



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 2
Audit and Finance Standing Committee
February 21, 2024

TO: Chair and Members of Audit and Finance Standing Committee

SUBMITTED BY: **-ORIGINAL SIGNED-**

Cathie O'Toole, Chief Administrative Officer

DATE: January 2, 2024

SUBJECT: **CAO Contract Amendment Report**

INFORMATION REPORT

ORIGIN

This report originates from the ratification of a new Procurement policy 2022-012-ADM in November 2022. The Policy states the CAO may approve and sign contract amendments that exceed the thresholds detailed below, provided that the CAO must submit a report including the details of such contract amendments at the next scheduled meeting of the Audit & Finance Standing Committee.

LEGISLATIVE AUTHORITY

Administrative Order Number 2022-012-ADM, the Procurement Policy

32(7) The approval and signing authority limits for cumulative contract amendments are as follows:

Position	Approval Authority
CAO	(a) \$20,000 or (b) a 20% increase to the originally approved contract amount, whichever is greater.
CAO (with reporting to Audit & Finance)	The CAO may approve and sign contract amendments that exceed the thresholds above, provided that the CAO must submit a report including the details of such contract amendments at the next scheduled meeting of the Audit & Finance Standing Committee.

BACKGROUND

The purpose of this report is to provide a listing of all CAO approved Contract Amendment Reports.

2022-012-ADM allows for the CAO to approve and sign amendments that exceed the threshold of 20% or \$20,000, provided that the CAO must submit a report including the details of such contract amendments at the next scheduled meeting of the Audit and Finance Standing Committee.

DISCUSSION

All CAO contract amendment reports recorded in Attachment 1 are available for viewing from the Procurement Department. This excludes reports that are marked Private & Confidential.

FINANCIAL IMPLICATIONS

The financial implications, including budget details and account details are in the Financial Implications section of the individual reports as outlined in Attachment 1, and available on file in the Procurement Department.

COMMUNITY ENGAGEMENT

No community engagement was required.

ATTACHMENTS

Attachment 1 – List of approved CAO Contract Amendments.

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.

Report Prepared by: Jane Pryor/Director, Procurement/Finance and Asset Management 902.292.3128

Approved CAO Contract Amendment Reports

Name	Original PO Awarded Amount	Value of Amendment	Updated Value of PO	% of Increase	Reason for Increase
CAO Contract Amendment – Bell Canada – Mobility Contract Extension and Execute the Enclosed	\$5,000,000	\$2,388,792	\$7,388,792	48%	This contract extension covers the provision of mobile phones, tablets, modems and SIM cards and the use of mobile cellular services. These mobility services are usage based and therefore will fluctuate year over year in terms of total cost.
CAO Contract Amendment 20-374 Portland Street – Cole Harbour Road Functional Planning Project PO #2070848338	\$159,850	\$43,761	\$203,611	27%	The project was awarded in 2020 based on hourly rates that are now nearing four years old. The project had been initiated, partially completed, then delayed by HRM past the originally scoped completion timeline of May 2021. Allowing WSP to update their hourly rates for this remaining work accounts for this unanticipated delay as well as the significant inflation and increased cost of doing business over the last few years.
CAO Contract Amendment 21-302 Dutch Village Road Design Change Order #3	\$185,204	\$46,417	\$231,621	25%	HRM’s requests were some substantial changes including relocation of sidewalk and bike lanes closer to property lines to maximize use of right-of-way space, addition of a fourth rectangular rapid flashing beacon pedestrian crossing, and changes to landscaped areas. When combined with the civil changes, these reportedly triggered a significant rework of the overall landscaping plan.
CAO Contract Amendment PO #2070910230 2023-2213 Emergency Dry Docking Craig Blake Ferry	\$24,763	\$55,922	\$80,685	226%	The Emergency Dry Docking investigations and repairs scope of work could only be determined once the vessel was out of the water and physically inspected. The original award was based only on the cost of known values of docking fees at that time. The total cost of parts and labour was unknown and therefore estimated only. Once the work was completed the final invoice was submitted with a significantly higher amount than the original PO.

