

COUNCIL REPORT

M&C No.	2019-20
Report Date	February 04, 2019
Meeting Date	February 11, 2019
Service Area	Transportation and Environment Services

His Worship Mayor Don Darling and Members of Common Council

***SUBJECT: Contract 2019-08: King Square South (Charlotte Street to Civic #12) –
Watermain Renewal and Storm Sewer Installation***

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>Kevin O'Brien</i>	<i>Michael Hugenholtz / Brian Keenan</i>	<i>John Collin</i>

RECOMMENDATION

It is recommended that Contract No. 2019-08: King Square South (Charlotte Street to Civic #12) – Watermain Renewal and Storm Sewer Installation be awarded to the low Tenderer, Fairville Construction Ltd., at the tendered price of \$217,114.25 (including HST) as calculated based upon estimated quantities, and further that the Mayor and Common Clerk be authorized to execute the necessary contract documents.

EXECUTIVE SUMMARY

The purpose of this report is to recommend that Council award Contract 2019-08: King Square South (Charlotte Street to Civic #12) – Watermain Renewal and Storm Sewer Installation to the low Tenderer.

PREVIOUS RESOLUTION

October 2, 2017; 2018 Water & Sewerage Utility Fund Capital Program approved

October 2, 2017; 2018 General Fund Capital Program approved

August 20, 2018; Reallocation of budget surplus from Leinster Street – Water, Sanitary and Storm Sewer Renewal and Street Reconstruction Project approved.

REPORT

BACKGROUND

The approved 2018 General Fund and Water and Sewerage Utility Fund Capital Programs included funding for the reconstruction of Leinster Street from Sydney Street to Carmarthen Street. Following closure of the tender for Leinster Street, Council authorized the reallocation of the budget surplus to allow for the renewal of the watermain and installation of a new storm sewer on King Square South from Charlotte Street to Civic #12.

TENDER RESULTS

Tenders closed on January 29, 2019 with the following results, including HST:

1. Fairville Construction Ltd., Saint John, NB	\$ 217,114.25
2. TerraEx Inc., Saint John, NB	\$ 217,476.50
3. Galbraith Construction Ltd., Saint John, NB	\$ 234,853.00
4. NRB Construction Company Limited, Saint John, NB	\$ 263,154.50
5. Maguire Excavating Ltd., Saint John, NB	\$ 344,233.53

The Engineer's estimate for the work was \$226,316.55, including HST.

ANALYSIS

The tenders were reviewed by staff and all were found to be formal in all respects. Staff is of the opinion that the low tenderer has the necessary resources and expertise to perform the work, and recommend acceptance of their tender.

FINANCIAL IMPLICATIONS

The Contract includes work that is charged against the 2018 General Fund and Water and Sewerage Utility Fund Capital Programs. Assuming award of the Contract to the low tenderer, an analysis has been completed which includes the estimated amount of work that will be performed by the Contractor and Others.

The analysis is as follows:

Budget	\$ 200,000.00
Project net cost	\$ 219,100.00
Variance (Shortfall)	- \$ 19,100.00

The projected budget shortfall can be managed within the overall General Fund and Water and Sewerage Utility Fund Capital Programs envelope.

POLICY – TENDERING OF CONSTRUCTION CONTRACTS

The recommendation in this report is made in accordance with the provisions of Council's policy for the tendering of construction contracts, the City's General Specifications and the specific project specifications.

STRATEGIC ALIGNMENT

This report aligns with Council's Priority for Valued Service Delivery, specifically as it relates to investing in sustainable City services and municipal infrastructure.

SERVICE AND FINANCIAL OUTCOMES

As part of the Irving Oil Limited (IOL) Headquarters building development at the corner of King Square South and Sydney Street, the developer IOL has agreed to supply granite curbing at no charge for the City to install on King Square South from Charlotte Street to Civic #12. Prior to the installation of the granite curbing, the existing cast iron watermain and terra cotta sewer in this section of King Square South requires replacement. This project will also allow for the separation of the sanitary and storm sewer flows on King Square South.

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

N/A

ATTACHMENTS

N/A