

COUNCIL REPORT

M&C No.	2019- 78
Report Date	March 26, 2019
Meeting Date	April 08, 2019
Service Area	Transportation and Environment Services

His Worship Mayor Don Darling and Members of Common Council

SUBJECT: Contract No. 2019-16 Asphalt Resurfacing 2019

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>Rod Mahaney</i>	<i>Michael Hugenholtz/Brian Keenan</i>	<i>John Collin</i>

RECOMMENDATION

It is recommended that Contract No. 2019-16: Asphalt Resurfacing 2019 be awarded to the low Tenderer, Galbraith Construction Ltd., at the tendered price of \$5,886,959.54 (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 2019-16: Asphalt Resurfacing 2019 to the low Tenderer.

PREVIOUS RESOLUTION

November 05, 2018; 2019 Water & Sewerage Utility Fund Operating Program Approved.

July 30, 2018; 2019 General Fund Capital Program Approved.

December 18, 2018; 2019 General Fund Operating Program Approved.

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.

REPORT

BACKGROUND

The 2019 General Fund Operating Budget for Transportation and Environment Services and the 2019 General Fund Transportation Capital Program include provisions for the resurfacing of a number of streets in the City. This is an annual program to upgrade and maintain deteriorating street surfaces under the maintenance and capital resurfacing programs.

This contract includes all work associated with the resurfacing of a total of 34 streets or segments of streets. This work consists generally of the supply of all necessary labour, materials and equipment for the placement of approximately 23,960 tonnes of Superpave hot-mix asphalt. Also included in this contract is the installation of approximately 8,557 lineal meters of concrete curb and 3,563 lineal meters of 1.5 meter sidewalk.

TENDER RESULTS

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

1. Galbraith Construction Ltd., Saint John, NB	\$5,886,959.54
2. Classic Construction (2012) Ltd., Saint John, NB	\$5,953,677.08
3. NRB Construction Company Ltd., Saint John, NB	\$6,193,442.88
4. Debly Enterprises Ltd., Saint John, NB	\$6,305,748.71

The Engineer's estimate for the work was \$7,298,600 including HST.

ANALYSIS

The tenders were reviewed by staff and were found to be formal in all respects. The tender from Debly Enterprises Ltd. contained a minor error in mathematics that required correction in accordance with specification article 2.11 u) (i).

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. The asphalt production and placement processes will be closely monitored to ensure conformance with project specifications. Work is expected to begin the last week of April and continue until October 15, 2019.

FINANCIAL IMPLICATIONS

The Contract includes work that is charged against various Operating and Capital Budgets. 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	\$ 6,879,000
Project net cost	\$ 5,688,000
Variance (Surplus)	\$ 1,191,000

It is the intention of City staff to make full use of this budget surplus by adding additional streets to the 2019 asphalt resurfacing contract with the payment to be made at the approved contract unit prices. Staff will report back to Council with a proposed list of additional streets for asphalt resurfacing and for approval to increase the amount of contract 2019-16 accordingly.

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.

SERVICE AND FINANCIAL OUTCOMES

Asphalt pavements, and concrete curb and sidewalks are essential infrastructure which directly impacts the quality of life in our community. Roadway infrastructure is important to the economic health of the community and citizens expect these assets to be maintained to an acceptable standard. Proper and timely maintenance of all roadway assets will ensure public safety, extend service life of the asset, and achieve best value for the investment.

This project will be completed within the original approved financial budget.

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

N/a

ATTACHMENTS

N/a