m <sup>2</sup> ): 4.0		Reinstatement Area (m <sup>2</sup> ): 240
<b>Total Reinstatement Area</b>						361 m <sup>2</sup>
<b>HW Share (50%) Reinstatement</b>						180 m <sup>2</sup>

Type 1 Gravel Reinstatement:	Trench Length within Street (m)	Avg. Type 1 Gravel Depth (m)	Trench Width at 1 Gravels (m)	Reinstatement Area (m <sup>2</sup> )
Hydrant Laterals	7	0.25	1.9	13
Water Service Replacements / Extensions / Removals	52	0.25	1.6	81
Anodes		Number of Anodes: 60		Excavation Area per Anode (m <sup>2</sup> ): 4.0
				Reinstatement Area (m <sup>2</sup> ): 240
<b>Total Reinstatement Area</b>				334 m <sup>2</sup>
<b>HW Share (50%) Reinstatement</b>				167 m <sup>2</sup>

Type 2 Gravel Reinstatement:	Trench Length within Street (m)	Avg. Type 2 Gravel Depth (m)	Trench Width at 2 Gravels (m)	Reinstatement Area (m <sup>2</sup> )
Hydrant Laterals	7	0.71	1.0	7
Water Service Replacements / Extensions / Removals	52	0.71	1.0	52
Anodes		Number of Anodes: 60		Excavation Area per Anode (m <sup>2</sup> ): 4.0
				Reinstatement Area (m <sup>2</sup> ): 240
<b>Total Reinstatement Area</b>				299 m <sup>2</sup>
<b>HW Share (50%) Reinstatement</b>				150 m <sup>2</sup>

Curb Reinstatement Length:	Pipe Dia. (mm)	Avg. Pipe Cover (m)	Trench Depth (m)	Reinstatement Width (m)	Quantity Crossing Curb	Reinstatement Length (m)
Hydrant Laterals	150	1.60	2.00	2.4	3	7.1
Water Service Replacements	19	1.60	1.87	2.0	2	3.9
	25		1.88	2.0	3	5.9
	38		1.89	2.0	2	4.0
	50		1.90	2.1	2	4.1
<b>Total Reinstatement Length</b>						25.0 m
<b>HW Share (50%) Reinstatement</b>						13.0 m

Sidewalk Reinstatement Area for:	Disturbed Sidewalk Depth (m)	# of SW Crossings	SW Reinstatement Width per Crossing (m)	Reinstatement Area (m <sup>2</sup> )
Hydrant Laterals	2.0	3	2.4	14.1
Water Service Replacements	3.5	10	2.0	70.5
<b>Total Reinstatement Area</b>				84.6 m <sup>2</sup>
<b>HW Share (50%) Reinstatement</b>				42 m <sup>2</sup>





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## MEMORANDUM

DATE: April 27, 2021

TO: Kenny Edison  
Director of Network Access & OTR, Bell Aliant

CC: Peter Duncan, Director, Infrastructure Planning, HRM  
Tanya Davis, Program Manager, Strategic Transportation Planning, HRM  
Hanita Koblents, Principal Planner, Strategic Transportation Planning, HRM  
Elora Wilkinson, Planner II, Planning & Development, HRM  
Brad Wells, Network Specialist, Bell Aliant

FROM: Phil Nickerson, Design Engineer, HRM

**SUBJECT: Cost Sharing Agreement: Tender No. 21-209, Spring Garden Road Streetscape**

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Tender No. 21-209, Spring Garden Road Streetscape closed on March 30, 2021. Since all bid prices were over budget, the Halifax Regional Municipality (HRM) and Halifax Water have reduced their scope of work to help bring project costs closer to budget and we've recently received a new bid from the low bidder, Brycon Construction Limited. Prior to tender award, a cost-sharing agreement must be finalized between HRM and Bell Aliant.