Name	Original PO Awarded Amount	Value of Amendment	Updated Value of PO	% of Increase	Reason for Increase
CAO Contract Amendment PO #2070860141 I.B. Storey Inc.	\$95,420	\$111,140	\$206,560	116%	<p>Staff have recommended an increase to I.B. Storey Inc., PO 2070860141, to provide Owner's Engineer services throughout the Design Build process. Owner's Engineer services include oversight of the Design-Builder's activities, including review of design documents, on-site inspections during installation, and oversight of commissioning and training activities.</p>



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CAO Contract Amendment Report

APPROVED BY: Original Signed
Cathie O'Toole, Chief Administrative Officer

APPROVAL DATE: December 1, 2023

SUBJECT: Award – Bell Canada - Mobility Contract Extension and Execute the Enclosed (Amendment 5)

ORIGIN

Amending HRM's existing mobility contract with Bell Canada to extend the term for an additional 36 months, ending on March 31, 2026.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, S.N.S 2008, c.39:

Section 79A (1) 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 Number 2022-012-ADM, the Procurement Policy

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Position	Approval Authority
DCAO or Executive Director (or their delegate)	(a) \$15,000; or (b) a 15% increase to the originally approved contract amount, whichever is greater.
CAO	(a) \$20,000 or (b) a 20% increase to the originally approved contract amount, whichever is greater.
CAO (with reporting to Audit & Finance)	The CAO may approve and sign contract amendments that exceed the thresholds above, provided that the CAO must submit a report including the details of such contract amendments at the next scheduled meeting of the Audit & Finance Standing Committee.
Council	Any amount

RECOMMENDATION

It is recommended that the Chief Administrative Officer approve the contract amendment by signing a three (3) year extension to the Agreement with Bell Canada for services related to Mobility.

HRM Legal Services has approved as to form (this is a contract) and authority (the CAO is authorized to approve and execute the contract).

BACKGROUND

Halifax Regional Municipality (HRM) continues to use mobility services on its cellular phones, tablets and vehicles and business systems to enable core business activities. The contract was awarded to Bell in 2017 as part of the MASH agreement from the Province of Nova Scotia. The province negotiated the extension with the vendor. HRM will leverage the extension via MASH. IT is currently working to complete an audit of these services within HRM, to eliminate redundancy and duplication in preparation for a new RFP to be completed and posted by May of 2025.

DISCUSSION

This Amendment makes no changes to the original contract outside of the extended validity date. Now ending March 31, 2026.

FINANCIAL IMPLICATIONS

This contract extension covers the provision of mobile phones, tablets, modems and SIM cards and the use of mobile cellular services. These mobility services are usage based and therefore will fluctuate year over year in terms of total cost. IT pays approximately \$796,264 per year. The resulting annual cost for mobility services will be funded from the IT Client Services Operating account A743 – 6201.

The total spend for the duration of the extension is estimated to be \$2,388,792. As noted above, this is an estimate only as it's a variable expense. The extension estimate represents a 47.8% increase to the original Standing Offer award of \$5,000,000.

RISK & MITIGATION CONSIDERATIONS

No risk considerations were identified.

ENVIRONMENTAL IMPLICATIONS

There are no environmental considerations.

SOCIAL VALUE

The original award (adoption of Nova Scotia Provincial agreement) pre-dates the Social Value Framework, social value was not incorporated.

ALTERNATIVES

The CAO could choose not to award this contract amendment; however, this is not recommended as it would result in all mobile devices enabled by a Bell Canada Mobility Service (SIM card) to stop working. Cellular phones, tablets and in-vehicle modems would no longer work affecting core business services as well as basic network connectivity while working remotely.

ATTACHMENTS

Attachment 1 – Amendment 5 – Extension Document for execution

A copy of this report and information on its status can be obtained by contacting the Procurement Office at 902.490.4170, or Fax 902.490.6425.

Report Prepared by: Sandy Murdock, Contract Manager, IT 902.237.5763



P.O. Box 1749
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CAO Contract Amendment Report

APPROVED BY: Original Signed

Cathie O'Toole, Chief Administrative Officer

APPROVAL DATE: January 2, 2024

SUBJECT: **CAO Award – Increase to Contract 20-374 Portland Street – Cole Harbour Road Functional Planning Project (PO #2070848338)**

ORIGIN

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

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, S.N.S 2008, c.39:

Section 79A (1) 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 Number 2022-012-ADM, the Procurement Policy

32(7) The approval and signing authority limits for cumulative contract amendments are as follows:

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DCAO or Executive Director (or their delegate)	(a) \$15,000; or (b) a 15% increase to the originally approved contract amount, whichever is greater.
CAO	(a) \$20,000 or (b) a 20% increase to the originally approved contract amount, whichever is greater.
CAO (with reporting to Audit & Finance)	The CAO may approve and sign contract amendments that exceed the thresholds above, provided that the CAO must submit a report including the details of such contract amendments at the next scheduled meeting of the Audit & Finance Standing Committee.
Council	Any amount

RECOMMENDATION

It is recommended that the Chief Administrative Officer approves an increase of \$43,761.01 (net HST included) to contract RFP 20-374 (PO #2070848338) with WSP Canada Inc. with funding from CT190002 as outlined in the Financial Implications section of this report.

