



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

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Title: Authorization to rescind contract with CBRE, INC. for maintenance and operation of the common areas of the 101/111 Erie Street Building for the period of November 26, 2014 through December 31, 2015, in an amount not to exceed \$102,779.99, Account 101-15000-612390, Purchase Order 3083803

Sponsors:

Indexes:

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Attachments: 1. CO PO 3083803.pdf

Date	Ver.	Action By	Action	Result
3/5/2015	1	Board of Commissioners	Approved	Pass
3/5/2015	1	Committee of the Whole	Recommended	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF MARCH 5, 2015

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authorization to rescind contract with CBRE, INC. for maintenance and operation of the common areas of the 101/111 Erie Street Building for the period of November 26, 2014 through December 31, 2015, in an amount not to exceed \$102,779.99, Account 101-15000-612390, Purchase Order 3083803

Dear Sir:

On December 18, 2014, the Board of Commissioners authorized the Director of Procurement and Materials Management to issue a purchase order to CBRE, INC., for maintenance and operation of the common areas of the 101/111 Erie Street Building for the years 2014 and 2015, in the amount of \$100,000.00.

As of February 20, 2015, the attached list of change orders has been approved. These change orders resulted in an increase of \$2,799.01 from the original award amount of \$100,000.00. The current value is \$102,779.99. The prior approved change orders reflect a 2.8% increase to the original purchase order value.

In order to maintain continuity of services, a purchase order needed to be in place; however, finalizing of the 101 East Erie property sale transaction documents were pending at the time when the December 18, 2014 Board agenda documents were to be submitted. Therefore, the purchase order was mistakenly issued to CBRE, as per a letter from GIC dated November 26, 2014. Sale of the building took place on November 25, 2014 to GIC 101 Erie LLC.

Inasmuch as CBRE, INC. is a property management company and not the owner of Air Lot B, authorization is requested to rescind contract with CBRE, INC. for maintenance and operation of the common areas of the

101/111 East Erie Street Building for the years 2014 and 2015. The new purchase order will be issued to GIC 101 Erie LLC at the same Board meeting under a separate agenda item.

The deed authorization for this property, as approved by the Board, requires the owner of Air Lot B, GIC 101 Erie LLC, to maintain and operate the common areas of the 101/111 East Erie Street Building. The District's share of the total common building expenses for services such as snow and ice removal, window cleaning, truck dock and stairwell maintenance, scavenger service, utilities, pest control, and landscaping is 29.65%. The District's share of the total common building expenses for the total parking area is 41.20%. The District also pays a 5% management fee. The agreement with GIC 101 Erie LLC requires a prorated payment by the District for maintenance and operation of these common areas.

GIC 101 Erie LLC, the sole source provider of maintenance and operation of the common areas of the 101/111 East Erie Street Buildings, has submitted prices for the services required. Inasmuch as GIC 101 Erie LLC is the only source of supply for the services required, nothing would be gained by advertising for bids (Section 11.4 of the Purchasing Act).

In view of the foregoing it is recommended that the Director of Procurement and Materials Management be authorized to rescind contract with CBRE, INC. in an amount not to exceed \$102,779.99. Funds will be restored in Account 101-15000-612390.

Requested, Eileen M. McElligott, Administrative Services Manager, BKS:SL:WG:JMS:MW
Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management
Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement
Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for March 5, 2015

Attachment
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