

**TO:** MAYOR & COUNCILLORS  
**FROM:** DEPUTY GENERAL MANAGER FINANCE  
**RESPONSIBLE DEPARTMENT(S):** LANDS AND FACILITIES  
**SUBJECT:** CI - HVAC SYSTEM MAINTENANCE & REPAIR SERVICES  
**PURPOSE:** To obtain Council approval for a contract increase (CI) for HVAC system maintenance & repair services at various City-owned buildings.

## RECOMMENDATION

**THAT** a contract increase to Just Mechanical Ltd. for an estimated total cost of \$1,043,700 including tax, as outlined in the report titled “CI – HVAC System Maintenance & Repair Services” dated May 27, 2025, be approved; and,

**THAT** final payment will be based on the actual quantity of services delivered and hourly rate submitted.

## 1.0 POLICY SECTION

The City’s Change Order Policy requires Council’s approval for change orders, which individually or when accumulated with prior change orders, increases the total value of the contract by \$500,000.

## 2.0 SUMMARY

This recommendation is to approve a contract increase of \$1,043,700 including tax. Further details are outlined in Attachment 1.

Breakdown of Cost	Dates	Reason	Estimated Amount including tax
Accumulated Subtotal	April 2021 to March 2026 (60 months)	Original Contract Award and First Renewal	3,789,450
Current Contract Increase Request	May 2025	Added services at new sites	1,043,700
<b>TOTAL ESTIMATED CONTRACT VALUE INCLUDING TAX</b>			<b>4,833,150</b>

The average monthly spending increased due to the addition of new services at sites including Fire Hall #8, the Christine Sinclair Community Centre, the Neighborhood Resource Centre, and the Laurel Street Works Yard.

### **3.0 BACKGROUND**

See Attachment 2. Previously approved Council Report dated February 13, 2023.

### **4.0 GENERAL INFORMATION**

This recommendation is to approve a contract increase of \$1,043,700 including GST in the amount of \$49,700.

The estimated total contract value is \$4,833,150 including GST in the amount of \$230,150.

City staff have reviewed the increase and believe it appropriately addresses the City's needs at a fair cost.

### **5.0 COMMUNICATION AND COMMUNITY ENGAGEMENT**

RFP #183-09-20 (Attachment 1) was publicly advertised. Upon closing, the City received a total of three submissions.

### **6.0 FINANCIAL CONSIDERATIONS**

Funding for this work is included in the 2025 – 2029 Financial Plan under various Lands and Facilities capital and operating budgets.

Respectfully submitted,

Ratan Grewal, Deputy General Manager Finance

### **ATTACHMENTS**

Attachment 1 – Contract History

Attachment 2 – Previous Council Report

### **REPORT CONTRIBUTORS**

This report was prepared by Hyunsook Ma, Senior Buyer, and reviewed by Peter Buono, Manager Recreation Facilities and Scott Lovas, Acting Senior Manager, Procurement Services – Capital.