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Item No. 15.1.5
Halifax Regional Council
May 3, 2022

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY:

Caroline Blair-Smith, Acting Chief Administrative Officer

DATE: March 16, 2022

SUBJECT: **Increase to Contract – HRM PO#2070833916 – Grahams Grove Washroom Facility – RHAD Architecture**

ORIGIN

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

The approved 2019/20 Capital Budget Supplemental Report, Page B59 Regional Park Washroom – CB200010.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, S.N.S. 2008, c. 39, subsection 79A(1) provides:

Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if

- (a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality;
- (b) the expenditure is in respect of an emergency under the Emergency Management Act; or
- (c) the expenditure is legally required to be paid.

Administrative Order 2020-004-ADM, the *Procurement Policy*, subsection 28(1) provides:

RECOMMENDATION ON PAGE 2

28(1) The approval authority limits for the awarding of contracts are as follows:

Method	Manager	Director	CAO	Council
Low Value Purchase	\$10,000	\$10,000	\$10,000	\$10,000
Competitive Procurement	Per delegation of authority from Director [not to exceed \$100,000]	\$100,000	\$1,250,000	Any amount
Competitive Procurement – Street, sidewalk, & active transportation Construction projects	Per delegation of authority from Director	\$100,000	Any amount	Any amount
Competitive Procurement – Establishment of Standing Offer	\$5,000,000 (Manager of Procurement only)	\$5,000,000 (Director of Finance only)	\$5,000,000	Any Amount
Alternative Procurement	Per delegation of authority from Director	\$100,000	\$1,250,000	Any amount
Alternative Procurement – Urgent Circumstances per 16(1)(d)	Per delegation of authority from Director	\$100,000	Any amount	Any amount

RECOMMENDATION

It is recommended that Halifax Regional Council authorize an increase to the Purchase Order No. 2070833916 for changes to the contracted scope of work in the amount of \$17,103 (net HST included), with funding from Project No. CB200010 – Regional Park Washrooms outlined in the Financial Implications section of this report.

BACKGROUND

In March 2019, Regional Council approved the building of a new multi-use facility at the Kiwanis Grahams Grove Park. This joint venture is cost-shared between HRM and the Kiwanis Club of Dartmouth (KCD) and will house both the KCD and the Dartmouth Dragon Boat Association (DDBA) as well as four public universal washrooms one of which is fully accessible. This project also includes the demolition of the existing public washroom and the existing DDBA facility.

In February 2020, RHAD Architecture was engaged to complete this design. During the design phase additional work was required including civil design, a value engineering exercise, structural support and electrical requirements for the EV charging stations. Design was completed, the Construction Tender was issued, and additional design fees were awarded to RHAD.

During the permit application process in October 2021, it was noted that requirements had changed between the design and the permit application process which required a partial re-design of the buildings. This resulted in additional design fees for the consultant as noted below.

Construction is anticipated to begin in late Spring 2022 and achieve substantial completion by December 2022.

DISCUSSION

Staff has recommended an increase to PO # 2070833916 for changes to the contracted scope of work in the amount of \$17,103 (net HST included). A summary of the changes are as follows:

PO Award (net HST included)	\$71,123
CO increases approved to date (net HST included)	\$32,439
Request for Increase (net HST included)	<u>\$17,103</u>
New Contract Value (net HST included)	\$120,665

The total amount of changes (approved and pending) is \$49,542 (net HST included), which represents a cumulative increase of 69.66%.

FINANCIAL IMPLICATIONS

Based on the quoted price of \$17,103 (net HST included) funding is available from CB200010. The budget availability has been confirmed by Finance.

Budget Summary:	<u>Project Account No. CB200010 Regional Park Washrooms</u>	
	Cumulative Uncommitted Budget	\$224,650.74
	Less: Increase to PO# 2070833916	<u>\$ 17,103.00*</u>
	Balance	\$207,547.74

RISK CONSIDERATION

No risk considerations were identified.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

Halifax Regional Council could choose not to approve the recommendation.

ATTACHMENTS

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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