

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- (c) the amount withdrawn from a capital reserve fund under subsection 120(4).

Administrative Order 2014-015-ADM, the Financial Reserves Administrative Order

5. The Audit and Finance Standing Committee shall review and recommend to the Council for its consideration all impacts to the Reserves.

6. The Chief Administrative Officer may recommend to Council that Reserve funds be expended.

Halifax Regional Municipality Policy on Changes to Cost Sharing for Capital Projects - Changes requiring Council approval

Administrative Order 2020-004-ADM, the Procurement Administrative Order section 28 states that Council may award contracts for a competitive procurement in any amount.

RECOMMENDATION

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

1. Approve an unbudgeted withdrawal in the amount of \$200,000 (net HST included), from the Capital Fund Reserve, Q526;
2. Increase 2021/22 Capital Project Number CP210008 – Splash Pads, by \$200,000 (net HST included);
3. Increase 2021/22 Capital Project Number CP210008 – Splash Pads by \$110,000 (net HST Included), with no change to the net budget; funding from the Dorothy and Dan Gibson Foundation (c/o Friends of Dartmouth Splash Pad & Park); and,
4. Award Request for Proposal No. 21-099, Design-Build Dartmouth Common Splash Pad to the highest scoring proponent, Lindsay Construction, at a cost of \$815,436 (net HST included) with funding from Project Account No. CP210008 – Splash Pads, CCV02405, CCV02505 - District 5 Discretionary Funds, and CCV02406/CCV02506 – District 6 Discretionary Funds, as outlined in the Financial Implications section of this report.

BACKGROUND

The Dartmouth Common is located in the downtown Dartmouth area within the Halifax Regional Municipality. The area of the park proposed for the splashpad features two basketball courts, a tennis court, a skatepark, playground equipment and an unused beach volleyball court.

In 2018, Friends of the Dartmouth Splash Pad + Park (FDSP), a community led initiative, presented to Harbour East-Marine Drive Community Council (HEMDCC) advocating for a regional splash pad project in Dartmouth. In 2019, Halifax Regional Council approved the Municipality's Long-Term Aquatic Strategy, which identified Dartmouth as a short-term priority for a splash pad. Staff presented a review of several potential sites to HEMDCC in January 2019 and were directed to complete a technical analysis of the Dartmouth Common location, with Halifax Regional Council subsequently approving the location in February 2020.

The technical analysis was completed by WSP Canada Inc. and included a topographical survey, geotechnical investigation, development of preliminary site plans, and cost estimate.

On January 26, 2021, Regional Council approved a commemorative naming application to officially name the Dartmouth Common splash pad "Shirley's Splash Pad" with a contribution to the project from the FDSP. A cheque in the amount of \$110,000 has been received by HRM Finance.

The approved 2021/22 Capital Budget included \$500,000 for the project, FDSP provided a contribution of \$110,000, Councillor Austin committed \$35,000 from District 5 Discretionary Funds, and Councillor Mancini committed \$5,000 from District 6 Discretionary Funds, for a total project budget of \$650,000.

DISCUSSION

Request for Proposal 21-034 Design-Build – Dartmouth Common Splash Pad (RFP) was publicly advertised on the Province of Nova Scotia's Procurement website on March 4, 2021 and closed on March 26, 2021. The scoring followed a two-envelope process. Envelope 1 contained the technical component of the RFP and envelope 2 contained the financial component of the RFP. The RFP stated that only those proponents that received a score of 75% or greater on the technical component (envelope 1) would have their financial component (envelope 2) opened and evaluated. The RFP also stipulated that overbudget proposals would not be accepted.

Three proposals were received. One proposal was deemed non-compliant due to including their fee in their technical proposal. A team consisting of staff from Parks & Recreation, facilitated by procurement, evaluated the remaining proposals based on the criteria listed in the RFP. Only one proponent met the minimum technical requirements, but their cost proposal exceeded the designated budget for the project, so HRM could not proceed.

After reviewing available procurement options, staff issued a new Request for Proposals for the splash pad with a slightly revised scope and more flexible schedule. To provide for more options should proposals exceed budget again, the clause disqualifying overbudget proposals was removed and the scoring weight for cost was increased.

Request for Proposal 21-099 Design-Build Dartmouth Common Splash Pad was publicly advertised on the Province of Nova Scotia's Procurement website on May 6, 2021 and closed on June 2, 2021. Only one proposal was received (from Lindsay Construction). A team consisting of staff from Parks & Recreation, facilitated by procurement, evaluated the proposal based on the criteria listed in the RFP. The scoring followed the two-envelope process used in the first RFP. The proponent met the minimum technical requirements and their cost envelope was opened. The sole proponent's proposal exceeded the project budget, which has resulted in the recommendation herein.