Please find enclosed a summary and break-down of items associated with telecommunications civil works for this project. In the most recent discussion on this project, Bell Aliant has agreed to pay 20% of the cost associated with the Phase I telecommunications civil works. Where the duct bank payment item includes both electrical and telecommunications conduit, the cost share quantities have been reduced based on the percentage of telecom. conduit to the total number of conduits within the trench. It is understood that Bell Aliant will pay for 100% of the Phase II duct bank work in front of the Westwood Development since Bell's infrastructure is already underground here and the timing of the construction of this phase does not impact the undergrounding of the project.

Based on the unit prices of the new bid, and the above cost-sharing terms, the estimated Bell Aliant costs for Tender No. 21-209 can be summarized as follows:

### **TELECOMMUNICATIONS WORK**

20% Cost for telecommunications duct bank installation – Phase I (refer to evaluation sheet)	\$ 109,217.44
100% Cost for telecommunications duct bank installation – Phase II (refer to evaluation sheet)	\$ 74,431.82
20% Cost for telecommunications vault installation/upgrades (refer to evaluation sheet)	\$ 69,560.00

Cost for miscellaneous items related to telecom. civil works (traffic control, rock breaking, etc. - refer to evaluation sheet)	\$ 61,857.45
<i>Subtotal for Bell Aliant cost share</i>	\$ 315,066.71
Net HST (i.e. 4.286%)	\$ 13,503.76
<b>Total Estimated Cost for Bell Aliant (including Net HST)</b>	<b>\$ <u>328,570.47</u></b>

Actual cost sharing for this project will be based on final quantities determined during construction. If these terms meet with your approval, please sign in the appropriate location below and return this document to my attention. If you have any questions or concerns, please call me at 902-476-0836.

Best regards,

Original Signed

Original Signed

\_\_\_\_\_  
 Phil Nickerson, P.Eng.  
 Design Engineer,  
 Project Planning & Design  
 HRM

\_\_\_\_\_  
 Kenny Edison  
 Director of Network Access & OTR  
 Bell Aliant

\_\_\_\_\_  
 April 27, 2021  
 Date









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B3J 3A5 Canada

## MEMORANDUM

DATE: March 31, 2021

TO: Scott Boudreau, P. Eng.  
Manager, Operations & CNG, Heritage Gas Limited

CC: Patrick McKenna, Operations Engineer, Heritage Gas Limited  
Peter Duncan, Director, Infrastructure Planning, HRM  
Tanya Davis, Program Manager, Strategic Transportation Planning, HRM  
Hanita Koblents, Principal Planner, Strategic Transportation Planning, HRM  
Elora Wilkinson, Planner II, Planning & Development, HRM

FROM: Phil Nickerson, Design Engineer, HRM

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Tender No. 21-209, Spring Garden Road Streetscape closed on March 30, 2021. Prior to tender award, a cost-sharing agreement must be finalized between Halifax Regional Municipality (HRM) and Heritage Gas Limited (HG).

Please find enclosed a summary and break-down of items associated with natural gas main reinstatement work.

In the most recent discussion on this project, HG has agreed to pay 50% of the reinstatement cost associated with the natural gas main relocation work on Dresden Row (based on unit prices). Heritage Gas will also be responsible for 100% of the costs associated with the relocation of the natural gas main, however it is understood this work will be procured directly by HG and is not included in the scope of work for Tender No. 21-209.

Based on the unit prices of the lowest bidder meeting specifications, Brycon Construction Limited, and the above cost-sharing, the estimated HW's costs for Tender No. 21-209 can be summarized as follows:

### **GAS MAIN WORK**

HG share (50%) for reinstatement cost (refer to evaluation sheet)	\$ 2,661.00
Net HST (i.e. 4.286%)	\$ 114.05
<b>Total Estimated Cost for HG (including Net HST)</b>	<b><u>\$ 2,775.05</u></b>

Actual cost sharing for this project will be based on final quantities determined during construction. If these terms meet with your approval, please sign in the appropriate location below and return this document to my attention. If you have any questions or concerns, please call me at 902-476-0836.

Best regards,

Original Signed

\_\_\_\_\_  
Phil Nickerson, P.Eng.  
Design Engineer,  
Project Planning & Design  
HRM

Original Signed

\_\_\_\_\_  
Scott Boudreau, P. Eng.  
Manager, Operations & CNG  
Heritage Gas Ltd.

