

HALIFAX

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Item No. 8.1.1
Halifax Regional Council
May 12, 2020

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: April 14, 2020

SUBJECT: Increase to Contract – Stantec Consulting Limited - Geotechnical Services

ORIGIN

This report originates from a need to increase the Stantec Consulting Limited 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 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. 2070820506 for changes to the contracted scope of work in the amount of \$21,639 (net HST included), with funding from Project No. CB000011 – St. Andrew's Community Centre outlined in the Financial Implications section of this report.

BACKGROUND

Stantec Consulting Limited was hired under the Standing Offer agreement #2090009443 for the St. Andrew's Community Centre project with the scope of reviewing the excavation of unsuitable materials and placement of structural fill in building area; review of prepared footing bearing surfaces; soil/gravel compaction testing; and concrete and asphalt testing.

During the excavation process much of the excavated material was of unknown origin and was discovered to be unsuitable to build on. The material had to be either redistributed on site or returned to the excavated area with proper compaction. While this extra work impacted the timeline and increased the number of soil compaction tests required, it also mitigated a substantial increase in construction costs by reusing the existing material. It was determined it would take an additional 4 weeks to complete this work resulting in an increase in fees in the amount of \$21,639 (Net HST included) including the additional soil compaction tests.

DISCUSSION

Staff has recommended an increase to PO # 2070820506 for changes to the contracted scope of work in the amount of \$21,639 (net HST included). A summary of the changes are as follows:

PO Award (net HST included)	\$22,619
CO increases approved to date (net HST included)	\$ 5,947
Request for Increase (net HST included)	<u>\$21,639</u>
New Contract Value (net HST included)	\$50,205

The total amount of changes (approved and pending) is \$27,586 (net HST included), which represents a cumulative increase of 122%.

FINANCIAL IMPLICATIONS

Based on the quoted price of \$21,639 (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 \$ 221,733
	Less: Increase to PO 2070820506 \$ 21,639
	Balance \$ 200,094

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 ensure proper support for the building.

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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