

COUNCIL REPORT

M&C No.	2020-09
Report Date	January 07, 2020
Meeting Date	January 13, 2020
Service Area	Finance and Administrative Services

His Worship Mayor Don Darling and Members of Common Council

SUBJECT: Tender # 2019-081202T – Saint John City Hall Relocation

OPEN OR CLOSED SESSION

This matter is to be discussed in open session of Common Council.

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	City Manager
<i>Stephanie Rackley-Roach</i>	<i>Kevin Fudge</i>	<i>John Collin</i>

RECOMMENDATION

The tender submitted by Avondale Construction Ltd., for Tender # 2019-081202T – Saint John City Hall Relocation, in the amount of \$2,096,500 plus HST be accepted. It is recommended that a five percent contingency allowance be carried. Additionally, it is recommended that the Mayor and Common Clerk be authorized to execute the necessary contract documents.

EXECUTIVE SUMMARY

The purpose of this report is to seek Common Council's approval to award the Saint John City Hall Relocation, specifically interior construction fit-up, to the lowest compliant bidder.

PREVIOUS RESOLUTION

July 30, 2018:

RESOLVED that as recommended by the Finance Committee in the submitted report M&C 2018-219: 2019 General Fund Capital Budget, members of Common Council:

- Approve the project titled Engineering Investigations and Designs for \$330,000
- **Approve the 2019 General Fund Capital Budget**

As part of the 2019 General Fund Capital Budget a total of \$3.5 Million was approved for renovation and fit-up of City-Hall.

REPORT

In November of 2018 Common Council approved an Amendment to the Lease Amending Agreement (LAA) with a new Landlord for space at 15 Market Square. This Agreement or Lease lays out the terms and conditions for both parties as it relates to relocating City Hall to the first four floors of this building.

With a commitment from the Landlord to handover base-building to the City January 31, 2020, a tender for interior construction fit-up of City Hall space was issued November 25, 2019. The tender package included all of the construction work required to relocate City Hall with the exception of the Council Chambers which will be completed with City resources.

In order to better coordinate construction work on site, the Landlord and the City agreed to complete work on behalf of the other party with corresponding reimbursement. On September 9, 2019, Common Council approved reimbursement of work completed by the Landlord for the City's portion of HVAC, electrical, plumbing and structural reinforcement requirements. As such, the City's tender package does not include this work.

The City's tender package does include the Landlord's base-building ceiling and lighting requirements as set out in the Amendment to the LAA. The Landlord will reimburse the City for this work.

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS – MATERIALS MANAGEMENT

A public tender call was issued on November 25, 2019 and closed on January 7, 2020. Three (3) companies responded to the tender call by submitting bids. The results are as follows:

- Avondale Construction Ltd. – \$2,096,500 plus HST
- Maxim Construction Inc. – \$2,110,000 plus HST
- Eclipse Construction Services Ltd. – \$ 2,186,812 plus HST

Staff of Materials Management have reviewed the tenders and have found them to be complete and formal in every regard. Staff believes that the low tenderer, Avondale Construction Ltd., has the necessary resources and expertise to perform the work, and recommend acceptance of their tender.

The above process is in accordance with the City's Procurement Policy and Materials Management support the recommendation being put forth.

STRATEGIC ALIGNMENT

Optimization and fit-up of City Hall space contributes to a number of the City's strategic directions. As a continuous improvement project it directly contributes to Council's priority of being Fiscally Responsible. A reduced footprint that supports streamlined work flow processes will reduce costs. With a focus on improving customer service, this project also contributes to Council's priority of Valued-Service Delivery.

SERVICE AND FINANCIAL OUTCOMES

The total capital budget approved to complete the City Hall Relocation Project is \$3.5 Million. The costs associated with the tender package of \$2,096,500 in addition to work being completed by the Landlord, Council Chambers, furnishings, way finding and signage, design, and project management is within the budget amount approved.

ATTACHMENTS

N/A