BACKGROUND

In November 2020, HRM retained WSP Canada Inc. (WSP) to complete the Portland Street – Cole Harbour Road Functional Planning project. This study seeks to re-envision this strategic transportation corridor and develop design options that provide transit priority measures (e.g. dedicated bus lanes), connected active transportation infrastructure, and enhanced safety and accessibility.

The *Integrated Mobility Plan* (IMP) (2017) designates Portland Street from Alderney Drive to the Portland Hills Terminal as a Transit Priority Corridor where transit movement should be prioritized over private vehicles. The *Rapid Transit Strategy* (RTS) (2020) advances this concept to propose Bus Rapid Transit (BRT) service on Portland Street that connects the Portland Hills Transit Terminal to downtown Dartmouth as well as downtown Halifax on the RTS 'Red Line'.

In addition, the IMP recommends that 'Strategic Corridors' like Portland Street and Cole Harbour Road should be reconfigured to include improvements to active transportation infrastructure to support the Plan's overall objectives of promoting more sustainable transportation and complete communities. This would align the project with proposed vision for walking and cycling infrastructure included in the *Active Transportation Priorities Plan* (2014) and safety objectives included within the *Strategic Road Safety Framework* (2018).

Progress to Date

A timeline of the work that has been completed to date, including major milestones and project deliverables, is summarized below:

August 2020	RFP 20-374 Advertised
October 2020	Project Award and Initiation
Spring 2021	Existing Conditions Analysis [based on pre-pandemic data from 2017/18]
April 2021	Round One Public and Stakeholder Engagement [virtual open house + survey]
June 2021	What We Heard Report [161 and 574 participants, respectively]
October 2021	Revised Existing Conditions Report
December 2021	Draft Submission of Concept Design Report
January 2022	Circulated for HRM Technical Committee Comment → Identified significant re-work and refinement of concepts / new objectives

[paused for staff capacity and competing priorities]

May 2023	Project Manager hired to oversee completion of functional planning process
September 2023	Reinitiation and Scoping with Technical Committee and WSP
October 2023	New 2023 Traffic Data Collected on Corridor [separate contract]
November 2023	Change Order Submitted for Consideration by WSP [see Attachment 1]

In accordance with section 32(7) of the Procurement Policy, if approved by the CAO, notice of this contract amendment will be reported to the next scheduled meeting of the Audit & Finance Standing Committee.

If approved, the new timeline for completion of the Portland Street – Cole Harbour Road Functional Planning project would be approximately six months with final deliverables in May 2024.

- Segment 1: Alderney to Gaston (Concept 10% Design Only)
- Segment 2: Gaston to Portland Hills Terminal (Functional 30% Design)
- Segment 3: Portland Hills Terminal to Bissett (Concept 10% Design Only)

Table 1: Comparing Concept vs Functional Design

Level of Detail	What's Included
Concept 10% Design	<ul style="list-style-type: none"> • Proposed cross sections with dimensions, plan view drawings; • Understanding of the general operating envelope, where property acquisition may be necessary (qualitatively); and, • Ability to model travel time and intersection function
Functional 30% Design	<ul style="list-style-type: none"> • Proposed cross sections with dimensions, plan view drawings; • Greater understanding of space requirements, more confidently identifying property acquisition requirements (quantitatively); • Ability to model travel time and intersection function; • Better understanding of intersection design including signal phasing requirements and where new signals + poles should be located; and, • Consideration of features like grade, utility impacts, interactions with other obstacles in the right of way.

Summary of Impact

The above described additions and reallocations to project scope will allow HRM to meet project objectives while prioritizing accelerated delivery timelines (Spring 2024) and working within procurement requirements. Although the design level changes by segment, the project will still present a continuous vision for how to improve sustainable transportation and people-moving capacity of the 7km corridor. Detail and analysis presented will be sufficient to inform conversations of benefits and trade-offs at Regional Council and, if approved, allow the project to move into subsequent design phases.

