



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 18-0135, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF FEBRUARY 15, 2018

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to decrease purchase order and amend the agreement with Horizon Technologies, Inc., for Preventive Maintenance and Consumable Supplies for Horizon Extraction Units, in an amount of \$15,147.30, from an amount of \$69,770.22, to an amount not to exceed \$54,622.92, Account 101-16000-612970 and 623570, Purchase Order 3088168

Dear Sir:

On December 3, 2015, the Board of Commissioners authorized the Director of Procurement and Materials Management to issue a purchase order (PO) and enter into an agreement with Horizon Technologies, Inc., for preventive maintenance and consumable supplies for Horizon Extraction Units, in an amount not to exceed \$54,622.92. The contract expires on December 31, 2018.

As of January 31, 2018, the attached list of change orders has been approved. The effect of these change orders resulted in an increase in the amount of \$4,218.75, from the original amount awarded of \$65,551.47. The current contract value is \$69,770.22. The prior change orders reflect a 6.4 percent increase to the original contract value.

The PO is to provide preventive maintenance and consumable supplies for Horizon Extraction Units located throughout the District. In 2017, the M&R Department purchased a new extraction system and traded in older units covered under the current preventive maintenance agreement to obtain a discount for the purchase. Subsequently, removing units from the preventive maintenance plan and utilizing the newly acquired equipment that is under warranty, the estimated amount of support needed on the PO is lower than originally planned. Therefore, reducing the PO to meet only the needs of units not covered under warranty is required.

This change order is in compliance with the Illinois Criminal Code since the change is due to circumstances not reasonably foreseeable at the time the contract was signed, and is in the best interest of the District.

It is hereby recommended that the Board of Commissioners authorize the Director of Procurement and Materials Management to execute a change order to decrease the purchase order and amend the agreement in an amount of \$15,147.30 (21.7 percent of the current contract value), from an amount of \$69,770.22, to an amount not to exceed \$54,622.92.

Funds will be restored to Account 101-16000-612970 and 623570.

Requested, Edward W. Podczerwinski, Director of Monitoring and Research, EWP:DC:RA:cs
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 February 15, 2018

Attachment