31-Mar-2021

\_\_\_\_\_  
Date



**Halifax Regional Municipality**

Project Cost Estimation Based on 2020 Prices

Street: Spring Garden Road  
 Limits: Queen Street to South Park Street  
 Category: \_\_\_\_\_  
 Tender # 21-209 - Streetscaping

Prepared By: Philip Nickerson  
 Date: March 31, 2020  
 Checked By: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Class Estimation: Bid Price

Cost Share	
(see Reinstatement spreadsheet)	
Asphalt	24 m2
Gravels	15 m2

Heritage Gas	
Cost Share	
Quantity	Total Price
15	\$ [REDACTED]
15	\$ [REDACTED]
15	\$ [REDACTED]
24	\$ [REDACTED]
24	\$ [REDACTED]
24	\$ [REDACTED]

Item No.	Description	Unit of Measurement	Quantity	Low Bid Unit Price	Total Price
<b>Earthwork</b>					
9.2	Fine Grading of Road Surface	m <sup>2</sup>	3693	\$ [REDACTED]	[REDACTED]
<b>Street Construction</b>					
40	Gravels				
40.3	Type 1 - 150 mm thick	m <sup>2</sup>	987	\$ [REDACTED]	[REDACTED]
40.4	Type 1 - 200 mm thick	m <sup>2</sup>	2715	\$ [REDACTED]	[REDACTED]
40.8	Type 2 - 300 mm thick	m <sup>2</sup>	987	\$ [REDACTED]	[REDACTED]
40.16	Type 2 - 750 mm thick	m <sup>2</sup>	2715	\$ [REDACTED]	[REDACTED]
42.1	Asphaltic Concrete				
42.1.2	Type C-HF - 50 mm thick	m <sup>2</sup>	4730	\$ [REDACTED]	[REDACTED]
42.1.6	Type B-HF - 50 mm thick	m <sup>2</sup>	978	\$ [REDACTED]	[REDACTED]
42.1.9	Type B-HF - 100 mm thick	m <sup>2</sup>	2715	\$ [REDACTED]	[REDACTED]
42.3	Asphaltic Concrete Miscellaneous				
42.3.13	Full Depth Asphalt Removal	m <sup>2</sup>	3688	\$ [REDACTED]	[REDACTED]

<b>Water Main Replacement Work</b>				
<i>Reinstatement Costs</i>				
<i>Consultant Construction Services related to HW Work</i>				
<b>Subtotal:</b> [REDACTED]				
<i>Halifax Water Overhead &amp; Contract Admin. Fee (1.5%)</i>				
<b>Net HST:</b> 4.286% [REDACTED]				
<b>Budget Total:</b> [REDACTED]				

