

# HALIFAX

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

**Item No. 14.1.1**  
**Halifax Regional Council**  
**April 25, 2017**

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

Original Signed by 

**SUBMITTED BY:** \_\_\_\_\_  
Jacques Dubé, Chief Administrative Officer

**DATE:** March 23, 2017

**SUBJECT:** Increase to Contract, RFP 15-334 Argyle and Grafton Shared Streetscape

## **ORIGIN**

This report originates from a need to increase the contract beyond 20% of its original value. Extra fees up to 15% of the original project amount were approved by the director on February 17, 2017.

## **LEGISLATIVE AUTHORITY**

Under the HRM Charter, Section 79(1) provides that the Council may expend money required by the Municipality for

(aa) streets, culverts, retaining walls, sidewalks, curbs and gutters;

Appendix B of 2016-005-ADM, the Procurement Administrative Order, provides that contract amendments that exceed the greater of 20% of the original award amount or \$20,000, must be approved by Council for funds to be issued.

## **RECOMMENDATION**

It is recommended that Halifax Regional Council authorize an increase to contract for RFP No. 15-334, Consulting Services - Argyle & Grafton Shared Streetscapes, to Ekistics Plan + Design, for changes to the contracted scope of work, in the amount of \$31,368 (net HST included), with funding from Project Account No. CD000002, Downtown Streetscapes - Capital Improvement Campaign, as outlined in the Financial Implications section of this report.

## **BACKGROUND**

On November 6, 2015, the CAO awarded RFP 15-334 Argyle and Grafton Shared Streetscape Detail Design to Ekistics Plan + Design for the schematic through to detailed design of a new streetscape for portions of Argyle and Grafton Streets. The original award amount was \$234,258, plus net HST of \$10,041, for a net total price of \$244,299.

This project includes the complete replacement of the sidewalk and pavement with a new, high quality, pedestrian oriented treatment on Argyle Street between Blowers and Prince Streets, and on Grafton Street between Prince and Carmichael Streets. The project also includes sidewalk enhancements on Prince Street between Argyle and Grafton Streets.

The design maintains vehicle access to each street, but aims to implicitly slow traffic speeds as there will be no barrier between pedestrians and the vehicular travel way. The design also includes accessible parking spaces, and loading spaces on each block.

The design will appear simple and elegant from the surface, but it necessitates the introduction of several treatments that are completely new within the HRM right of way. For example, the curbless cross section requires a completely new type of drainage design. It also includes a completely new lighting plan; novel treatments to sustain healthy trees in challenging urban environments; and the incorporation of special features such as illuminated gateway signs and public art.

## **DISCUSSION**

Given the complexity of the design, and the inclusion of several of these novel elements, there has been need for multiple detailed reviews by dozens of internal and external stakeholders who have sometimes had competing interests in the municipal right of way (municipal departments, utilities, abutters, etc.). Reviews have resulted in drawing changes, which in turn have affected other elements and necessitated further review. The process has been lengthy, but is almost finished, and most issues are resolved. This means that HRM should be able to issue a tender call for the project very soon and still entertain a late spring 2017 construction start.

The consultants were originally asked to fast track the design and target a construction start in fall 2016 with the aim of coordinating completion of the streetscape with that of the Nova Centre Project. But delays to that project, coupled with the complexities of our own project noted above, led to a decision last spring to add an additional formal round of review and delay construction to 2017. To support this, additional fees in the amount of \$33,574 plus net HST of \$1,439, for a net total price of \$35,013 (14.3% of the original contract value) were approved by the director on February 17, 2017.

To complete the final drawing changes resulting from this additional round of review an additional \$30,366 (plus net HST of \$1,302 for a total net price of \$31,668) is required, as described in the consultant's letter dated March 20, 2017 (Attachment A). This represents an additional increase of 13.0%, or a cumulative increase of 27.3% of the original contract value.

The original request for proposals asked consultants to bid on both the schematic and detailed design phases of the project, which can be difficult as the exact scope of the design cannot be fully known until the schematic design phase is complete. Staff recognize the challenge inherent in fully pricing the detailed design and agree that the extra fees are warranted.

The total cumulative design fee still represents less than 10% of the estimated capital cost to build this project which stands at just over \$5,200,000. Rules of thumb for the cost of engineering design suggest the design cost should be about 5% - 10% of the capital cost. At a total of \$298,198 (plus net HST) this remains a fair price for design (5.7%).

### **FINANCIAL IMPLICATIONS**

Funding is available in the approved 2016/17 Capital Budget from Project No. CD000002, Downtown Streetscapes - Capital Improvement Campaign. The budget availability has been confirmed by Finance.

Budget Summary:	<u>Project Account No. CD000002</u>	
	Cumulative Unspent Budget	\$11,002,209
	<b>Less requested increase to PO #2070727765:</b>	<b>\$31,668</b>
	Balance	\$10,970,541

The balance of funds remaining will be used for construction and contract administration of this streetscape project, as well as others. The construction and contract administration will be awarded following the close of the tender period, expected in spring 2017.

### **RISK CONSIDERATION**

The risks associated with the recommendations in this report are considered low. To reach this conclusion, consideration was given to the risk of further additional fees being required to complete the design. At this point, the likelihood of this happening is low, as the project should be out for tender as soon as March 28, 2017. Should significant redesign issues arise during the tender phase, additional fees may be required to revisit the design. Given the extensive level of review, the risk of this happening should also be low.

### **ENVIRONMENTAL IMPLICATIONS**

None

### **ALTERNATIVES**

Halifax Regional Council could choose not to increase this contract. This is not recommended, as the work has largely been completed. Due to the need to tender this project as soon as possible to ensure completion within the 2017 construction season, it was not considered practical to wait until the contract could be formally amended prior to this work being undertaken.

### **ATTACHMENTS**

No attachments

---

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Hanita Koblents, Principal Planner – Streetscapes 902.292-2680

Original Signed

Report Approved by:

\_\_\_\_\_  
Jacob Ritchie, Urban Design Program Manager 902.490-6510

Original Signed

Procurement Review:

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

Original Signed by Director

Financial Review:

\_\_\_\_\_  
Amanda Whitewood, CFO/Director Finance & Asset Management, 902.490-6308

Original Signed by Director

Report Approved by:

\_\_\_\_\_  
Bob Bjerke, Chief Planner and Director of Planning & Development 902.490-1627