



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

**Item No. 2**  
**Audit & Finance Standing Committee**  
**July 17, 2024**

**TO:** Chair and Members of Audit & Finance Standing Committee

**FROM:** Cathie O'Toole, Chief Administrative Officer

**DATE:** July 8, 2024

**SUBJECT:** **CAO Contract Amendment Reporting**

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**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.

**EXECUTIVE SUMMARY**

As required by the Section 37(2) Procurement Policy 2022-012-ADM the CAO is to inform Audit & Finance of any approved contract amendments that exceed a 20% increase to the originally approved contract amount or \$20,000, whichever is greater.

- This is for information only and no action is required
- There is no risk involved as the award report(s) referenced have already been completed

**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 a 20% increase to the originally approved contract amount or \$20,000, whichever is greater, 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 outlined in the Financial Implications section of the individual reports as outlined in the Attachment and also on file in the Procurement Department.

**COMMUNITY ENGAGEMENT**

No community engagement was required.

**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:

<b>Position</b>	<b>Approval Authority</b>
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.

**ATTACHMENTS**

Attachment 1 – List of approved CAO Contract Amendments.

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

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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 Report – PO 2070916102 Turner Drive Depot Roof and Wall Repairs	\$28,839	\$17,602	\$46,441	61%	CAO Contract Amendment Report – PO 2070916102 Turner Drive Depot Roof and Wall Repairs. This work was scoped to address an ongoing leak within one of the offices on the main floor of the Turner Drive Depot facility. During the removal of the existing cladding, it was discovered that the sloped roof above the wall also required repairs which included the supply and installation of additional insulation, and a new roof assembly to address the leak issue properly.



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## CAO Contract Amendment Report

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

**APPROVAL DATE:** June 10, 2024

**SUBJECT:** **CAO Contract Amendment Report – PO 2070916102 Turner Drive Depot Roof and Wall Repairs**

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### ORIGIN

This report originates from a need to increase contract PO 2070916102.

### 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:

<b>Position</b>	<b>Approval Authority</b>
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 \$17,602 (net HST included) to PO 2070916102 resulting from 20-002 - Request for Standing Offer (RFSO) - Roofing Services with Acadia Roofing & Contracting Ltd. with funding from HRM Depot Upgrades, as outlined in the Financial Implications section of this report.

### BACKGROUND

Acadia Roofing & Contracting Ltd. was awarded PO 2070916102 in January 2024 resulting from RFSO 20-002, Roofing Services. The scope of work was to remove of the existing metal cladding and flashing; supply and install new spray foam insulation, new flashing detail; and supply and installation of new metal cladding. This work was scoped to address an ongoing leak within one of the offices on the main floor of the Turner Drive Depot facility.

During the removal of the existing cladding, it was discovered that the sloped roof above the wall also required repairs which included the supply and installation of additional insulation, and a new roof assembly to address the leak issue properly.

### DISCUSSION

Staff has recommended an increase to PO 2070916102 for changes to the contracted scope of work in the amount of \$17,602 (net HST included).

The total amount of changes (approved and pending) is \$17,602 (net HST included), which represents a cumulative increase of 61% to the original contract value of \$28,839 (net HST included).

### FINANCIAL IMPLICATIONS

Funding for the \$17,602 increase to PO 2070916102 is available from Capital Account No. CB200015 – HRM Depot Upgrades.

Budget Summary:	<u>Project Account No. CB200015 – HRM Depot Upgrades</u>	
	Cumulative Uncommitted Budget	\$721,372
	<b>Less: Contract Amendment #1</b>	<b>\$ 17,602</b>
	Balance	\$703,770

The balance of funds will be used for upgrades to HRM depots as identified in the approved Capital Budget.

### RISK CONSIDERATION

There are no significant risks associated with the recommendation in this report.

### ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified

### SOCIAL VALUE

There are no social value considerations as this was a Standing Offer setup prior to social value

requirements.

**ALTERNATIVES**

The CAO may choose not to approve the current contract amendment.

**ATTACHMENTS**

None

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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 Renewals, Facility Design & Construction, Property, Fleet and Environment 902.717.7816

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