



Chicago Park District

Legislation Text

File #: 17-2814-0719, **Version:** 1

AUTHORITY TO MODIFY THE CONTRACT WITH RUSSO POWER EQUIPMENT, INC. FOR THE PURCHASE AND REPAIR OF OUTDOOR POWER EQUIPMENT, ATTACHMENTS, TOOLS, SUPPLIES, AND REPAIR SERVICES

To the Honorable Board of Commissioners of the Chicago Park District:

I. Recommendation

Pursuant to Chapter XI, Section C, 4 of the Code of the Chicago Park District, it is recommended that an order be entered authorizing the General Superintendent and CEO or his designee to modify the contract with Russo Power Equipment, Inc. and increase the contractual amount by an additional \$385,000.00. This contract modification shall not be valid until it is in writing and signed by the Chicago Park District and Russo Power Equipment, Inc.

II. Award Information

Company: Russo Power Equipment, Inc.
9525 W. Irving Road
Schiller Park, IL 60176

Company Type: Illinois Business Corporation

Majority Interests: Frank Russo 33.33%
Tony Russo 33.33%
Ralph Russo 33.33%

Original Contract

Amount: On June 6, 2016, the General Superintendent and CEO approved the Chicago Park District's participation in Russo Power Equipment's contract with the City of Chicago for the purchase and repair of outdoor power equipment with a Not-to-Exceed amount of \$100,000.00.

Contract

Modification Amount: This contract modification will increase the contractual amount by an additional \$385,000.00 for the purchase of additional outdoor power equipment.

Scope of Services: The supply, delivery, maintenance and repair of Ariens, Echo, and Kubota Outdoor Power Equipment including lawn and garden tools, handheld power equipment, snow throwers and lawn mowers.

Affirmative Action

Goals: The Minority and Women Owned Business Enterprise participation for this modification includes 25% minority owned and 5% women owned business enterprise participation.

III. Budget and Financial Information

Budget Classification: Capital & Operating
Fiscal Year: 2017
Source of Funds: 77.8450.8450.627045.BD117.01.01.55294
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IV. Procurement Information

On June 6, 2016, the General Superintendent and CEO of the Chicago Park District (“Park District”) approved the Park District’s participation in the City of Chicago’s (“City”) contract with Russo Power Equipment, Inc. (“Russo”) for the Purchase and Repair of Outdoor Power Equipment, Attachments, Tools, Supplies, and Repair Services, and specifically, the supply of Ariens, Echo, and Kubota outdoor power equipment. Section 3.9 of the City’s contract with Russo “Contract Extension Option” says that the Chief Procurement Officer of the City can extend the contract for up to 181 days for the purpose of providing continuity of service while procuring a replacement contract. The City exercised this extension option and the contract will expire on either December 11, 2017 or when a new contract is in place, whichever is sooner.

Chapter XI, Section E, 4 of the Code of the Chicago Park District (“Code”) states that the Board has the power to approve all change orders and contract modifications that exceed \$100,000.00 where “the change is germane to the original contract.” The City’s contract with Russo is specifically for the purchase and repair of Ariens, Echo, and Kubota outdoor power equipment and the Park District seeks to purchase more outdoor power equipment from these manufacturers. Accordingly, this request to modify the contract is germane to the original contract and is in the best interest of the Park District. Lastly, pursuant to the Code, since this request exceeds \$100,000.00 it is being submitted to the Board for its approval.

V. Explanation

The Department of Cultural and Natural Resources (“DCNR”) currently has a fleet of 31 Kubota tractors that are essential to the daily maintenance of parks year-round. They are used to haul heavy items like sand, gravel, stone, mulch, and salt. Additionally, with attachments they are also used to remove snow and maintain athletic fields. The tractor fleet is aging and repairs are becoming more frequent and costly; and the cost of repairs for some units is higher than the trade-in value of the unit. Several units are in need of replacement, and this request to increase the contract amount will enable DCNR to trade in old tractors and purchase new equipment.

VI. General Conditions

- 1) *Conflicts*: The Agreement shall not be legally binding on the Chicago Park District if entered into in violation of the provisions of 50 ILCS 105, the Public Officer Prohibited Activities Act.
- 2) *Ethics*: The Chicago Park District’s Ethics Code, Chapter III of the Code of the Chicago Park District, shall be incorporated into and made part of the agreement.
- 3) *Contingent Liability*: Any agreement lawfully entered into for a period of more than one year shall be executory only for the amounts for which the Park District may become liable in succeeding fiscal years pursuant to Section 17(i) of the Chicago Park District Act, 70 ILCS 1505/17(i). All agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year budget.
- 4) *Economic Disclosure Statement (“EDS”)*: Contractor has submitted a full and complete EDS.