Proposed Cost of Contract Increase

Staff are recommending a 27% increase to contract 20-374 (PO #2070848338) with WSP to account for this increased scope of work. A summary of the changes relative to the original contract are as follows:

Table 2: Context of Existing + Proposed Contract Values

	Value (\$)
PO Award (net HST included)	\$159,849.58
Request for Contract Increase (net HST included)	\$43,761.01
New Contract Value (net HST included)	\$203,610.59
Percentage Increase (%)	27%

FINANCIAL IMPLICATIONS

Funding in the amount of \$43,761.01 (includes net HST) would be added to WSP contract 20-374 (PO #2070848338) to cover these increased costs. This funding is available from HRM account CT190002 'Multi Modal Corridor: Portland'.

Budget Summary: Project Account No. CT190002 – Multi-Modal Corridor: Portland

Cumulative Uncommitted Budget	\$150,000.00
Less: PO 2070848338 Increase	<u>\$-43,761.01</u>
Balance	\$106,239

The balance of funds will be used for additional planning and design needs for the Portland Street corridor including traffic modelling and preliminary design.

RISK CONSIDERATION

There is risk the project may be delayed or not be fully completed as intended. This is considered a low risk and will be managed through the application of sound project management principles by an internal Project Manager.

ENVIRONMENTAL IMPLICATIONS

The project supports investment in sustainable modes of transportation and is consistent with the Integrated Mobility Plan's objectives to reduce dependency on private vehicles and increase the number of trips made by active transportation and transit. The project will help reduce greenhouse gas emissions.

SOCIAL VALUE

There is social value to completing the project as it would improve access to affordable alternative transportation options beyond personal car ownership and make these modes more competitive in terms of convenience and travel time.

ALTERNATIVES

The CAO could choose not to approve the change order. This is not recommended by staff as the additional scope of work is needed to support additional transportation analysis and concept development. It will help ensure a completed project that communicates trade-offs, integrates with adjacent projects (new since 2021) and aligns with overall IMP objectives.

ATTACHMENTS

Attachment 1: WSP Scope Change Proposal for Portland St – Cole Harbour Rd Functional Planning Study

A copy of this report and information on its status can be obtained by contacting the Procurement Office at 902.490.4170, or Fax 902.490.6425.

Report Prepared by: Siobhan Witherbee, Project Manager, Transportation Planning, Planning & Development,
902.293.9748



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CAO Contract Amendment Report

APPROVED BY: Original Signed

Cathie O’Toole, Chief Administrative Officer

APPROVAL DATE: January 16, 2024

SUBJECT: Award – 21-302 Dutch Village Road Design Change Order #3

ORIGIN

This report originates from a need to increase contract 21-302 Dutch Village Road Detailed Design.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, S.N.S 2008, c.39:

Section 79A (1) Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if:

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- (b) the expenditure is in respect of an emergency under the Emergency Management Act; or
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Administrative Order Number 2022-012-ADM, the Procurement Policy

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DCAO or Executive Director (or their delegate)	(a) \$15,000; or (b) a 15% increase to the originally approved contract amount, whichever is greater.
CAO	(a) \$20,000 or (b) a 20% increase to the originally approved contract amount, whichever is greater.
CAO (with reporting to Audit & Finance)	The CAO may approve and sign contract amendments that exceed the thresholds above, provided that the CAO must submit a report including the details of such contract amendments at the next scheduled meeting of the Audit & Finance Standing Committee.
Council	Any amount

RECOMMENDATION ON PAGE 2

RECOMMENDATION

It is recommended that the Chief Administrative Officer approve an increase of \$11,513 (including Net HST) to Dutch Village Road Detailed Design 21-302 with DesignPoint Engineering & Surveying Ltd. with funding from CT200003 Major Strategic Multi-Modal Corridors: Dutch Village Road, as outlined in the Financial Implications section of this report.

BACKGROUND

The original award covered the complete scope of detailed design in the amount of \$185,204 (Including Net HST). Two prior change orders were approved for additional changes requested to the landscaping design after its initial submission in the amount of \$19,814 (Including Net HST), and to landscaping and civil changes in the amount of \$15,090 (Including Net HST). The cumulative change order value is thus \$46,417 (Including Net HST) including this change order. This represents 25% of the original contract value.

