



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

Information Item No. 2
Audit & Finance Standing Committee
December 11, 2024

TO: Chair and Members of Audit & Finance Standing Committee

FROM: Cathie O'Toole, Chief Administrative Officer

DATE: November 14, 2024

SUBJECT: **CAO Contract Amendment Reporting**

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 Section 37(2) of the 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:

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.

ATTACHMENTS

Attachment 1 – List of approved CAO Contract Amendments.

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 Report RFQ 19S561 Janitorial Services to the Halifax Central Library	\$1,614,348	\$427,091	\$2,041,439	26%	<p>In November 2019, the contract was awarded to ZM Supreme Cleaning Services Ltd for a three-year term with the option to renew for only two additional one-year terms (instead of three), ending in December 2024. This report serves as a request to continue janitorial services to the Halifax Central Library. Continuing this contract to December 31, 2025, the end date noted in the original solicitation, would allow for the provision of consistent service at a set price.</p>
CAO Contract Amendment Report – PO 2070889134 Design and Project Management of Public EV Charger Installs	\$32,401	\$15,183	\$47,584	47%	<p>In Fall 2022, WSP was hired via the Standing Offer to perform design and project management services for public charging at seven municipal sites. This additional increase is required to perform minor design revisions for the fast-charging sites. These revisions include repositioning the charging stations and/or power cabinet and electrical enclosure. This will ensure that the chargers are more accessible to a wide range of electric vehicle models and reduce the need for a retaining wall at some sites.</p>
CAO Contract Amendment Report - RFT 23-162, PO 2070899393, Upper Hammonds Plains Community Centre Upgrades	\$280,024	\$66,004	\$346,028	\$24%	<p>In 2020 HRM Council approved the HalifACT Climate Plan, including a target of net-zero municipal operations by 2030. Staff has recommended an increase to Bird Mechanical's PO 2070899393 for changes to the contracted scope of work in the amount of \$11,893 (net HST included). This increase is for additional code work to meet NSPI's inspection and T-bar ceiling adjustments due to unforeseen site conditions. The release of these contingency funds will be by approval of the Project Manager, only if necessary.</p>

CAO Contract Amendment Report – RFT 23-176, PO 2070906544, Chocolate Lake Community Centre Upgrades – Increase #3	\$992,803	\$215,573	\$1,208,376	\$22%	<p>In 2020 HRM Council approved the HalifACT Climate Plan, including a target of net-zero municipal operations by 2030. Staff has recommended an increase to Blunden Construction (1995) Limited's PO 2070906544 for changes to the contracted scope of work in the amount of \$20,000 (net HST included). This change is due to a change in the code requirements for natural gas piping. This increase also includes owner contingency as the project moves into the final stage and commissioning.</p>
CAO Contract Amendment Report – RFP 23-159, Increase to PO 2070901586 – Design Services	\$230,300	\$73,025	\$303,325	32%	<p>VWMason was awarded PO 2070901586 for a value of \$230,300 HST fully reimbursable in April 2023. The original scope of work included design and contract administration services for a new performance audio system, distributed audio, digital advertising ring, and concourse digital signage at the Scotiabank Centre. During the design process meetings with VWMason, HRM and Events East, it was identified that the new AV upgrades should include enhanced commissioning to ensure the highest level of performance for the system. Enhanced commissioning will ensure that the new system components are all configured and calibrated to deliver the optimal performance of the new system, preventing possible interference or feedback. Enhanced commissioning also provides the opportunity for additional training for the Events East staff who will be operating the system after handover.</p>



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

CAO Contract Amendment Report

APPROVED BY: Original Signed

Cathie O'Toole, Chief Administrative Officer

APPROVAL DATE: August 27, 2024

SUBJECT: **CAO Contract Amendment - 19S561 Janitorial Services to the Halifax Central Library**

ORIGIN

This report originates from a need to increase Request for Quotation (RFQ) 19S561 Janitorial Services to the Halifax Central Library.

RECOMMENDATION

It is recommended that the Chief Administrative Officer approves an increase of \$396,197 (net HST included) to RFQ 19S561 Janitorial Services to the Halifax Central Library with ZM Supreme Cleaning Services Ltd. Funding is available in B034, as outlined in the Financial Implications section of this report.

BACKGROUND

RFQ 19S561 was posted for a three-year term with the option to renew for three additional one-year terms, ending in December 2025. In November 2019, the contract was awarded to ZM Supreme Cleaning Services Ltd for a three-year term with the option to renew for only two additional one-year terms (instead of three), ending in December 2024. This report serves as a request to continue janitorial services to the Halifax Central Library as outlined in RFQ 19S561 to match the original intent of the solicitation.

