

## COUNCIL REPORT

M&C No.	2019-42
Report Date	March 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 2019-07: Chipman Hill (Union Street to King Street) – Water, Sanitary and Storm Sewer Renewal and Street Reconstruction***

### ***OPEN OR CLOSED SESSION***

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

### ***AUTHORIZATION***

Primary Author	Commissioner/Dept. Head	City Manager
<b><i>Kevin O'Brien</i></b>	<b><i>Michael Hugenholtz / Brian Keenan</i></b>	<b><i>John Collin</i></b>

### ***RECOMMENDATION***

It is recommended that Contract No. 2019-07: Chipman Hill (Union Street to King Street) – Water, Sanitary and Storm Sewer Renewal and Street Reconstruction be awarded to the low Tenderer, TerraEx Inc., at the tendered price of \$968,581.75 (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 2019-07: Chipman Hill (Union Street to King Street) – Water, Sanitary and Storm Sewer Renewal and Street Reconstruction to the low Tenderer.

### ***PREVIOUS RESOLUTION***

July 30, 2018; 2019 Water & Sewerage Utility Fund Capital Program approved

July 30, 2018; 2019 General Fund Capital Program approved

## **REPORT**

### **BACKGROUND**

The approved 2019 General Fund and Water and Sewerage Utility Fund Capital Programs include funding for the reconstruction of Chipman Hill from Union Street to King Street. The work involves the replacement of the existing watermain and sanitary sewer, installation of a new storm sewer for separation and full street reconstruction including new concrete curb and sidewalk, brick medians, roadway granulars, asphalt and signage.

### **TENDER RESULTS**

Tenders closed on February 26, 2019 with the following results, including HST:

1. TerraEx Inc., Saint John, NB	\$ 968,581.75
2. Fairville Construction Ltd., Saint John, NB	\$ 1,067,655.40
3. NRB Construction Company Limited, Saint John, NB	\$ 1,141,835.00
4. Maguire Excavating Ltd., Saint John, NB	\$ 1,155,797.15
5. Galbraith Construction Ltd., Saint John, NB	\$ 1,268,547.75

The Engineer's estimate for the work was \$1,039,161.85, 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 ability to perform the work, and recommend acceptance of their tender.

### **FINANCIAL IMPLICATIONS**

The Contract includes work that is charged against the 2019 General Fund and Water and Sewerage Utility Fund Capital Programs. This project is partially funded by the Clean Water Wastewater Fund program. 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	\$ 956,100.00
Project net cost	\$ 973,100.00
Variance (Shortfall)	- \$ 17,000.00

The asphalt reinstatement component of the work for Chipman Hill will be charged against the City's Asphalt Roadway Resurfacing and Curb & Sidewalk Renewal project in the 2019 General Fund Capital Program. The project also includes underground conduit installation for Saint John Energy that will be completed prior to road reconstruction. The underground conduit costs will be recovered from Saint John Energy.

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***

The municipal infrastructure on this street is in poor condition and requires replacement. The renewal of the infrastructure will reduce the likelihood of future service disruptions to the local residents due to infrastructure failures. The storm water and sanitary sewer flows will also be separated on Chipman Hill. In addition, this project provides the opportunity to improve the streetscape with the installation of brick medians for the full length of the street.

#### ***INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS***

N/A

#### ***ATTACHMENTS***

N/A