As this change order exceeds the greater of \$20,000 or 20% of the original contract value, in accordance with section 32(7) of the Procurement Policy, notification of this change to the Audit & Finance Standing Committee is required.

DISCUSSION

HRM staff reviewed the 99% pre-tender review (PTR) drawing submittal from DesignPoint in May and June 2023. After initial review by the project team, it was decided to treat this as a 90% review rather than PTR due to the extent of issues identified.

Among HRM's requests were some substantial changes including relocation of sidewalk and bike lanes closer to property lines to maximize use of right-of-way space, addition of a fourth rectangular rapid flashing beacon pedestrian crossing, and changes to landscaped areas. When combined with the civil changes, these reportedly triggered a significant rework of the overall landscaping plan.

It should be noted that the comments and revisions in question were provided to DesignPoint on June 26th. These related contract changes were not brought to HRM's attention until November 29th, five months later and after the civil revisions had been completed. A Corrective Actions Report was prepared and completed by the Consultant following these delays, and improvements have been noted.

FINANCIAL IMPLICATIONS

Budget Summary:	<u>Project Account No. CT200003</u>	
	Cumulative Uncommitted Budget	\$1,045,316
	Less: Contract Amendment #03	\$ 11,513 (Net HST included)
	Balance	\$1,033,803

Planning and design for this project was budgeted at \$200,000. With approval of this change order, the total cost will be \$222,102 (\$231,621 including Net HST), or \$31,621 more than originally budgeted.

The balance of funds will be used for construction period services.

RISK CONSIDERATION

This change order helps to reduce risks to project timelines.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

SOCIAL VALUE

No social value considerations were included as this was a modification to a prior contract which has already considered social value.

ALTERNATIVES

The alternative to deny this contract increase was declined due to the perceived legitimacy of the claim despite the late application, the risk to project schedule given the imminent construction date, and consideration of the current contract having been extended years beyond its intended completion without compensation.

ATTACHMENTS

Attachment 1: Scope Change Proposal - Dutch Village Road (29 November 2023)

A copy of this report and information on its status can be obtained by contacting the Procurement Office at 902.490.4170, or Fax 902.490.6425.

Report Prepared by: Charlie Elliott, P. Eng, Design Engineer, Design & Construction, PW 902-221-6726



P.O. Box 1749
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CAO Contract Amendment Report

APPROVED BY: Original Signed

Cathie O’Toole, Chief Administrative Officer

APPROVAL DATE: January 9, 2024

SUBJECT: **PO 2070910230 | 2023-2213 Emergency Dry Docking Craig Blake Ferry – Contract Amendment**

ORIGIN

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

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, S.N.S 2008, c.39:

Section 79A (1) 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;
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Administrative Order Number 2022-012-ADM, the Procurement Policy

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Council	Any amount

RECOMMENDATION

It is recommended that the Chief Administrative Officer approves an increase to Canadian Maritime Engineering (CME) PO #2070910230 of \$55,922.16 including Net HST using funding from R661-6899, as outlined in the Financial Implications section of this report.

BACKGROUND

The vessel Craig Blake suffered a severe failure of the propulsion machinery and required Emergency Dry Docking to carry out investigations and repairs. Due to the criticality of the damage and service impact on service, an alternative procurement process was implemented, and the vessel was immediately taken to the Canadian Maritime Engineering dock in Sambro, NS.

In accordance with section 32(7) of the Procurement Policy, notice of this contract amendment will be reported to the next scheduled meeting of the Audit & Finance Standing Committee.

DISCUSSION

The Emergency Dry Docking investigations and repairs scope of work could only be determined once the vessel was out of the water and physically inspected. The original award was based only on the cost of known values of docking fees at that time. The total cost of parts and labour was unknown and therefore estimated only. Once the work was completed the final invoice was submitted with a significantly higher amount than the original PO.

Proposed Cost of Contract Increase

Staff are recommending a 226% increase to PO #2070910230 with CME to account for this increased scope of work. A summary of the changes relative to the original contract is as follows:

Table 1: Context of Existing + Proposed Contract Values

	Value (\$)
PO Award (net HST included)	\$24,762.50
Request for Contract Increase (net HST included)	\$55,922.16
New Contract Value (net HST included)	\$80,684.66
Percentage Increase (%)	226%

FINANCIAL IMPLICATIONS

Funding in the amount of \$55,922.16 (includes net HST) would be added to CME (PO #2070910230) to cover the increased costs. The emergency drydocking will be funded by the Halifax Transit operating budget R661-6899 (Ferry Refit/Drydocking). Partial costs will be offset by credits Halifax Transit received for outstanding work from the vessel Rita Joe's scheduled dry docking earlier in the year.

