

HALIFAX

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Item No. 11.1.5
Halifax Regional Council
September 14, 2021

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY: _____
Jacques Dubé, Chief Administrative Officer

DATE: August 24, 2021

SUBJECT: **Award - Request for Tender 21-256 Transit Park & Ride Phase 2 - Bedford**

ORIGIN

This report originates from the approved 2021/22 Capital Budget.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, S.N.S. 2008, c. 39, subsections 79A(1) and 79A(4) provide:

Municipal expenditures

79A (1) Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if (a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality; (b) the expenditure is in respect of an emergency under the Emergency Management Act; or (c) the expenditure is legally required to be paid.

...

(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under subsection (3); (b) the borrowing limits established for the Municipality under Section 109; or (c) the amount withdrawn from a capital reserve fund under subsection 120(4).

HRM Procurement Administrative Order (2020-004-ADM), subsections 28(1) and 32(7) provide:

Award Authority

28(1) The approval authority limits for the awarding of contracts are as follows:

RECOMMENDATION ON PAGE 2

Method	Manager	Director	CAO	Council
...				
Competitive Procurement	Per delegation of authority from Director [not to exceed \$100,000]	\$100,000	\$1,250,000	Any amount
...				

Contract Amendments

32(7) The approval and signing authority limits for cumulative contract amendments are as follows:

Position	Approval Authority
...	
Council	Any amount

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Suspend the rules of procedure under Schedule 2, the Audit and Finance Standing Committee Terms of Reference, of Administrative Order One, the Procedures of the Council Administrative Order, requiring the Standing Committee to review and make recommendations on proposals coming to the Council outside of the annual budget or tender process;
2. In accordance with the Covid-19 Administrative Order, approve a withdrawal from Q421 General Contingency Reserve in the amount of \$780,289 without the Audit and Finance Standing Committee reviewing and making a recommendation on the impact to the Reserve;
3. Waive the requirement for the Audit & Finance Committee to approve a budget increase of \$780,289 to Capital Account No. CM200009 – ‘West Bedford Park & Ride’ with funding from Q421 General Contingency Reserve as outlined in the Financial Implications section of this report;
4. Award Tender 21-256, Transit Park and Ride Phase 2 – Bedford, to the lowest bidder meeting specification, Dexter Construction Company Limited, for a total price of \$3,312,032 (net HST included) with funding from CM200009 – West Bedford Park & Ride, as outlined in the Financial Implications section of this report; and
5. Approve an increase to the Construction Services component of Consulting Services to Design Point (P.O. No. 2070845674) in the amount of is \$7,727.59 (net HST included) with funding from Capital Account No. CM200009 – ‘West Bedford Park & Ride’, as outlined in the Financial Implications section of this report.

BACKGROUND

The Halifax Transit *Moving Forward Together Plan*, approved by Regional Council in April 2016, identified that the West Bedford Park & Ride, would be constructed on Innovation Drive, in West Bedford, to support increasing transit ridership in a rapidly growing community.

Park & Ride facilities complement transit service by providing an option for those who would like to travel by transit but need a vehicle to complete some portion of their trip. The West Bedford Park & Ride location was selected to be in the center of the growing community and near the edge of the Urban Transit Service Boundary. This ideal location allows those near the Park & Ride to access transit using the active transportation infrastructure and local transit routes. The location also provides those outside of the Urban Transit Service Boundary an option to complete the majority of their trip via transit.

On April 27, 2021, Tender 21-229 for the clearing, grubbing, and initial site work was awarded to Dexter Construction Company Ltd. for a total tender price of \$985,684.17 (net HST included). The scope of work under Tender 21-229 included clearing, blasting, and grading to prepare the property for construction of the Park & Ride facility. An increase of \$191,886 (net HST included) to this contract was approved July 14, 2021 to install the stormwater system in the back half of the property to reduce the timeline required for the upcoming construction.

DISCUSSION

Tender 21-256, Transit Park and Ride Phase 2 – Bedford, was publicly advertised on the Province of Nova Scotia's Procurement website on August 6, 2021 and closed on August 20, 2021.

