



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 AUGUST 31, 2017

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to increase purchase order and amend the agreement with Barnes & Thornburg LLP to represent and counsel the District in connection with the chlorides water quality standards initiative and work group and petition for Time Limited Water Quality Standard (TLWQS) for chlorides in an amount of \$150,000.00, from an amount of \$150,000.00, to an amount not to exceed \$300,000.00, Account 101-30000-612430, Purchase Order 3086922

Dear Sir:

On July 9, 2015, the Board of Commissioners authorized the Director of Procurement and Materials Management to issue a purchase order and enter into an agreement with Barnes & Thornburg LLP to represent and counsel the District in connection with the preparation and prosecution of a petition for a variance from the water quality standard for chlorides in the Chicago Area Waterway System (CAWS) in an amount not to exceed \$150,000.00. Barnes & Thornburg was also retained to assist the District with the formation and administration of a stakeholder work group with the ultimate goal of reducing chloride discharges and the resulting impact to the area waterways. The group was formed at the behest of the Illinois Environmental Protection Agency (IEPA). It is comprised of state and local governmental agencies and municipalities as well as private industry that will be required to comply with the new chlorides water quality standards. The work group is collaborating on developing a technical report that will support the submittal of each class of Petitioners. The contract has no expiration date.

No previous change order has been requested.

The chlorides water quality standards were adopted by the Illinois Pollution Control Board in July, 2015 and will become effective in July, 2018. In the middle of variance proceedings filed by the District and numerous other public and private entities, the IEPA undertook to change the law in Illinois with regard to the type of relief that could be sought by affected parties. This new process has been adopted into law and new administrative rules are being developed by IEPA which will require additional work to bring the existing petitions into compliance with the new TLWQS that has replaced the variance petition process. Thus, it is foreseeable that this matter could continue through the year 2019 for the purpose of addressing implementation of the requirements imposed upon dischargers, including the District, through the issuance of the TLWQS applicable to the entire CAWS watershed as defined by the IEPA.

The reason for the requested change order is two-fold. First, it will enable Barnes & Thornburg to continue to assist the District with its role in the chlorides initiative and work group that was started by the District in 2015 at the request of the IEPA. Second, it will enable the District to continue the process of seeking relief from the water quality standards for chlorides that become effective in July, 2018.

This change order is in compliance with the Illinois Criminal Code because the change is germane to the original agreement, is necessary 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 and amend the agreement in an amount of \$150,000.00 (100% of the current contract value) from an amount of \$150,000.00 to an amount not to exceed \$300,000.00.

Funds for the 2017 expenditures in the amount of \$25,000.00 are available in Account 101-30000-612430. The estimated expenditures for 2018 are \$100,000.00. The estimated expenditures for 2019 are \$25,000.00. Funds for subsequent years, 2018 and 2019 in account 101-30000-612430 are contingent upon the Board of Commissioners' approval of the District's budget for those years.

Requested, Susan T. Morakalis, Acting General Counsel, STM:LLD:MTC:TN:kk
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 August 31, 2017