



**CHANGE ORDER APPROVAL
RECOMMENDATION**

Meeting Date: July 20, 2023
 Contact: Alexander Ralph
 Contact No.: 604 829 2092

TO: Bid Committee
 FROM: Chief Procurement Officer

RECOMMENDATION

Recommendation to approve a change order to an existing contract with:

Division 15 Mechanical Ltd.
 6582 144 Street, Surrey, British Columbia

in relation to Construction Agreement PS20191519 - Contractor for Buried District Heating Piping at the NEU.

The Chief Purchasing Official recommends that the Bid Committee approve the change order to the contract, under the authority of the City’s Procurement Policy ADMIN-008.

Contract Number:	PS20191519 - Contractor for Buried District Heating Piping at the NEU
Description of the Goods or Service:	Supply of construction services for civil work to facilitate the NEU expansion to two (2) buildings.
Vendor:	Division 15 Mechanical Ltd.
Original contract value/term	The initial term of the contract was one (1) years. The initial contract value was \$998,800.00, plus applicable taxes, over the one (1)-year term of the contract.
Change Orders over the original contract term	\$553,208.00 in value and approximately 2.5 years in time
Recommended Change Order value/term	\$325,270.00, plus applicable taxes over an approximate one (1) month term.

Total Value of previous and contemplated Change Orders	\$878,478.00 plus applicable taxes.
New contract value	\$1,877,278.00, plus applicable taxes.
Reason for Change Order	The NEU is required to connect three new buildings to the system in 2023. City civil crews are fully subscribed to the end of 2023 and could only accommodate one of the connections. The NEU is therefore requiring the addition of civil scope to the contract for two of the connections.