



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 10-1346, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF NOVEMBER 4, 2010

COMMITTEE ON PROCUREMENT

Mr. Richard Lanyon, Executive Director

Authority to increase purchase order to Drydon Equipment, Inc., to Furnish and Deliver Replacement Parts for Varec Gas Burners to the Stickney Water Reclamation Plant, in an amount of \$110,000.00, from an amount of \$174,051.69, to an amount not to exceed \$284,051.69, Account 101-69000-623090, Purchase Order 3054754

Dear Sir:

On December 4, 2008, the Board of Commissioners authorized the Director of Procurement and Materials Management to issue purchase orders to Drydon Equipment, Inc., to furnish and deliver replacement parts for Varec Gas Burners to the Stickney Water Reclamation Plant, in an amount not to exceed \$70,000.00. The contract expires on December 31, 2010. A contract extension until December 31, 2012, is currently being processed.

As of October 19, 2010, the attached list of change orders has been approved. The effect of these change orders resulted in an increase in an amount of \$104,051.69 from the original amount awarded of \$70,000.00. The current contract value is \$174,051.69. The prior approved change orders reflect a 148.65% increase to the original contract value.

An increase is being requested at this time to procure Varec Waste Gas Burners replacement parts, on an as-needed basis, over a two-year period. These parts are used throughout the digester complex at the Stickney Water Reclamation Plant. The sole source vendor, Drydon Equipment, Inc., has agreed to provide the District with Varec products at the existing price level for two more years, 2011 and 2012.

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 increase the purchase order in an amount of \$110,000.00 (63.20% of the current total contract value), from an amount of \$174,051.69, to an amount not to exceed \$284,051.69.

Funds for 2011 and 2012 expenditures are available in Account 101-69000-623090 and are contingent on the Board of Commissioners' approval of the District's budget for those years.

Requested, Manju Prakash Sharma, Director of Maintenance and Operations, SO'C:MAG:LSC: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 November 4, 2010

Attachment