Three bids were received meeting qualifications:

<u>Name of Company</u>	<u>Bid Price (net HST included)</u>
Dexter Construction Company Limited*	\$3,433,837.64
Ocean Contractors Limited	\$3,597,937.91
Cumberland Paving and Contracting	\$4,209,863.39

*recommended bidder

The scope of work for tender 21-256 includes:

- Concrete bus platform and bus bays.
- A paved parking lot.
- A stormwater system (remaining portion).
- Landscaping.
- Signage and electronic message boards.
- Electrical wiring for the future installation of electric vehicle chargers (through a separate project).
- Additional passenger amenities such as heated passenger shelters and bike shelters.

It is anticipated that work will commence as soon as possible within two (2) weeks of the tender award. There have been delays throughout the first phase of this project mainly due to resource availability which has been impacted by the number of large ongoing projects. Substantial completion of the work is expected by November 12, 2021, such that the Park & Ride will be operational for the November 22, 2021 service change. While the facility will be used by buses and passengers in November, it is anticipated that elements of the design which have long lead times, and those which can be impacted by inclement weather, will not be complete in November but will be installed Spring 2022. These elements include bicycle infrastructure, electronic message boards, landscaping features, and heated bus shelters. Standard bus shelters will be installed temporarily for passenger comfort until heated shelters can be installed.

All submitted bids exceeded the cumulative unspent budget funds in account CM200009 – West Bedford Park & Ride. To cover the uncertain nature of work or materials some provisional items were included within the tender to help manage the project budget. HRM reserves the right to delete all or portions of this item from the estimated bid price. However, even if all provisional items were removed, the award amount would still exceed the remaining cumulative unspent budget. Select provisional items have been removed such as temporary asphalt; however, further reductions to the project scope are not recommended as they are likely to have a significant impact the passenger experience at the West Bedford Park & Ride and would need to be added to the facility eventually. Thus, an additional \$780,289 (net HST included) is required to complete the Park & Ride.

Staff recommend bypassing the Audit and Finance Standing Committee as the timely award of this project is essential to maintain the construction schedule. A review by the standing committee would add an additional two (2) week delay which would not provide sufficient time for the flatwork to be completed in a manner that would allow for service changes to be implemented November 22, 2021.

Council may choose not to approve the recommendations in this report. However, this is not recommended by staff as this facility was identified as an important addition to the network in the approved Moving Forward Together Plan.

This is a unit 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

Staff are recommending to award tender No. 21-256 in the amount of \$3,312,032 (net HST included). This amount represents the full bid of \$3,433,837.64 (net HST included) less select provisional items such as temporary asphalt totalling \$121,805.64.

With this report, staff is requesting an additional of \$780,289 to complete the West Bedford Park & Ride. Without these additional funds, construction cannot be completed. The budget availability has been confirmed by Finance. A summary of the changes are as follows:

Budget Summary:	<u>Capital Account No. CM200009 - West Bedford Park & Ride</u>	
	Cumulative Uncommitted and Unspent Budget	\$ 2,898,946
	Add: Increase from Q421 General Contingency Reserve	\$ 780,289
	Less: Tender No. 21-256	\$ 3,312,032
	Less: Increase to P.O. 2070845674	\$ 7,728
	Projected balance	\$ 359,475*
	<u>General Contingency Reserve Q421</u>	
	Q421 General Contingency Reserve Balance	\$ 19,590,406
	Unbudgeted Withdrawal, CM200009	\$ 780,289
	Net Available Balance, Q421	\$ 18,810,117

This project was estimated in the 2021/22 Capital Budget at \$4,150,000. The bids received for this project have been higher than anticipated and exceed the budgeted amount by approximately \$330,000 or 8%. Additional costs for this project, that were not included in the budgeted amount, were the result of consultant fees to complete surveys, traffic impact studies, electrical design, stormwater design, site grading and construction inspection, as internal resources and expertise were not available to complete the work within the time frame.

The overall project including construction and consultants is expected to be \$4,930,289.10 (net HST included).

*Note the project balance is intended to serve as the project construction contingency.

RISK CONSIDERATION

There are no significant risks associated with the recommendations in this report.

COMMUNITY ENGAGEMENT

Public engagement on the draft *Moving Forward Together Plan* was carried out over a period of ten weeks from February 17 – April 24, 2015. During this period the public were invited to review and comment on all aspects of the plan including the addition of a Park & Ride in West Bedford.

During the design phase of this project a meeting was held with representatives from businesses surrounding the Park & Ride site and the area developer allowing them an opportunity to comment on more detailed elements of the design.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

Council may choose not to approve the recommendations in this report.

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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Original Signed

Report Approved by: _____
Jane Pryor, Director Procurement, 902. 292.3128
