



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 JUNE 7, 2018

COMMITTEE ON PROCUREMENT

Mr. John P. Murray, Acting Executive Director

Authority to increase purchase order and extend the agreement for an eighty-six day (86) day period, for Contract 11-RFP-19, Fleet Vehicle Management Services for a 36-Month Period, with LeasePlan USA, Inc., in an amount not to exceed \$101,250.00, from an amount of \$2,874,049.78, to an amount not to exceed \$2,975,299.78, Accounts 101-15000-612080/612860, Purchase Order 3070364

Dear Sir:

On October 6, 2011, the Board of Commissioners authorized the Director of Procurement and Materials Management to issue a purchase order and enter into an agreement for Contract 11-RFP-19, Fleet Vehicle Management Services for a 36-Month Period, with LeasePlan USA, Inc., in an amount not to exceed \$991,132.00. The original contract expired on October 31, 2014. On September 18, 2014, the Board of Commissioners authorized the Director of Procurement and Materials Management to extend the contract for an additional thirty-six (36) month period to October 31, 2017. The Administrative Services Officer has authorized extensions for an additional sixty-one (61) days. On December 21, 2017, the Board of Commissioners authorized the Director of Procurement and Materials Management to extend the contract for an additional fifty-nine (59) day period to February 28, 2018. On March 1, 2018, the Board of Commissioners authorized the Director of Procurement and Materials Management to extend the contract for an additional ninety-two day (92) period to May 31, 2018.

As of May 25, 2018, the attached change orders have been approved. The net effect of these change orders resulted in an increase totaling \$1,882,917.78, from the amount originally awarded of \$991,132.00. The current value is \$2,874,049.78. The prior approved changes reflect a 190% increase to the original contract value.

An increase of \$101,250.00 and contract extension of the purchase order through August 31, 2018 is required due to delays in setting up the framework for the Fleet Management Section to transition away from using LeasePlan USA, Inc. as its main fleet service provider. In order to properly manage the District's fleet without the services provided by LeasePlan USA, Inc. under this contract, the Fleet Management Section still needs to finalize an agreement with a national auto parts and services chain to provide the bulk of regular fleet vehicle maintenance and repair services, re-bid a contract to obtain services from a Chevrolet dealership in the Stickney service area for specialized repairs, finalize an agreement with a fleet management software company to migrate historical data from LeasePlan USA, Inc. and to provide ongoing software support to track fleet vehicle data, issue 215 new gas P Cards for the purpose of fueling fleet vehicles, and finalize new policies and procedures for fleet vehicle drivers to follow after the transition. Despite the section's best efforts, these items were not completed by June 1, 2018.

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.

In view of the foregoing, it is requested that the Board of Commissioners authorize the Director of Procurement and Materials Management to increase the purchase order in an amount of \$101,250.00 (3.5% of the current contract value) from an amount of \$2,874,049.78, to an amount not to exceed \$2,975,299.78, and extend the agreement for an eighty-six day (86) day period from June 7, 2018 to August 31, 2018.

Funds are available in Accounts 101-15000-612080/612860.

Requested, Eileen M. McElligott, Administrative Services Officer, JRM:TG

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 June 7, 2018

Attachment