

Item No. 15.1.1

**Halifax Regional Council
November 8, 2022**

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by 

SUBMITTED BY: _____
Jacques Dubé, Chief Administrative Officer

DATE: November 7, 2022

SUBJECT: Increase to Contract – RFP 18-302, Bayers Road Transit Priority

ORIGIN

This report originated from a need to increase the contract for approved (Purchase Order No. 2070796457) with WSP Canada Inc for Bayers Road Phase 2 Transit Priority Design – beyond 20% or \$20,000 of its original value.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter

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under subsection (3); (b) the borrowing limits established for the Municipality under Section 109; or (c) the amount withdrawn from a capital reserve fund under subsection 120(4).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

32. (1) All contract amendments are subject to the identification and availability of sufficient funds in the Council approved business planning and budget process.

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

- CAO - (a) \$20,000 or (b) a 20% increase to the originally approved contract amount, whichever is greater.
- Council – any amount.

RECOMMENDATION

It is recommended that Halifax Regional Council approve an increase to contract with WSP Canada Inc. (Purchase Order No. 2070796457) for additional work beyond the original scope in the amount of \$27,431 (net HST included) with funding from Project Account CT200002 – Major Strategic Multi-Modal Corridor: Bayers Road 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 Bayers Road as a critical bottleneck for transit service into and out of downtown Halifax. At the December 5, 2017, meeting of Regional Council, the Integrated Mobility Plan (IMP) was approved, and staff were directed to include an implementation plan in the upcoming staff report for the Bayers Road Transit Priority corridor functional design to allow Council to consider construction in fiscal 2019/20.

Following a design process that included extensive stakeholder and public engagement, staff presented the preferred functional design option to the Transportation Standing Committee (TSC) on February 2018. Regional Council subsequently approved the preferred option in February 2018 and directed staff to proceed with the detailed design of dedicated bus lanes in both directions on the Bayers Road corridor, including reconfiguration of the Halifax Shopping Centre intersection. The preferred options were based on the functional planning and engagement completed by project consultant WSP Canada Inc. and HRM staff.

To complete the detailed design of the Bayers Road Transit Priority Corridor, a Request for Proposals (RFP) 18-302, was publicly advertised on the Province of Nova Scotia's Procurement website on March 27, 2018; and closed on April 24, 2018. Based on the highest scoring proponent, the project was awarded to WSP Canada Inc. in the amount of \$114,324 (net HST included) in July 2018.

Due to the size and complexity of the project, the final detailed design was divided into two phases for implementation and tendering:

- Phase 1: Romans Avenue to Connaught Avenue
- Phase 2: Connaught Avenue to Windsor Street

Design of Phase 1 (Romans Avenue to Connaught Avenue) was completed in March 2019 and construction Tender 20-217 was awarded to Dexter Construction Company Limited in summer 2020. Construction was completed in August 2021.

The design and land acquisition of Phase 2 (Connaught Avenue to Windsor Street) are ongoing. Additional budget is required to support the land acquisition process and changes to the design stemming from the land requirements.

Previously approved change orders for RFP 18-302 include:

| | <u>Amount</u> ⁽¹⁾ | <u>Description</u> | <u>Percent increase</u> | <u>Cumulative % increase</u> | <u>Cumulative Cost increase</u> |
|----------------------------------|------------------------------|--|-------------------------|------------------------------|---------------------------------|
| Original Award | \$114,324 | Tender-ready design, specifications, drawings for Phase 1 and Phase 2 | 0 | 0 | \$0 |
| C.O. #1 | \$886 | Traffic Counts At HSC | 0.8 | 0.8 | \$115,210 |
| C.O. #2 | \$15,090 | Additional Topographic Survey | 13.2 | 14 | \$130,300 |
| C.O. #3 | \$0 ⁽²⁾ | Remove Public Engagement | 0.0 | 14 | \$130,300 |
| C.O. #4 | \$119,878 | Additional Design Services | 104.9 | 118.9 | \$250,178 |
| C.O. #5 | \$0 ⁽²⁾ | Scope modification | 0.0 | 118.9 | \$250,178 |
| C.O. #6 | \$0 ⁽²⁾ | Scope modification | 0.0 | 118.9 | \$250,178 |
| C.O. #7 | \$114,504 | Construction Administration (2020) | 100.2 | 219.1 | \$364,682 |
| C.O. #8 | \$20,127 | Construction Administration (2021) | 17.6 | 236.7 | \$384,809 |
| C.O. #9 | \$52,043 | Phase 2 Interim Transit Design and Construction Administration | 45.5 | 282.2 | \$436,852 |
| C.O. #10(Current request) | \$27,431 | Additional Design and Real Estate Support | 24.0 | 306.2 | \$464,283 |
| Project Total | \$464,283 | | | | |

Notes:

- (1) Net HST Included.
- (2) Scope modification.

Previous Regional Council approvals include C.O.#4 (Item 15.1.1 – December 10, 2019); C.O.#7 (Item 9.1.4 – June 23, 2020; & C.O. #'s 8&9 (Item 11.1.7 – August 17, 2021)

DISCUSSION

Unforeseen challenges have arisen during Phase 2. Delays have incurred additional costs and additional scope items have been added to the project.

Phase 2 (Connaught Avenue to Windsor Street) construction was planned to be tendered in fall/winter 2022 with construction in 2023. However, due to the current status of the land acquisition schedule, it is expected that the Phase 2 construction will be tendered and constructed in 2024.

Staff expect that land acquisition will be complete by Spring 2024. Additional budget to support the land acquisition process in addition to design updates is required.

WSP requires a change order, (Change Order # 10), in the amount of \$27,431 to continue the support of the land acquisition process and attend design meetings with HRM staff.

FINANCIAL IMPLICATIONS

With this report, staff is seeking an additional of \$27,431 (net HST included) to support land acquisition and ongoing project support. The budget availability has been confirmed by Finance.

Budget Summary: Capital Account No. CT200002 – Major Strategic Multi-Modal Corridor: Bayers Road

| | |
|-----------------------------------|--------------|
| Cumulative Uncommitted Budget | \$ 5,291,863 |
| Less: Increase to Change Order 10 | \$ 27,431 |
| Projected balance | \$ 5,264,432 |

RISK CONSIDERATION

There are risks associated with the recommendation in this Report. Consideration was given to financial, service delivery, and reputational risks.

- Land acquisition risks remain.
- Unforeseen conditions may lead to more change orders for phase 2 design but based on experience with this project a forecast of expected changes have been estimated and considered in the budget forecast request in this report.
- Phase 2 (Connaught Avenue to Windsor Street) construction was planned to be tendered in fall/winter 2022 with construction in 2023. However, due to the current status of the land acquisition schedule, it is expected that the Phase 2 (Connaught Avenue to Windsor Street) construction will be tendered in fall/winter 2023 and construction would take place in 2024. This will require budget allocation in 2023/24 in order to tender in 2023 with spending in 2023/24.

ALTERNATIVES

Council could choose not to approve the recommendations in this report; however, this is not recommended by staff as completion of the land acquisition process is a pre-requisite for tendering the project. Also, this project was undertaken based on the Regional Council's direction and this project is closely aligned to HRM's overall priorities.

ATTACHMENT

N/A

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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