

HALIFAX

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Item No. 15.1.3
Halifax Regional Council
March 1, 2022

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY:

Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: February 2, 2022

SUBJECT: Award - Increase to PO# 2070869233 Emergency Michelin Tire Procurement

ORIGIN

This report originates from a need to increase PO#2070869233 for procurement of Michelin tires beyond 20% or \$20,000 of the original award 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*.

In accordance with Administrative Order 2020-004-ADM, The Procurement Administrative Order, Section 32 Contract Amendment Guidelines, Council can approve cumulative contract amendments of any amount; Director is limited to 15% or \$15,000, CAO is limited to (a) \$20,000 or (b) a 20% increase to the originally approved, contract amount, whichever is greater.

RECOMMENDATION

It is recommended that Halifax Regional Council approve an increase to PO#2070869233 for procurement of Michelin tires in the amount of \$22,539.07 (Net HST) from Operating account R938 BTC Bus Maintenance as outlined in the financial Implications section of this report.

BACKGROUND

Halifax Transit's Fleet division has a responsibility to provide a daily quota of buses for service that are safe and ready for use. As a direct result of COVID-19, we have been experiencing serious disruptions in our supply chain, leading to long delays in receiving parts required to maintain and repair buses.

Recently, our tire inventory was completely depleted, and our vendor under contract was unable to fulfil any orders. In order to avoid an impact on service levels, it was necessary to source tires from a different vendor. Originally it was estimated that an order of twenty-five (25) tires would suffice as an interim solution,

COMMUNITY ENGAGEMENT

There is no community engagement required for this request.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this requested.

ALTERNATIVES

Regional council could choose not to approve the recommendation. This is not recommended as the tires are needed and cannot be returned.

ATTACHMENTS

There are no attachments.

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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