## Reinstatement Cost Share Quantity Calculation - Heritage Gas

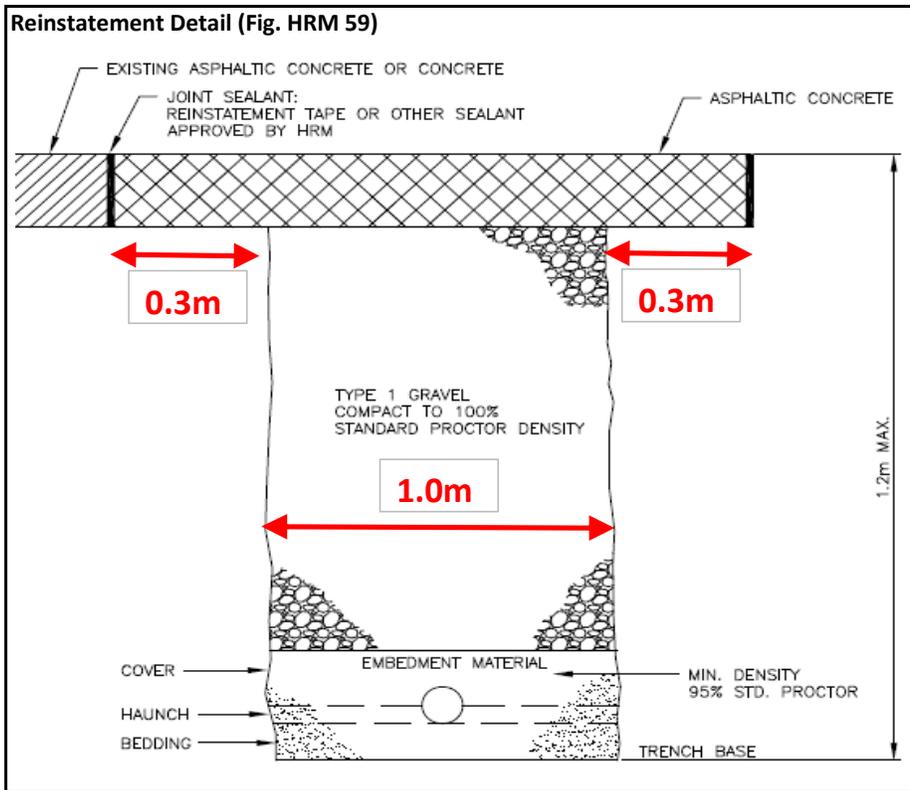
Tender No: 21-209

Tender Name: Spring Garden Road Streetscape

Date: 17-Mar-21

Asphalt Reinstatement Area for:	Pipe Dia. (mm)	Trench Length within Street (m)	Reinstatement Width (m)	Reinstatement Area (m <sup>2</sup> )	
Gas Main	100	30	1.6	48	
				48	m <sup>2</sup>
				<b>24</b>	<b>m<sup>2</sup></b>

Gravel Reinstatement Area for:	Pipe Dia. (mm)	Trench Length within Street (m)	Reinstatement Width (m)	Reinstatement Area (m <sup>2</sup> )	
Gas Main	100	30	1.0	30	
				30	m <sup>2</sup>
				<b>15</b>	<b>m<sup>2</sup></b>



# HALIFAX

PO Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

## MEMORANDUM

**DATE:** March 31, 2021

**TO:** Danny Chedrawe  
President, Westwood Developments Limited

**CC:** Jamie Haddad, Project Coordinator, Westwood Developments Limited  
Tanya Davis, Program Manager, Strategic Transportation Planning, HRM  
Peter Duncan, Director, Infrastructure Planning, HRM  
Elora Wilkinson, Planner II, Planning & Development, HRM  
Phil Nickerson, Design Engineer, Project Planning & Design, HRM  
Robert Blackmore, Engineering Technician II, Development Engineering, HRM

**FROM:** Hanita Koblents, Principal Planner, Strategic Transportation Planning, HRM

**SUBJECT:** Cost Sharing Agreement: Tender No. 21-209, Spring Garden Road Streetscape

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Tender No. 21-209, Spring Garden Road Streetscape closed on March 30, 2021. Prior to tender award, a cost-sharing agreement must be finalized between Halifax Regional Municipality (HRM) and Westwood Developments Limited (Westwood).

The Spring Garden Road Streetscape project will be broken out into several phases to accommodate the construction work for the Mills Brothers Development block on Spring Garden Road (SGR). Phasing of the HRM Work is described below:

- **Phase I** – Includes all streetscape project work excluding that within the “Mills Block Work Zone” (as shown on the project drawings and which generally includes the public right-of-way on the south side of Spring Garden Road between Birmingham Street and Queen Street, and partially up each side street)
- **Phase II** – The start of Phase II will coincide with the backfilling of the Mills Block development after the building foundations have reached street grade and is expected to take place by October 1, 2021. Phase II works generally include the construction all underground features as well as curb and temporary sidewalk within the “Mills Block Work Zone”. Westwood will be responsible to provide HRM with a minimum of 5 days notice before the development site is ready for the start of Phase II.
- **Phase III** – Includes the construction and installation of primary surface features by the HRM contractor within the “Mills Block Work Zone”. The start of Phase III will coincide with the completion of the Mills Block development building construction and is expected to be in the fall of 2022 or the spring of 2023. Westwood will be responsible to provide HRM with a minimum of 4 weeks notice before the development site is ready for the start of Phase III. Should the start of Phase III begin after October 1, 2023, HRM may incur additional costs associated with Phase III construction that that will be passed along to Westwood.

