



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 22-0694, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 11, 2022

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to increase and extend the agreement with TierPoint, LLC, for Contract 17-483-12, Provide Co-Location Services for District Infrastructure, in an amount of \$35,500.00, from an amount of \$264,446.66, to an amount not to exceed \$299,946.66, Account 101-27000-612330, Purchase Order 3105936

Dear Sir:

On January 24, 2019, the Board of Commissioners authorized the Director of Procurement and Materials Management to issue a purchase order to TierPoint, LLC for Contract 17-483-12, Provide Co-Location Services for District Infrastructure, for a 36-month period, in an amount not to exceed \$270,600.00. The contract expires on September 26, 2022.

As of July 27, 2022, the attached list of change orders have been entered.

Original Contract Amount	\$270,600.00
Date of Board Approval	1/24/2019
Cumulative Change Order (7/27/2022)	(\$6,153.34)
% Change of Original Contract Value	2.27%
Current Contract Value	\$264,446.66
Requested Increase or Decrease	\$35,500.00
New Contract value	\$299,946.66
% Change of Current Contract Value	13.42%
% Change of Original Contract Value	13.12%

The reason for the change order is to allow the District to provide service through the end of the current contract and to also extend the contract to December 26, 2022. During this time, a new contract will be advertised for services.

The contract was signed in July 2019; however, the move into the new facility did not occur until September, 2019. The two-month delay was necessary as a new internet circuit to the vendor's facility was being provisioned. During this time, District equipment remained at the previous co-location provider and an extension was granted via Board authority to allow for continuity of coverage.

On February 6, 2020, and February 4, 2021, the purchase order was reduced by the cumulative amount of \$50,853.34 via Board of Commissioners authority. These reductions were executed to eliminate residual funds in budget years 2019 and 2020. Because of the initial delays in beginning service under the contract, the funds that were reduced exceeded the remaining months of service. To correct this, the contract was increased by the amount of \$44,700.00, via Board of Commissioner authority, on March 17, 2022. This increase was in error as it provided sufficient funds to pay through July 30, 2022 and not the full 36-month term of service which would be September 26, 2022.

The contract contains an option for the District to extend the duration for a period not to exceed 90 days and receive services at the same price as specified in the contract.

Co-location services allow the Information Technology Department to reliably maintain and manage the District's core infrastructure environment by physically hosting critical network components at a secured data center facility. These services are a key component in the District's Strategic Plan for Enterprise Resilience and as a national critical Infrastructure sector.

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 and amend the agreement in an amount of \$35,500.00 (13.42% of the current contract value), from an amount of \$264,446.66, to an amount not to exceed \$299,946.66.

Funds for 2022 are available in Account 101-27000-612210.

Requested, John Sudduth, Director of Information Technology, JS:SK:RP

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 11, 2022

Attachment