

# HALIFAX

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

**Item No. 14.1.8**  
**Halifax Regional Council**  
**May 23, 2017**

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

Original Signed by 

**SUBMITTED BY:**

John Traves Q.C., Acting Chief Administrative Officer

**DATE:** May 8, 2017

**SUBJECT:** **HRWC Cost Sharing Agreement – Sidewalk Renewal – Leiblin Drive (Civic No. 1 Kenwood Avenue to Rockingstone Road), West Region**

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## **ORIGIN**

The Approved 2016/17 Capital Budget and the Approved 2017/18 Capital Budget.

## **LEGISLATIVE AUTHORITY**

Section 74(1) of the *Halifax Regional Municipality Charter* provides that “The Municipality may agree with one or more municipalities, villages, service commissions, the Government of the Province or of Canada or a department or agency of either of them or a band council pursuant to the *Indian Act (Canada)* to provide or administer municipal or village services.

Section 79(1) of the Halifax Regional Municipality Charter provides that “The Council may expend money required by the Municipality for ... (aa) streets, culverts, retaining walls, sidewalks, curbs and gutters;”

## **RECOMMENDATION**

It is recommended that Halifax Regional Council authorize the Director of Transportation and Public Works to enter into a cost sharing agreement and authorize reimbursement of an amount up to \$790,411 (net HST included) to the Halifax Regional Water Commission for the Leiblin Drive sidewalk renewal, with funding from Project Account No. CKU01084 – Sidewalk Renewal, as outlined in the Financial Implications section of this report.

## **BACKGROUND**

Leiblin Drive sidewalk renewal project includes civil engineering design of sidewalk rehabilitation, drainage and associated reinstatement from Civic No. 1 Kenwood Avenue to Rockingstone Road. The proposed sidewalk renewal project is integrated with the Leiblin Drive sanitary sewer project by Halifax Water.

The proposed works will be completed in conjunction with the Halifax Water sanitary sewer project. Both projects were tendered together as one construction contract. The construction related to the sidewalk renewal work will be completed to Halifax Regional Municipality's standards.

The Approved 2016/17 Project Budget includes funds for a sidewalk renewal on the South side of Leiblin Drive from Rockingstone Road to Elmdale Crescent. The Approved 2017/18 Capital Budget includes funds for a sidewalk renewal on the South side of Leiblin Drive from Elmdale Crescent to Civic No. 1 Kenwood Avenue.

## **DISCUSSION**

The Tender (T15.2017) for Leiblin Drive Sewer and Sidewalk Renewal was publicly advertised on the Province of Nova Scotia's Procurement website by Halifax Water on April 19, 2017 and closed on May 4, 2017.

Halifax Water has evaluated three (3) successful bids from Ocean Contracting Limited, Atlantic Road Construction Paving Limited and Dexter Construction Limited. Based on the lowest bidder, the cost sharing component for the construction of items associated with the sidewalk renewal, drainage and related reinstatement from Civic No. 1 Kenwood Avenue to Rockingstone Road will be completed by **Ocean Contracting Limited** at a cost of \$777,585 (net HST included), plus Halifax Water staffing costs of \$5,000 and overhead (1%) of \$7,826 for a cost of \$790,411. The total cost including Halifax Water portion of the work is \$3,022,470 plus net HST of \$453,371 for a net total of \$3,475,841.

It is anticipated that work will commence as the weather permits in the spring of 2017.

There are no Local Improvement Charges associated with this work.

## **FINANCIAL IMPLICATIONS**

Based on the lowest tendered price the estimated cost to HRM is \$745,627 plus net HST of \$31,958 for a sub total of \$777,585. As a result of project integration with Halifax Water, staffing costs of \$5,000.00, plus overhead (1%) of \$7,826 are incurred for a net total of \$790,411. Funding is available in the Approved 2016/17 Capital Budget and Approved 2017/18 Capital Budget from Project Account No. CKU01084 – Sidewalk Renewal. The budget availability has been confirmed by Finance.

