



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 19-0700, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 8, 2019

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to decrease Contract 18-300-01 for an Emergency Forensic Cyber Audit of the District's Information Technology System to VedderPrice P.C., in an amount of \$60,464.50, from an amount of \$150,000.00 to an amount not to exceed \$89,535.50, Account 101-30000-612430, Purchase Order 3100999.

Dear Sir:

On August 9, 2018, the General Counsel declared an operating emergency and authorized the Director of Procurement and Materials Management to issue a purchase order for an emergency forensic cyber audit of the District's Information Technology System. Specifically Contract 18-300-01, to VedderPrice P.C. in an amount not to exceed \$50,000.00. On September 9, 2018, an authority to increase Contract 18-300-01 to VedderPrice P.C. in an amount of \$100,000.00 to an amount not to exceed \$150,000.00 was approved by the Board of Commissioners.

VedderPrice P.C. was able to orchestrate a forensic cyber investigation and make recommendations regarding legal requirements, whether further investigations were warranted, and recommend best business practices. The advice and counsel of attorneys specializing in cyber security matters was necessary to ensure that the District is meeting any of its statutory and other legal obligations relating to this incident.

The reason for the requested change order is to reduce and close the purchase order.

As of July 1, 2019, the attached change order has been approved. The effect of this change order resulted in an increase of \$100,000.00 from the original amount awarded of \$50,000.00. The current value of the contract is \$150,000.00. The prior approved change order reflects a 200% increase to the original contract value.

The change order is in compliance with the Illinois Criminal Code since the change is in the best interest of the District and was not foreseeable at the time of the signing of the contract.

It is hereby recommended that the Board of Commissioners authorize the Director of Procurement and Materials Management to execute a change order to decrease the purchase order for emergency Contract 18-300-01 in an amount of \$60,464.50 (40.3% of the current Contract value) from an amount not to exceed \$150,000.00 to an amount not to exceed \$89,535.50.

Funds will be restored in Account 101-30000-612430.

Requested, Susan Morakalis, General Counsel SM:CN

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 8, 2019

Attachment