RISK CONSIDERATION

No risk considerations were identified.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

SOCIAL VALUE

No social value was identified.

ALTERNATIVES

The work has been completed and the vessel is back in service.

ATTACHMENTS

No attachments.

A copy of this report and information on its status can be obtained by contacting the Procurement Office at 902.490.4170, or Fax 902.490.6425.

Report Prepared by: Mervin David, Manager Ferry Operations/Halifax Transit 902.490.6626



P.O. Box 1749
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CAO Contract Amendment Report

APPROVED BY: Original Signed

Cathie O'Toole, Chief Administrative Officer

APPROVAL DATE: January 2, 2024

SUBJECT: CAO Contact Amendment Award – PO 2070860141 – I.B. Storey Inc.

ORIGIN

This report originates from a need to increase contract PO 2070860141 issued to I.B. Storey Inc. for Owner's Engineer services during the Scotiabank Centre HVAC & refrigeration upgrade project.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, S.N.S 2008, c.39:

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- (a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality;
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CAO (with reporting to Audit & Finance)	The CAO may approve and sign contract amendments that exceed the thresholds above, provided that the CAO must submit a report including the details of such contract amendments at the next scheduled meeting of the Audit & Finance Standing Committee.
Council	Any amount

RECOMMENDATION

It is recommended that the Chief Administrative Officer approves an increase of \$98,715 (HST fully reimbursable) to PO 2070860141 with I.B. Storey Inc. with funding from CZ230100, as outlined in the Financial Implications section of this report.

BACKGROUND

The existing ice plant and air conditioning system at the Scotiabank Centre are both at or near the end of life. The existing air conditioning system is a shared system with the former World Trade and Convention Centre, now owned by Armco Capital Inc. (Armco) and is at the end of life. HRM and Armco reached an agreement in September of 2020 to proceed with the installation of independent air conditioning systems.

In 2021 I.B. Storey Inc. was hired to prepare the RFQ documents for the purchase of critical equipment as well as the RFP documents for Design Build services for the HVAC & refrigeration upgrades at the Scotiabank Centre.

A summary of the changes are as follows:

Budget Summary:	
PO Award (HST fully reimbursable)	\$ 95,420
CO increases approved to date (HST fully reimbursable)	\$ 12,425
Request for Increase (HST fully reimbursable)	<u>\$ 98,715</u>
New Contract Value (HST fully reimbursable)	<u>\$206,560</u>

The total amount of changes (approved and pending) is \$111,140 (HST fully reimbursable), which represents a cumulative increase of 116%.

In accordance with section 32(7) of the Procurement Policy, notice of this contract amendment will be reported to the next scheduled meeting of the Audit & Finance Standing Committee.

DISCUSSION

Staff have recommended an increase to I.B. Storey Inc., PO 2070860141, to provide Owner’s Engineer services throughout the Design Build process. Owner’s Engineer services include oversight of the Design-Builder’s activities, including review of design documents, on-site inspections during installation, and oversight of commissioning and training activities.

FINANCIAL IMPLICATIONS

Funding in the amount of \$98,715 (HST fully reimbursable) is available from Project Account No. CZ230100 – HalifACT-Municipal Building Retrofits. The budget availability has been confirmed by Finance.

Budget Summary:	<u>Project Account No. CZ230100</u>	
	Cumulative Uncommitted Budget	\$10,171,561
	Less: Contract Amendment #2070860141	<u>\$98,715*</u>
	Balance	\$10,072,846

The balance of funds will be used for completing deep energy retrofits at HRM facilities.

RISK CONSIDERATION

No risk considerations were identified.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

SOCIAL VALUE

Social value considerations were included in Request for Supplier Qualifications 21-1113 for Consulting Roster Services. These considerations included a employing a diverse workforce and workforce development.

ALTERNATIVES

The CAO could choose to not approve the recommendation.

ATTACHMENTS

N/A

A copy of this report and information on its status can be obtained by contacting the Procurement Office at 902.490.4170, or Fax 902.490.6425.

Report Prepared by: Ted Pecarski/Manager, Facility Renewal/Facility Design & Construction, Property Fleet and Environment, 902.717.7816