Budget Summary:

### **Project Account No. CKU01084 – Sidewalk Renewal**

Cumulative Unspent Budget	\$4,198,383
<b>Less: Cost Sharing Reimbursement</b>	<b>\$ 790,411 *</b>
Balance	\$3,407,972

\* Leiblin Drive sidewalk renewal from Rockingstone Road to Elmdale Crescent was estimated in the Approved 2016/17 Capital Budget at \$280,000, and from Elmdale Crescent to Civic No. 1 Kenwood Avenue in the Approved 2017/18 Capital Budget at \$420,000.

The balance of funds will be used to implement the remaining 2017/18 Sidewalk Renewal projects approved by Council.

### **RISK CONSIDERATION**

There are no significant risks associated with the recommendation in this Report. The risks considered rate low. To reach this conclusion, consideration was given to financial, legal and compliance, and service delivery risks.

### **COMMUNITY ENGAGEMENT**

There has been no community engagement program associated with this recommendation.

### **ENVIRONMENTAL IMPLICATIONS**

Implications not identified.

### **ALTERNATIVES**

Council could choose not to approve the recommendations in this report, but this is not recommended by staff.

### **ATTACHMENTS**

Attachment A – Cost Share Agreement with Halifax Water.

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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 490-4210, or Fax 490-4208.

Report Prepared by: Nicholas Hussy, EIT, Design Engineering Technologist, Design & Construction Services at 902.490-6968

Original Signed

Report Approved by: \_\_\_\_\_  
Dave Hubley, P. Eng., Manager, Project Planning & Design at 902.490-4845

Original Signed by Director

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

Original Signed

Report Approved by: \_\_\_\_\_  
Beverley Audet, Acting Director, Transportation & Public Works at 902.490-4855

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Halifax Regional Water Commission

450 Cowie Hill Road, P.O. Box 8388 RPO CSC, Halifax, Nova Scotia B3K 5M1 phone 902 490-4820 fax 902 490-4808

May 12, 2017

*Via email:sherwooa@halifax.ca*

Halifax Regional Municipality  
Transportation & Public Works  
21 Mount Hope Ave  
Dartmouth, NS B2Y 4R4

Attention: Anne Sherwood, P.Eng.

**Re: Tender No. T15.2017, Leiblin Drive Sewer & Sidewalk Renewal**

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Tender No. T15.2017, "Leiblin Drive Sewer & Sidewalk Renewal" closed on May 4, 2017, and prior to tender award, a cost share agreement must be finalized between Halifax Water and the Halifax Regional Municipality.

Enclosed is a bid comparison summary and based on the lowest overall bid, the contract will be awarded to Ocean Contractors for \$3,022,470.00 excluding tax. The Municipality's portion for the sidewalk renewal is \$745,626.70 excluding tax. Halifax Water must also recoup overhead (1%) and additional staff costs incurred as a result of integrating the sidewalk renewal with our contract.

Based on the foregoing, the Municipality's total costs are summarized as follows:

Sidewalk Renewal (Part B) excluding taxes	\$745,626.70
Net Tax (4.286%)	\$31,957.56
Halifax Water Staff Costs	\$5,000.00
Subtotal	\$782,584.26
Overhead (1%)	\$7,825.84
<b>Total:</b>	<b>\$790,410.10</b>

During construction, scope and cost changes to the Municipality's portion of the work will be addressed through a change management process in consensus with Municipal project representatives. Final cost sharing will be based on the original bid for the sidewalk renewal (as above) plus any approved changes during construction.

By signing below, the Municipality agrees to reimburse Halifax Water for the above amount, adjusted by any approved changes during construction.

If you have any questions, my contact information is provided.

Yours truly,

Original Signed

**Greg Rice, P.Eng.**  
Project Engineer

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Bruce Zvaniga, P.Eng.  
Director of Transportation & Public Works  
Halifax Regional Municipality

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Date