

COMMON COUNCIL REPORT

M&C No.	2021-366
Report Date	December 19, 2021
Meeting Date	December 20, 2021
Service Area	Utilities and Infrastructure Services

Her Worship Mayor Donna Noade Reardon and Members of Common Council

**SUBJECT: Contract 2021-083001T: Public Space at Market Slip – Site
Demolition**

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	City Manager
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RECOMMENDATION

It is recommended that Contract 2021-083001T: Public Space at Market Slip – Site Demolition to the low tenderer, TerraEx Inc., at the tendered price of \$528,218.00 (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 2021-083001T: Public Space at Market Slip – Site Demolition to the low Tenderer.

PREVIOUS RESOLUTION

February 22, 2021; (M&C 2021-05) Approved Utility and General Fund – Revised 2021 Capital Programs

February 22, 2021: (M&C 2021-045) Approved Architectural Services: Loyalist Plaza & Fundy Quay Harbour Passage Extension.

REPORT

BACKGROUND

The City of Saint John has received financial support from the Province of New Brunswick and Infrastructure Canada under the Investing in Canada Infrastructure Program for a suite of projects associated with the Fundy Quay and surrounding

infrastructure. This is part of a larger initiative to transform Saint John's urban waterfront through strategic infrastructure renewal, public space improvements, and private sector development. As part of this project the City of Saint John has received support for the revitalization of the public space at Market Slip, the extension of Harbour Passage along the perimeter of the Fundy Quay property, and the construction of a pedway to connect Market Square to the Fundy Quay.

To complete these public space improvements, the City awarded a contract for architectural services in February of 2021 to The Glenn Group. Since this time, the Glenn Group have prepared a concept design for the public space, which they presented to both Common Council and the public to a highly positive reception.

The site demolition tender recommended in this report is the second in a series of procurement efforts in support of the project. The purpose of this tender is to undertake the demolition and salvage of the plaza and boardwalk areas, as well as the construction of underground infrastructure to allow for early construction of the patio areas in the spring, minimizing the disruption to the boardwalk restaurants during their peak season. Future procurement efforts will be unfolded over the coming months to acquire the materials and systems to support construction of the plaza in advance of a larger tender for the construction of the public space improvements.

The overall scope of this phase of the project includes:

- All demolition work, removals, stockpiling, and erosion protection;
- Laying a pit run gravel base;
- The adjustment and rebuilding of manholes, catch basins and valve boxes;
- Supply and install of storm sewer;
- The supply and install of manholes & catch basins;
- The supply and install of sanitary sewer; and
- The supply and install of watermain infrastructure.

The scope of this contract is to be completed for May 15, 2022, which will allow for the beginning of the construction of the new patio areas and full scope of the public space in the Spring of 2022. The full public space construction project is scheduled to be completed by the conclusion of 2023.

FINANCIAL IMPLICATIONS

The Contract includes work that is charged against the 2021 General Fund Capital Program and is also supported by two separate Federal Funding contracts. 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 total capital costs for the construction associated with the Site Demolition projects includes both the recommended

contract with the low tenderer as well as the architectural services contract with the Glenn Group. As further procurement is required to complete the construction, the variance in net project budget will be required to support the remaining construction of the public space.

The analysis is as follows:

Budget	\$ 12,670,000
Project net cost	\$ 1,941,096.08
Variance (Remaining for Future Contracts)	\$ 10,728,903.92

Staff are continuing to work with the City's architectural and engineering consultants on other components of the Fundy Quay project and will return with an update on the project and further recommendations regarding overall scope and budget in the new year.

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

Fundy Quay is a catalytic project that aligns with many of Council's new priorities including Grow, Green, Belong and Move.

SERVICE AND FINANCIAL OUTCOMES

Funding for the Fundy Quay project is provided by the Provincial and Federal Governments through the Investing in Canada Infrastructure Program (ICIP) and the Disaster Mitigation and Adaptation Fund (DMAF). The full project (including the seawall) has received approximately \$18.4 Million (67%) with the remainder funds provided by the 2021 City of Saint John General Capital program.

The Fundy Quay public space projects are part of a broader project to transform Saint John's urban waterfront, with an agreement for private sector development on the Fundy Quay site, creating a strong business case for the project. The Ground Lease with Fundy is based on a maximum value of \$6.45M and will generate initial lease payments of \$250,000 annually until purchased. The development of the site is anticipated to generate \$2M - \$3M in annual property

tax revenue at full build out and securing the development has been instrumental in the approval of an additional \$15M in federal and provincial infrastructure investments.

***INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS –
SUPPLY CHAIN MANAGEMENT***

A public tender call was issued on November 25, 2021 and closed on December 17, 2021. Five (5) companies responded to the tender call by submitting bids as follows (including HST):

1. Galbraith Construction Ltd., Saint John, NB	\$783,621.62
2. Fairville Construction Ltd., Saint John, NB	\$714,032.13
3. McGuire Excavating, Saint John, NB	\$595,271.74
4. Dexter Construction Company Ltd., Saint John, NB	\$1,077,497.10
5. TerraEx Inc., Saint John, NB	\$528,218.00

The Engineer's estimate for the work was \$811,687.25 including HST.

Staff of Supply Chain Management and the City's consultant have reviewed the tenders and have found them to be complete and formal in every regard. Staff believes that the low tenderer 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 Supply Chain Management support the recommendation being put forth.

ATTACHMENTS

N/A