Project scope generally includes:

- Supply and installation of an accessible splash pad and greywater repurposing system, including concrete pad, spray elements, all electrical, mechanical and plumbing, and control manifold;
- Utility services including water, sanitary and electrical;
- New accessible pathways and upgrades to existing paths to improve site accessibility;
- Concrete pad for portable washrooms;
- New benches, shade structures, bicycle racks and waste receptacles; and,
- Associated reinstatement and landscaping.

Should Regional Council approve the increased capital cost for the project, construction is expected to commence following award with the splash pad being fully operational for June 1, 2022.

FINANCIAL IMPLICATIONS

Budget Summary: Capital Fund Reserve – Q526

Projected Net Balance in reserve as of April 1/21	\$ 27,969,527
Less: Unbudgeted withdrawal per recommendation	\$ 200,000
Revised Projected Net Balance	\$ 27,769,527

Budget Summary: CCV02405- District 5 Discretionary Funds

Cumulative Unspent Budget	\$ 27,912.80
Less: RFP 21-099	\$ 17,359.65
Balance	\$ 10,553.15

Budget Summary: CCV02505- District 5 Discretionary Funds

Cumulative Unspent Budget	\$ 94,000.00
Less: RFP 21-099	\$ 17,640.35
Balance	\$ 76,359.65

Budget Summary: CCV02406/CCV02506- District 6 Discretionary Funds

Cumulative Unspent Budget	\$ 128,863.34
Less: RFP 21-099	\$ 5,000.00
Balance	\$ 123,863.34

Budget Summary: Project Account No. CP210008 – Splash Pads

Cumulative Uncommitted Budget	\$ 500,000.00
Plus: Recommendation #3 Increase	\$ 110,000.00
Plus: CCV02405 District 5 Discretionary Funds Commitment	\$ 17,359.65
Plus: CCV02505 District 5 Discretionary Funds Commitment	\$ 17,640.35
Plus: CCV02406 District 6 Discretionary Funds Commitment	\$ 5,000.00
Plus: Unbudgeted withdrawal from Capital Reserve Q526	\$ 200,000.00
Less: RFP No. 21-099	\$ 815,436.00*
Balance	\$ 34,564.00**

*This project was estimated in the Approved 2021/22 Capital Budget at \$500,000. The additional funding support from Friends of Dartmouth Splash Pad, District 5 Discretionary Funds, and District 6 Discretionary funds increased the estimated budget to \$650,000.

**The balance of funds will be used to cover contingency costs; any unused funds will be returned to the reserve.

RISK CONSIDERATION

Archaeological Impacts – An Archaeological Resource Impact Assessment was completed by Davis MacIntyre & Associates and submitted to NS Communities, Culture & Heritage for approval. The potential for encountering archaeological resources is considered low, but strategic onsite monitoring will be implemented during construction to mitigate.

Disruption to the public – Most of the park will remain open during construction. The contractor will be responsible for pedestrian management, site safety, and adhering to safe work practices and standards. There will be minor traffic disruptions for service connections.

Bedrock Removal – A geotechnical investigation was conducted as part of the technical analysis of the site and some bedrock was encountered on the site. The RFP included an estimated quantity and a provisional price for removal where encountered, is included in the proposed project cost.

COMMUNITY ENGAGEMENT

Community engagement on the Dartmouth Splash Pad was led by the Friends of the Dartmouth Splashpad & Park. HRM completed stakeholder and community engagement on the Long-Term Aquatic Strategy, which included stakeholder meetings, multiple focus groups and a two-month online public survey. Engagement has indicated there is strong support for a regional sized splash pad in Dartmouth and the project aligns with HRM's Long-Term Aquatic Strategy.

ENVIRONMENTAL IMPLICATIONS

The proposed splash pad will use a flow-through system, which has significantly lower operating costs and uses fewer chemicals than a recirculating system. To reduce water usage, low-flow elements will be used, and the splash pad will operate using activation bollards with timed intervals. The project scope also includes a greywater repurposing system that will reduce the amount of water discharging into the sewer system and can be used to supplement HRM's garden/planter watering operations.

ALTERNATIVES

The Audit & Finance Standing Committee may choose to recommend that Regional Council:

- (1) Not approve the increase to 2021/22 Capital Project Number CP210008 – Splash Pads. This may result in the RFP being cancelled and a budget increase would be requested as part of the 2022/23 Capital Budget.
- (2) Not award the Request for Proposal. There is strong community interest for the project and it aligns with strategic priorities, such as the Long-Term Aquatic Strategy.

If Council chooses not to award the project at this time, there is a risk that the community group may retract their contribution to the project. This would require consideration of a larger financial contribution from HRM should Council choose to implement the project in the future.

ATTACHMENTS

None.

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

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