In the most recent discussion on this project, Westwood has agreed to pay 100% of the cost associated with the service removals at the Mills Brothers Development block on Spring Garden Road. Westwood has also agreed to pay 100% of the cost associated with breaking the work out into phases to accommodate the Mills Brothers Development such as coordination with the developer's contractor, mobilization & demobilization, traffic control, hoarding/fencing relocation, pedestrian management, erosion & sedimentation control, temporary sidewalk, etc. Please find enclosed a summary and break-down of items associated with these costs.

Westwood agrees that footings and foundation (or retaining wall) will be at grade level and backfilled by October 1<sup>st</sup>, 2021 to allow the HRM contractor to complete the underground work in the "Mills Block Work Zone". If delays occur and this is not possible, adequate shoring will be installed at the developer's expense to allow SGR underground infrastructure (pull pit, duct bank, soil cells, light bases, etc.), curb and temporary sidewalk in the "Mills Block Work Zone" to proceed.

However, should Westwood accelerate their schedule, in such a way as to enable Phase II works to take place concurrent with Phase I, it is expected that costs associated with Phase II coordination can be reduced or eliminated.

The contractors for the Mills Brother Development and the successful bidder of the Spring Garden Road Streetscape contract shall coordinate their work with respect to timing, work areas/zones, fencing/hoarding, traffic control, and pedestrian management.

Based on the unit prices of the lowest bidder meeting specifications, Brycon Construction Limited, and the above cost- sharing, the estimated Westwood costs for Tender No. 21-209 can be summarized as follows:

**MILLS BLOCK DEVELOPMENT WORK**

Cost for service lateral removals (refer to evaluation sheet)	\$ 26,800.00
Cost for Mills Block Phasing (refer to evaluation sheet)	\$ 55,000.00
<i>Subtotal for Westwood cost share</i>	\$ 81,800.00
Net HST (i.e. 4.286%)	\$ 3,505.95
<b>Total Estimated Cost for Westwood (including Net HST)</b>	<b>\$ <u>85,305.95</u></b>

Actual cost sharing for this project will be based on final quantities determined during construction. If these terms meet with your approval, please sign in the appropriate location below and return this document to my attention. If you have any questions or concerns, please call me at 902-292-2680.

Regards,

Original Signed

\_\_\_\_\_  
Hanita Koblents  
Principal Planner,  
Strategic Transportation  
Planning, HRM

Original Signed

\_\_\_\_\_  
Danny Chedrawe  
President,  
Westwood Developments Ltd.

Apr 20, 2021  
Date

# HALIFAX

## Halifax Regional Municipality

Project Cost Estimation Based on 2020 Prices

Street: Spring Garden Road  
 Limits: Queen Street to South Park Street  
 Category: \_\_\_\_\_  
 Tender # 21-209 - Streetscaping

Prepared By: Philp Nickerson  
 Date: March 31, 2020  
 Check ed By: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Class Estimation: Bid Price

Item No.	Description	Unit of Measurement	Quantity	Low Bid Unit Price
<b>Water System</b>				
14.3	Remove Existing Water Service - Mills Block (Provisional)			
14.3.1	Removal of existing water services 19 mm dia.	ea.	1	\$
14.3.2	Removal of existing water services 38 mm dia.	ea.		\$
14.3.3	Removal of existing water services 50 mm dia.			
14.3.4	Removal of existing water services 150 mm dia.			
<b>Sanitary Sewer</b>				
26	Removal of Existing Structure			
26.2	Remove Pipe - Mills Block (Provisional)			
107	Mills Block Coordination, Mobilization and Traffic Control (Provisional)			
107.1	Phase I			
107.2	Phase II			

Subtotal:	
Net HST:	
<b>Budget Total:</b>	