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 term outlined in the CAO Award Report for RFQ 19S561 did not match the term outlined in the original solicitation. ZM Supreme Cleaning Services Ltd. has been providing quality janitorial services to the Halifax Central Library under this contract since January 2020. Continuing this contract to December 31, 2025, the end date noted in the original solicitation, would allow for the provision of consistent service at a set price. Janitorial services would subsequently be retendered for a term commencing on January 1, 2026.

FINANCIAL IMPLICATIONS

The original award was \$1,614,348, (net HST included). Contract amendments to date total \$30,894 (net HST included) for a cumulative total to date of \$1,645, 242 (net HST included).

The annual cost to exercise option year six is \$396,197 (net HST included) and represents a 26% cumulative increase over the original award. There is sufficient funding in B034 to accommodate the increase for the last quarter of 2024/25. The increase for fiscal 2025/26 will be requested in the proposed Budget.

The new cumulative six-year total would be \$2,041,439, (net HST included).

RISK CONSIDERATION

There are no significant risks associated with the recommendation in this report. The risks considered rate is low.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

SOCIAL VALUE

The original solicitation preceded the introduction of social value evaluation in service contracts.

ALTERNATIVES

The CAO may choose not to approve this contract amendment necessitating a new solicitation for this service.

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:

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

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: Kim Peterson, Manager, Contract Services & Operations, Facility Maintenance & Operations, Property, Fleet & Environment, 902.210.4168



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

CAO Contract Amendment Report

APPROVED BY: Original Signed

Brad Anguish, Acting Chief Administrative Officer

APPROVAL DATE: September 10, 2024

SUBJECT: **CAO Contract Amendment – Increase to PO 2070889134 – Design and Project Management of Public EV Charger Installs**

ORIGIN

This report originates from a need to increase PO 2070889134 – Design and Project Management of Public Charger Installs

RECOMMENDATION

It is recommended that the Chief Administrative Officer approve an increase to PO 2070889134 – Design and Project Management of Public Charger Installs to WSP for the reasons outlined within this report in the amount of \$5,089 (Net HST included), with funding from Capital Account CZ230200 – Public Charging as outlined in the Financial Implications section of this report.

BACKGROUND

In Fall 2022, WSP was hired via the Standing Offer to perform design and project management services for public charging at seven municipal sites. The original award amount was \$32,401 (net HST included). In January of 2024, a contract increase was approved for \$10,094 (net HST included) to add three more sites with the same scope of work as the original.

DISCUSSION

This additional increase is required to perform minor design revisions for the fast-charging sites. These revisions include repositioning the charging stations and/or power cabinet and electrical enclosure. This will ensure that the chargers are more accessible to a wide range of electric vehicle models and reduce the need for a retaining wall at some sites.

PO# 2070889134	Original Award	\$32,400.62
	Previous increase	\$10,094.05
	Current request	<u>\$ 5,089.16</u>
	Total Award	\$47,583.83

If the recommendation is approved, the total value of cumulative change requests will be \$15,183 (net HST included), resulting in a total percentage increase of 47%.

FINANCIAL IMPLICATIONS

Budget Summary:	<u>Project Account No. CZ230200 – Public Charging</u>	
	Cumulative Uncommitted Budget	\$5,060,070
	Less: Contract Amendment #2	\$ 5,089*
	Balance	\$5,059,481

* This project was estimated in the Approved 2024/2025 Project Budget at \$32,401 (net HST included).

The balance of funds will be used for further public charging deployment.

RISK CONSIDERATION

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

ENVIRONMENTAL IMPLICATIONS

Deploying public charging infrastructure has environmental benefits as outlined in the Municipal Electric Vehicle Strategy.

SOCIAL VALUE

The vendor was selected via the Standing Offer roster. Social procurement practices are utilized in soliciting vendors for this roster.

ALTERNATIVES

The CAO can choose not to approve the recommendation contained within this report.

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:

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

ATTACHMENTS

None

Report Prepared by: Kevin Boutilier, Manager Clean Energy, Environment & Climate Change 902.719.8567



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

CAO Contract Amendment Report

APPROVED BY: Original Signed

Cathie O'Toole, Chief Administrative Officer

APPROVAL DATE: September 19, 2024

SUBJECT: **CAO Contract Amendment Report -RFT 23-162, PO 2070899393, Upper Hammonds Plains Community Centre Upgrades – Increase**

ORIGIN

This report originates from a need to increase contract PO 2070899393.

RECOMMENDATION

It is recommended that the Chief Administrative Officer approves an increase of \$25,000 (net HST included) to PO 2070899393 with Bird Mechanical, with funding from Capital Account No. CZ230100 – HalifACT - Municipal Building Retrofits, as outlined in the Financial Implications section of this report.

