

TRANSMITTAL SHEET

TO: All Bidders
DATE: April 11, 2024
TOTAL NUMBER OF PAGES (INCLUDING COVER PAGE): 4
FROM: John Campbell, P. Eng. **TEL. #:** (506) 654-1354
Utilities & Infrastructure Services

IF YOU DID NOT RECEIVE ALL PAGES, OR FURTHER INFORMATION IS REQUIRED,
PLEASE CONTACT THE SENDER

MESSAGE:

TENDER NO: 2023-28

Charlotte Street (King Sq. S to Princess Street) – Street Reconstruction

Please find attached a copy of Addendum #1 for the above tender.

As of March 2021, please be advised that an *Acknowledgement Form* (historically sent as part of the City’s addendum packages) confirming receipt of an Addendum is **no longer** included in the addendum package.

However, in accordance with Section 2.5.03 of the City’s General Specifications, it remains a requirement that **each Addendum** will contain a signature page(s) which each Tenderer is **required to sign and include with its Tender submission.**



UTILITIES & INFRASTRUCTURE SERVICES
Engineering Services
175 Rothesay Avenue
Saint John, NB, E2J 2B4

ADDENDUM

PROJECT TITLE:

Charlotte Street (King Sq. S. to Princess Street – Street Reconstruction

ADDENDUM NO: 1

DATE: April 11, 2024

PAGE: 1 OF 3

TENDER NO: 2023-28

MAKE THE FOLLOWING MODIFICATIONS TO THE ABOVE PROJECT. INCLUDE IN THE AMOUNT OF THE TENDER ANY ADDITIONS TO OR DEDUCTIONS FROM THE COST OF THE WORK BY REASON OF THESE INSTRUCTIONS. THE DATE FOR RECEIVING TENDERS REMAINS AS: **2:30PM, TUESDAY, APRIL 23, 2024.**

NOTICE TO ALL BIDDERS

There will be a non-mandatory site visit held at 2pm, Wednesday April 17, 2024

ADJUSTMENT TO THE SPECIFICATION

Division 2 – Submission of Tender

The City of Saint John is implementing adjustments to the tender submission procedure as follows:

Section 2.6.01 Location of Tender Box for the Submission of Tender

175 Rothesay Avenue, Saint John, New Brunswick

The tender box will be available at the main building entrance for submission of tenders by the Tenderer between the hours of 9:30 am and 2:30 pm only on the above tender closing date.

There will not be a public tender opening. Registered Bidders will receive an email invitation to view the Tender Opening using Microsoft Teams software. Email invitations will be sent to the address provided on the Official Bidder's List. The Tender Opening Committee will conduct the evaluation of the tenders and Compliant tenders will be included in the summary of bids on the City's Tenders & Proposals website within 1 business day following the tender closing.

Division 3 – Particular Specifications

Add the following Section:

3.1.27 Fuel Adjustment Clause

An adjustment shall be made to the amount paid to the Contractor if the price of diesel fuel changes by more than 5%, from a base amount, during the construction period. The fuel adjustment shall be as follows:

- a) The **base price** for diesel fuel shall be based on the OPIS (Oil Price Information System) Base Price, which is circulated weekly by the Province of New Brunswick.
- b) The base price for diesel fuel for this Contract will be **\$1.5808** per litre, HST is extra.
- c) The **average price** for diesel fuel during the construction period shall be the average of the OPIS Base Prices for the period when the construction is actually taking place. The OPIS Base Price is calculated for each month by averaging the weekly diesel fuel prices for each month. In calculating the average price, the number of days worked each month on the Contract will be prorated from the start of construction until Substantial Completion. A sample calculation is provided below.
- d) If the average price for fuel during the construction period exceeds the base price by greater than 5%, a fuel adjustment shall be paid to the Contractor.
- e) If the average price for fuel during the construction period is less than the base price by greater than 5%, a fuel adjustment shall be paid by the Contractor to the City.
- f) The **fuel adjustment** shall be paid on that portion of the total contract price that is considered as the fuel component. The fuel component for the applicable portion of this Contract shall be 8% of eligible costs.
 - i. The fuel adjustment shall be paid on the total value of all the items in this Tender, except for the asphalt concrete items.
 - ii. The fuel adjustment shall be paid on a portion of the asphalt concrete items.
 - a) The fuel adjustment shall be paid based upon the value of the asphalt concrete placed, based on the asphalt concrete unit price per tonne minus the cost of the asphalt binder component of the asphalt concrete.
 - b) For this Tender, the asphalt binder component of the mixes shall be set at **6%** (for fuel adjustment calculations only). The base price for asphalt binder shall be based on the NBDTI Asphalt Binder Price Index (as per Division 27) for the month preceding the month in which Tenders were opened.
 - iii. The City shall not pay any fuel adjustment on any asphalt binder adjustment premium paid to the Contractor.
 - iv. The City shall not charge any fuel adjustment on any liquid asphalt adjustment credit received from the Contractor.
 - v. Payment adjustment for the change in the price of diesel fuel during the Work is not considered to be extra work.

Sample Calculation: All values are for sample calculation purposes only and do not include HST.

- OPIS Base Fuel Price = \$1.1234 per litre
- Fuel component as a percentage of the total eligible contract price (listed in the Tender documents) = 8%
- Total Contract Value = \$456,789 (including approved final quantities and change orders)
- Calculated Asphalt Binder Adjustment (in accordance with Div. 27) = \$15,000
- Asphalt Binder Price Index (month prior to Tender opening) = \$900
- Asphalt Tonnage (base and surface course) = 1,000 tonnes
- Contractor works 55 Days (22 days in June, 21 days in July and 12 days in August)
- OPIS Average Diesel Fuel Price for June = \$1.3001
- OPIS Average Diesel Fuel Price for July = \$1.5002
- OPIS Average Diesel Fuel Price for August = \$1.7003

$$\text{Average Fuel Price: } \frac{\{(1.3001 \times 22) + (1.5002 \times 21) + (1.7003 \times 12)\}}{(55)} = \$1.4638$$

Percent Increase:

$$\frac{(1.4638 - 1.1234)}{(1.1234)} \times 100 = 30.3009\% \text{ (Average price is } > \text{ base price by } 30.308\%)$$

$$\text{Fuel Adjustment: } (30.3009\% - 5\%) = 25.3009\%$$

$$\text{Asphalt Binder Value: } \# \text{ tonnes of asphalt} \times 6\% \times \text{Binder Price} \\ (1,000 \times 6\% \times \$900) = \$54,000$$

$$\text{Eligible Contract Value for Fuel Adjustment: } (\$456,789 - \$15,000 - \$54,000) = \$387,789$$

$$\text{Fuel Adjustment: } (\$387,789 \times 8\% \times 25.3009\%) = \mathbf{\$7,849.13 \text{ (HST extra)}}$$

Note: Signed copy of the addendum **must** be enclosed in the tender documents, according to the Instructions to Tenderers and Tendering Procedures in Division 2 of the Contract Specifications.

BY:



 CHIEF CITY ENGINEER

 CONTRACTOR'S SIGNATURE

TO BE SIGNED AND ATTACHED TO TENDER DOCUMENTS