

HALIFAX

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Item No. 11.1.5
Halifax Regional Council
January 12, 2021

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed by



SUBMITTED BY:

Jacques Dubé, Chief Administrative Officer

DATE: December 7, 2020

SUBJECT: **Increase to Contract – PO 2070837986 for Environmental Testing for the
Halifax Commons Aquatic Project**

ORIGIN

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

LEGISLATIVE AUTHORITY

The Municipality may spend money for municipal purposes in accordance with section 79A of the HRM Charter. The recommended contract award complies with all of the pre-requisites for awarding contracts as set out in section 26 of Administrative Order 2020-004-ADM, the *Procurement Administrative Order*.

Section 32 of 2020-004-ADM, the Procurement Administrative Order, provides that contract amendments that exceed the greater of 20% of the original award amount or \$20,000, must be approved by Council for funds to be issued.

RECOMMENDATION

It is recommended that Halifax Regional Council approve an increase to the contract with Strum Environmental Ltd. (PO 2070837986) in the amount of \$31,691 (net HST included) with funding from CP200002 Halifax Commons Upgrades as outlined in the Financial Implications section of this report.

BACKGROUND

On December 10, 2019 Halifax Regional Council approved capital planning and construction for the replacement of the Halifax Common pool, splashpad, playground, and related facilities.

On April 30, 2020 Strum Environmental Ltd. were awarded PO 2070837986 to perform environmental testing of the Halifax Commons in preparation of the Halifax Commons Aquatic Project. The consultant firm was chosen from the Consulting Roster List created from RFQ 13-082.

The environmental testing revealed soil contamination greater than the allowable Provincial guidelines. As per Provincial guidelines, further testing is required to explore the extent of the contamination.

On September 30, 2020 this purchase order was increased by \$12,239 for additional testing.

The current request is for \$21,691 (net HST included) plus a contingency amount of \$10,000 (net HST included) as additional on-site testing may be required as a result of this work.

DISCUSSION

Staff has recommended an increase to Strum Environmental Ltd. (PO 2070837986) for changes to the contracted scope of work in the amount of \$31,691 (net HST included). A summary of the changes are as follows:

| | |
|--|-------------------------|
| PO Award (net HST included) | \$ 15,351 |
| PO increases approved to date | \$ 12,239 |
| Request for Increase (net HST included) | <u>\$ 31,691</u> |
| New Contract Value (net HST included) | \$ 59,281 |

The total amount of changes (approved and pending) is \$43,930 (net HST included), which represents a cumulative increase of 286% to the original contract value of \$15,351.

FINANCIAL IMPLICATIONS

Funding in the amount of \$31,691 (net HST included) is available from Project No. CP200002 - Halifax Commons Upgrades. The budget availability has been confirmed by Finance.

Budget Summary: Project Account No. CP200002 - Halifax Commons Upgrades

| | |
|---|-------------------------|
| Cumulative Unspent Budget | \$16,049,604 |
| Less: Increase to PO 2070837986* | <u>\$ 31,691</u> |
| Balance | \$16,017,913 |

The balance of funds will be used for further design and construction of the Halifax Commons Aquatic Project.

RISK CONSIDERATION

There are no significant risks associated with the recommendation in this report. To reach this conclusion, consideration was given to financial, legal and compliance, and service delivery risks.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

ALTERNATIVES

Council could choose not to approve the recommendations in this report, however this work is required to comply with Provincial environmental regulations.

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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