BACKGROUND

In 2020 HRM Council approved the HalifACT Climate Plan, including a target of net-zero municipal operations by 2030. To meet this target, all corporate buildings must undergo deep energy retrofits, and all oil-heated buildings must undergo fuel conversions. Upper Hammonds Plains Community Centre Upgrades project was prioritized because it utilizes an oil-fired boiler.

The Executive Director, Property, Fleet & Environment awarded RFT 23-162 – Upper Hammonds Plains Community Centre Upgrades to Bird Mechanical on March 31, 2023. The scope of work for this tender consists of demolition, renovation, and replacement of the Upper Hammonds Plains Community Centre's heating system with an air-source heat pump system, back-up electric boiler, and building controls system.

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 has recommended an increase to Bird Mechanical's PO 2070899393 for changes to the contracted scope of work in the amount of \$11,893 (net HST included). This increase is for additional code work to meet NSPI's inspection and T-bar ceiling adjustments due to unforeseen site conditions. Staff has recommended an additional \$13,107 (4.68% increase) contingency allowance be included for potential future unforeseen site conditions as additional hidden work within the walls still needs to be completed. The release of these contingency funds will be by approval of the Project Manager, only if necessary.

The approved four (4) contract increases to date of \$41,004 were for additional site work due to unforeseen site conditions and electrical code based on the NSPI inspection.

A summary of the changes are as follows:

PO Award (net HST included)	\$280,024
Change Order (CO) increases approved to date	\$ 41,004 *
Request for increase (net HST included)	<u>\$ 25,000</u>
New Contract Value (net HST included)	\$346,028

The total amount of changes (approved and pending) is \$66,004 (net HST included), which represents a cumulative increase of 23.57% to the original contract value of \$280,024 (net HST included).

* Prior changes within authority of the manager.

FINANCIAL IMPLICATIONS

Budget Summary:	<u>Capital Account No. CZ230100 – HalifACT - Municipal Building Retrofits</u>
	Cumulative Uncommitted Budget \$9,673,495
	Less: Contract Amendment #05 <u>\$ 25,000*</u>
	Balance \$9,648,495

* This project was estimated in the Approved 2023/2024 Project Budget at \$250,000.

The balance of funds will be used for other retrofit projects as identified in the approved Capital Project budget.

RISK CONSIDERATION

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

ENVIRONMENTAL IMPLICATIONS

Electrifying the Upper Hammonds Plains Community Centre aligns with the HalifACT target of net-zero municipal operations by 2030.

SOCIAL VALUE

Bids were evaluated using a scored process including evaluation of Social Value (10%) and Cost (90%). The recommended bidder is the highest scoring bidder.

The Social Value considerations include workforce development, diverse supply chains and climate change initiatives. Expected outcomes include a more inclusive, diverse workforce and industry, as well as reductions in energy use, carbon emissions and the environmental impact of the work.

ALTERNATIVES

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

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:

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

ATTACHMENTS

None.

Report Prepared by: Darren Young, Manager, Major Projects, Facility Design & Construction, Property, Fleet & Environment, 902.476.9295



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

CAO Contract Amendment Report

APPROVED BY: Original Signed

Cathie O'Toole, Chief Administrative Officer

APPROVAL DATE: October 15, 2024

SUBJECT: **CAO Contract Amendment Report – Tender 23-176, PO 2070906544,
Chocolate Lake Community Centre Upgrades – Increase #3**

ORIGIN

This report originates from a need to increase Tender 23-176, PO 2070906544.

RECOMMENDATION

It is recommended that the Chief Administrative Officer approves an increase of \$20,000 (net HST included) to Tender 23-176, PO 2070906544 with Blunden Construction (1995) Limited, with funding from Capital Account No. CZ230100 – HalifACT - Municipal Building Retrofits, as outlined in the Financial Implications section of this report.

BACKGROUND

In 2020 HRM Council approved the HalifACT Climate Plan, including a target of net-zero municipal operations by 2030. To meet this target, all corporate buildings must undergo deep energy retrofits and all oil-heated buildings must undergo fuel conversions. Chocolate Lake Community Centre Upgrades project was prioritized because it utilizes an oil-fired boiler.

The DCAO awarded RFT 23-176 – Chocolate Lake Community Centre Upgrades to Blunden Construction (1995) Limited on July 27, 2023. The scope of work for this tender consisted of demolition, renovation, and replacement of the Chocolate Lake Community Centre's heating system with an air-source heat pump system, back-up natural gas boiler, new hot water heating system and building controls system.

