



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 15-0287, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF MARCH 5, 2015

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue purchase order to exercise an option to renew for a five (5) year term the License Agreement dated June 1, 2010, with Piedmont 500 West Monroe Fee, LLC, successor to Broadway 500 West Monroe LLC for leasing space to install a TARP back-up repeater at 500 West Monroe Street in Chicago in an amount not to exceed \$225,530.00. Account 101-69000-612330, Requisition 1393744

Dear Sir:

On June 17, 2010, the Board of Commissioners authorized the issuance of a purchase order and the entry into an agreement with Broadway 500 West Monroe LLC, n/k/a Piedmont 500 West Monroe Fee, LLC ("Piedmont") for a five (5) year period to provide rental space at 500 West Monroe Street in Chicago for a TARP back-up repeater that was installed under Contract 06-839-3E TARP Radio Upgrade and Backup Antenna for the Stickney Service Area, Calumet Service Area and North Service Area ("Agreement"). The Agreement was for an initial five-year term that commenced June 1, 2010, and is set to expire May 31, 2015. The current annual fee paid to Piedmont is \$36,468.00.

Under the Agreement, the District has an option to extend the term for three consecutive five-year terms. The Agreement provides that the annual fee under any extension period be increased by 5% of the fee in effect on the date immediately preceding the respective renewal anniversary date. The Maintenance and Operations Department has requested that the District exercise its option to renew the Agreement for a five-year period as the antenna and TARP repeater station are critical to the communication path between TARP control structures and the controlling operators.

Accordingly, the new annual fee schedule is as follows:

	June 1, 2015 - \$38,291.40
	June 1, 2016 - \$40,205.97
	June 1, 2017 - \$42,216.27
	June 1, 2018 - \$44,327.08
	June 1, 2019 - <u>\$46,543.44</u>
	SUBTOTAL \$211,584.16
Electrical:	<u>\$13,945.84</u>
TOTAL	\$225,530.00

Additionally, the District will pay for the associated operating electrical charges in the estimated amount of \$13,945.84 over the five-year period.

The Maintenance and Operations Department considers the cost of this extension Agreement to be reasonable.

The Multi-Project Labor Agreement is not applicable due to the specialized nature of the services required.

The Agreement and the original purchase order were issued to Piedmont without advertising pursuant to 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 issue a purchase order and enter into the extension agreement with Piedmont without advertising pursuant to Section 11.4 of the Purchasing Act in an amount not to exceed \$225,530.00.

In view of the foregoing, it is requested that the Director of Procurement and Materials Management be authorized to issue a purchase order to exercise an option to renew for a five (5) year term the License Agreement dated June 1, 2010, with Piedmont pursuant to the original agreement in an amount not to exceed \$225,530.00.

Funds for the 2015 expenditure in the amount of \$40,920.00 are available in Account 101-69000-612330. The estimated expenditure for 2016 is \$42,835.00; for 2017 is \$45,110.00; for 2018 is \$47,225.00; and for 2019 is \$49,440.00. Funds for the 2016, 2017, 2018 and 2019 expenditures are contingent upon the Board of Commissioners' approval of the District's budget for those years.

Requested, Ronald M. Hill, General Counsel, RMH:STM:TN:ss

Requested, Manju Sharma, Director of Maintenance and Operations

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