

HALIFAX

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Item No. 15.1.2
Halifax Regional Council
September 17, 2019

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by 
Jacques Dubé, Chief Administrative Officer

DATE: August 8, 2019

SUBJECT: Increase to Contract – 17-168 Design Consultant Services
St. Andrew's Community Centre

ORIGIN

This report originates from a need to increase the Architecture49 Inc. contract beyond 20% and \$20,000 of its original award.

The approved 2019/20 Capital Budget Supplemental Report, Page A53 St. Andrew's Community Centre Renos – CB000011.

LEGISLATIVE AUTHORITY

Under the HRM Charter, Section 79 Halifax Regional Council may expend money for municipal purposes.

The recommended contract award complies with all of the pre-requisites for awarding contracts as set out in section 34 of Administrative Order 2016-005-ADM, the *Procurement Administrative Order*.

Section 36 of the *Procurement Administrative Order*, provides that Halifax Regional Council may approve contract awards of any amount.

RECOMMENDATION

It is recommended that Halifax Regional Council authorize an increase to the Purchase Order No. 2070777575 for changes to the contracted scope of work in the amount of \$40,254 (net HST included), with funding from Project No. CB000011 – St. Andrew's Community Centre outlined in the Financial Implications section of this report.

BACKGROUND

RFP# 17-168 was awarded to Architecture49 (A49) on July 27, 2017 with the scope of creating a modern recreation purpose-built facility that is inclusive, welcoming, safe, accessible and energy efficient. A49 was to provide consulting services for the demolition tender, construction tender, and construction management services for the new building.

During the design development phase of this project it was determined that the facility required new underground services that were not originally included in the RFP. The increased design work has been completed, however, construction review services of the pipe installation, follow up record drawings and development of a certification package were not able to be defined until after award of the construction tender. It has now been determined it will take approximately 30 days to complete this work resulting in an increase in fees in the amount of \$40,254 (Net HST included).

DISCUSSION

Staff has recommended an increase to PO # 2070777575 for changes to the contracted scope of work in the amount of \$40,254 (net HST included). A summary of the changes are as follows:

PO Award (net HST included)	\$586,181
CO increases approved to date (net HST included)	\$ 96,814
Request for Increase (net HST included)	<u>\$ 40,254</u>
New Contract Value (net HST included)	\$723,249

The total amount of changes (approved and pending) is \$137,068 (net HST included), which represents a cumulative increase of 23.38%.

FINANCIAL IMPLICATIONS

Based on the quoted price of \$40,254 (net HST included) funding is available from CB000011. The budget availability has been confirmed by Finance.

Budget Summary:	<u>Project No. CB000011 – St. Andrew's Community Centre</u>
	Cumulative Unspent Budget \$ 455,355
	Less: Increase to PO 2070777575 <u>\$ 40,254</u>
	Balance \$ 415,101

The overall project including construction and consulting is expected to be \$11,057,992 (Net HST Included)

RISK CONSIDERATION

None

ENVIRONMENTAL IMPLICATIONS

No implications identified.

ALTERNATIVES

The Halifax Regional Council may choose not to approve the recommendation in the report; this is not recommended by staff as the change is necessary to provide regulated oversight of the pipe installation during construction.

ATTACHMENTS

None

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

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