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 has recommended an increase to Blunden Construction (1995) Limited's PO 2070906544 for changes to the contracted scope of work in the amount of \$20,000 (net HST included). This change is due to a change in the code requirements for natural gas piping. This increase also includes owner contingency as the project moves into the final stage and commissioning. This funding will only be released at the discretion of the project manager.

The approved three (3) contract increases to date of \$195,573 were for additional site work due to unforeseen site conditions which included core drilling, asbestos abatement of the gym ceiling and code compliance work for electrical disconnects.

A summary of the changes are as follows:

PO Award (net HST included)	\$ 992,803
Cumulative increases approved to date	\$ 195,573
Request for increase (net HST included)	\$ 20,000
New Contract Value (net HST included)	\$1,208,376

The total amount of changes (approved and pending) is \$215,573 (net HST included), which represents a cumulative increase of 21.71% to the original contract value of \$992,803 (net HST included). This contract amendment is a result of piping code requirements discovered while completing the original scope of work.

FINANCIAL IMPLICATIONS

Budget Summary:	<u>Capital Account No. CZ230100 – HalifACT - Municipal Building Retrofits</u>
	Cumulative Uncommitted Budget \$68,417,159
	Less: Contract Amendment #04 \$ 20,000*
	Balance \$68,397,159

* This project was estimated in the Approved 2023/2024 Project Budget at \$750,000.

The balance of funds will be used for other retrofit projects as identified in the approved Capital Project budget.

RISK CONSIDERATION

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

ENVIRONMENTAL IMPLICATIONS

Electrifying the Chocolate Lake Community Centre aligns with the HalifACT target of net-zero municipal operations by 2030.

SOCIAL VALUE

Bids were evaluated using a scored process including evaluation of Social Value (10%) and Cost (90%). The recommended bidder is the highest scoring bidder.

The Social Value considerations include workforce development, diverse supply chains and climate change initiatives. Expected outcomes include a more inclusive, diverse workforce and industry, as well as reductions in energy use, carbon emissions and the environmental impact of the work.

ALTERNATIVES

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

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:

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

ATTACHMENTS

None.

Report Prepared by: Darren Young, Manager, Major Projects, Facility Design & Construction, Property, Fleet & Environment, 902.476.9295



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

CAO Contract Amendment Report

APPROVED BY: Original Signed

Brad Anguish, Acting Chief Administrative Officer

APPROVAL DATE: November 1, 2024

SUBJECT: CAO Award – Increase to PO 2070901586 – Design Services

ORIGIN

This report originates from a need to increase contract PO 2070901586.

RECOMMENDATION

It is recommended that the Chief Administrative Officer approve an increase of \$73,025 HST fully reimbursable to PO 2070901586 with VWMason Technology Consultants (VWMason) with funding from CB200008 – Scotiabank Centre/, as outlined in the Financial Implications section of this report.

BACKGROUND

VWMason was awarded PO 2070901586 for a value of \$230,300 HST fully reimbursable in April 2023. The original scope of work included design and contract administration services for a new performance audio system, distributed audio, digital advertising ring, and concourse digital signage at the Scotiabank Centre.

VWMason were the only proponent to respond to RFP 23-159 Request for Proposal- Scotiabank Centre Digital Advertising and Public Address System which was publicly advertised on February 27, 2023.

During the design process meetings with VWMason, HRM and Events East, it was identified that the new AV upgrades should include enhanced commissioning to ensure the highest level of performance for the system. Enhanced commissioning will ensure that the new system components are all configured and calibrated to deliver the optimal performance of the new system, preventing possible interference or feedback. Enhanced commissioning also provides the opportunity for additional training for the Events East staff who will be operating the system after handover.

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 has recommended an increase to PO 2070901586 for changes in the contracted scope of work in the amount of \$73,025 HST fully reimbursable.

The total amount of changes (approved and pending) is \$73,025 HST fully reimbursable, which represents a cumulative increase of 32% of the original contract value of \$230,300 HST fully reimbursable.

FINANCIAL IMPLICATIONS

Funding for the \$73,025 increase to PO 2070901586 is available from Capital Account No. CB200008 – Scotiabank Centre

Budget Summary:	<u>Project Account No. CB200008 – Scotiabank Centre</u>	
	Cumulative Uncommitted Budget	\$884,260
	Less: Contract Amendment #01	<u>\$ 73,025 *</u>
	Balance	\$811,235

The balance of funds will be used for the supply and installation of the new audio system and other state of good repair work at Scotiabank Centre.

RISK CONSIDERATION

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

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

SOCIAL VALUE

Consideration was given to Social Value for inclusive employment, work experience programs, diverse supply chain, and energy and waste reduction measures during the original RFP process.

ALTERNATIVES

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

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:

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

ATTACHMENTS

None

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