

HALIFAX

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Item No. 15.1.1
Halifax Regional Council
November 9, 2021

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY:

Original Signed by 

Jacques Dubé, Chief Administrative Officer

DATE: October 10, 2021

SUBJECT: **Increase to Contract, PO#2070861114 Concrete, Demolition and Tile Work for Centennial Pool Repairs**

ORIGIN

This report originates from a need to increase PO#2070861114 for Centennial Pool Repairs 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#2070861114 for Coastal Restoration Ltd. In the amount on **\$100,475** (HST fully refunded) from Project Account CB200001 – Multi-District Facilities Upgrade. as outlined in the Financial Implications section of this report.

BACKGROUND

The Centennial Pool is centrally located on the corner of Cogswell Street and Gottingen Street. The pool was constructed for the Canada Summer Games in 1967.

In fall of 2020, the original 1967 pool-water filtration system was replaced with a modern filtration system. The new filter system is safer to operate, reduces water usage and reduces operational costs.

In late 2020 upon installation of the new filtration system, the pool was filled with water, and water loss was observed. The pool was leaking an amount of water prior to the closure, which is not unexpected for a pool of this age, but the rate of water loss now would make it unpractical to reopen.

In the following months various tests and measurements were undertaken. During this work the piping of the main drains (which are required to operate the pool) failed. Coastal Restoration was engaged to excavate the floor of the pool to replace the main drains and the associated piping. Unforeseen rock breaking and soil excavation lead to increased costs. The new drains now allow the pool to meet modern safety codes and reduced the rate of water loss, unfortunately, this is still not sustainable to operate the pool.

DISCUSSION

On September 2, 2021 PO#2070861114 was issued through Standing Offer #20900009251 to Coastal Restoration Ltd.

The increase to contract of \$40,475 is due to additional excavation work and increase cost for the main drain and tiling.

Additional work still to be completed:

- Remove existing tiles,
- Install water proofing materials; and
- Replace tiles.

This additional scope of work is estimated at \$60,000.

The increase of **\$100,475** is detailed below:

Contract Award (HST fully refunded)	\$ 18,780
Previously Approved Change Orders (HST fully refunded)	\$ 3,616
Additional emergency work to date (HST fully refunded)	\$ 40,475
Current Request for Increase (HST fully refunded)	\$ 60,000
Subtotal of Increase to Contract	\$100,475
New contract value	\$122,871

This request is an increase of 555% to the original contract of \$18,780 (HST fully refunded).

This work is expected to start one week after award. The estimated work duration is 10 weeks.

FINANCIAL IMPLICATIONS

Funding in the amount of \$100,475 (HST fully refunded), is available in Project Account No. CB200001 – Multi-District Facilities Upgrade. The budget availability has been confirmed by Finance.

Budget Summary:	<u>Project Account No. CB200001 - Multi-District Facilities Upgrade</u>	
	Cumulative Uncommitted Budget	\$2,651,575
	Less: Increase to PO#2070861114	\$ 100,475
	Balance	\$2,551,100

* This project is unplanned work. There was no budget for this work.

The balance of funds will be used for other upgrades and repairs to another Multi-district Facilities.

RISK CONSIDERATION

As the scope of work is not well defined, there is a risk of additional area that may be repaired, at additional cost.

ENVIRONMENTAL IMPLICATIONS

No environmental implications were identified.

ALTERNATIVES

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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