



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 10-0140, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF FEBRUARY 4, 2010

COMMITTEE ON PROCUREMENT

Mr. Richard Lanyon, Executive Director

Authority to decrease Contract 07-926-11 Electrical Demolition Services in the Stickney Water Reclamation Plant Area, to Egizii Electric Chicago, in an amount of \$40,000.00, from an amount of \$80,325.22, to an amount not to exceed \$40,325.22, Account 101-69000-612650, Purchase Order 5000744

Dear Sir:

On June 7, 2007, the Board of Commissioners authorized the Director of Procurement and Materials Management to award Contract 07-926-11, Electrical Demolition Services in the Stickney Water Reclamation Plant Area, to Egizii Electric Chicago, in an amount not to exceed \$120,000.00.

As of December 21, 2009, the attached list of change orders has been approved. The effect of these change orders resulted in a decrease in an amount of \$39,674.78 from the original amount awarded of \$120,000.00. The current contract value is \$80,325.22. The prior approved change orders reflect a 33% decrease to the original contract value.

On May 21, 2009, the Board of Commissioners authorized the Director of Procurement and Materials Management to forfeit this contract due to the contractor's non-performance of the contract. The contractor had stopped responding to the Engineer's requests to schedule contract work, and a letter sent by certified mail to the contractor, warning him of a possible forfeiture of the contract, was returned as undeliverable by the U.S. Postal Service. After further review of the contract by the M&O Department, it was determined that no additional electrical demolition work was needed. The surety was, therefore, not requested to provide a replacement contractor as the District was not incurring any loss or damages due to any uncompleted contract work. As a result of the forfeiture of this contract, funds allocated for 2009, in the amount of \$40,000.00, were not utilized.

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 Contract 07-926-11 in an amount of \$40,000.00 (approximately 49.8% of the current contract value), from an amount of \$80,325.22, to an amount not to exceed \$40,325.22.

Funds will be restored in Account 101-69000-612650.

Requested, Osoth Jamjun, Director of Maintenance and Operations, OJ:MPS:SO'C:MAG:LSC:IJA
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 4, 2010.

Attachment