



Item
Meeting 2018 March 26

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2018 March 21

FROM: DIRECTOR FINANCE **FILE:** 5820-20
Reference: RFP #143-08/15

**SUBJECT: CONTRACT EXTENSION
HVAC SYSTEMS MAINTENANCE AND REPAIR SERVICES**

PURPOSE: To obtain Council approval for a three year contract extension for a HVAC systems maintenance and repair services contract.

RECOMMENDATION:

- 1. THAT** Council approve a three year contract extension for \$2,333,079 including GST in the amount of \$111,099, to Honeywell Limited as outlined in this report. Final payment will be based on pricing and actual quantity of goods and services delivered.

REPORT

The work of this contract involves providing mechanical equipment systems maintenance and repair services at various City-owned buildings.

The initial contract was awarded for a two year period from 2016 April 01 to 2018 March 31 for \$1,533,000 including GST in the amount of \$73,000, with options to renew for three one year terms. This recommendation is for a three year contract extension period from 2018 April 01 to 2021 March 31. The extension includes a price increase of 2.0% for year 3, 1.0% for year 4 and 1.0% for year 5. The price increases are primarily to address the shortage of skilled trades in the Lower Mainland. Total estimated contract value will be \$3,866,079 including GST in the amount of \$184,099.

Honeywell Limited has previously performed this work to the satisfaction of City Staff. The Director Engineering concurs with this recommendation.

Funding for this contract work is included in various departments operating budgets within the 2018 – 2022 Provisional Financial Plan.


Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

GC:SL/ew

Copied to: Director Engineering
Assistant Director, Engineering – Facilities Management