



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

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TRANSMITTAL LETTER FOR BOARD MEETING OF JANUARY 7, 2010

COMMITTEE ON PROCUREMENT

Mr. Richard Lanyon, Executive Director

Authorization to amend agreement with Hometown Suburban Vending Inc., for Contract 07-RFP-16 (Re-bid), Group C, for Vending Machine Food Services at the Main Office Building and at the Stickney Water Reclamation Plant, to include a price increase adjustment as provided in Article 1 of the Agreement

Dear Sir:

On April 3, 2008, the Board of Commissioners authorized the Director of Procurement and Materials Management to enter into an agreement with Hometown Suburban Vending Inc. The contract expires on April 30, 2011.

Article 1 of the agreement allows for a review for an increase adjustment by mutual consent of both parties via Board of Commissioners' approval. Board approval for a price increase must be obtained not later than August 13, 2010.

All revenue derived from the agreement with Hometown Suburban Vending results from the operation of the vending machines. Hometown Suburban Vending has requested an increase to the current vending machine price of beverage and candy items. Hometown Suburban Vending has experienced numerous product price increases in the last two years and an eight percent sales tax on candy beginning on September 1, 2009. The current prices have been in effect since the inception of the agreement. The current and proposed prices are as follows:

<u>Product</u>	<u>Current</u> <u>Proposed</u>	
	<u>Price</u>	<u>Price</u>
Can Soda	\$0.65	\$0.70
Water 20 oz. bottle	\$0.95	\$1.00
Soda 20 oz. bottle	\$1.15	\$1.25
Candy	\$0.70	\$0.90
Chips	\$0.55	\$0.60
Snacks	\$0.65	\$0.75
Pastry	\$0.95	\$1.00
Gum - Mint	\$0.50	\$0.60

This change order is in compliance with the Illinois Criminal Code since the change is germane to the original contract, as signed.

It is hereby recommended that the Board of Commissioners authorize the Director of Procurement and Materials Management to amend the agreement with Hometown Suburban Vending Inc. to include a price adjustment.

Requested, Eileen McElligott, Administrative Services Manager, EMcE:BKS:MG:CW:GT:PJC 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 January 7, 2010