Date: June 30, 2005

To: Brian S. Murphy, Acting Commissioner
Department of Water Management

Attn: Julie Hernandez-Tomlin
Deputy Commissioner

From: Mary A. Dempsey
Interim Chief Procurement Officer

Re: Emergency Purchase Order Authorization

Pursuant to Section 2-92-644 of the Municipal Purchasing Act, I am authorizing you to make an Emergency purchase from East Jordan Ironworks Based upon information received from members of your staff; I have determined that this procurement is necessary to meet bona fide operating emergencies.

You are hereby authorized to purchase ‘Hydrants and Hydrants Parts’ in the amount of $249,996.50 as requested in your letter of June 28, 2005. Any amount in excess of the $249,996.50 approved here will be subject to additional authorization and will be limited so as not to exceed the $250,000 limit established by statute.

cc: Lourdes Nur
Claude Humphrey
Lorel Blameuser
MEMORANDUM

TO: Mary Dempsey
   Interim Chief Procurement Officer
   Department of Procurement Services

FROM: Brian S. Murphy
       Acting Commissioner
       Department of Water Management

DATE: June 28, 2005

RE: Request for Emergency Authorization (REQ 2408)

The Department of Water Management requires hydrants and hydrant parts. These goods are necessary for replacing and repairing existing fire hydrants. The current vendor, Production Dynamics (PO 7026) has refused to ship pending orders. Accordingly, the Department of Water Management is requesting emergency authorization for this purchase in the amount of $249,996.50.

Attached please find one price quote from East Jordan Ironworks. They manufacture City of Chicago standard fire hydrants.

I certify that this emergency poses a clear and imminent danger, requiring immediate procurement of services, supplies or equipment to prevent or mitigate the loss or impairment of life, health, property, or essential public services and would not have been avoided by due care and diligence.

Thank you for your assistance. If you have any questions, please call Deputy Commissioner, Julie Hernandez-Tomlin at 747-7089.
CITY OF CHICAGO
PURCHASE REQUISITION

DELIVER TO:
D26
1424 W. PERSHING
CHICAGO, ILLINOIS 60609, IL

REQUISITION: 21908
PAGE: 1
DEPARTMENT: 88 - DEPARTMENT OF WATER MANAGEMENT
PREPARER: Denise M Fitzgerald
NEEDED:
APPROVED: 6/28/2005

REQUEST FOR EMERGENCY PURCHASE OF HYDRANT PARTS, EAST JORDAN IRONWORKS, INC.
SPECIFICATION NUMBER: 37906

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Where a commodity is for a particular or unique use other than standard quality, grades, color, size or other characteristics, give details of how it will be and for what purpose. Requisitions prepared incorrectly will be returned to the using department.
CITY OF CHICAGO
PURCHASE REQUISITION

DELIVER TO:
D26
1424 W. PERSHING
CHICAGO, ILLINOIS 60609, IL

REQUISITION: 21908
PAGE: 2
DEPARTMENT: 88 - DEPARTMENT OF WATER MANAGEMENT
PREPARER: Denise M Fitzgerald
NEEDED: 
APPROVED: 6/28/2005

REQUEST DESCRIPTION
REQUEST FOR EMERGENCY PURCHASE OF HYDRANT PARTS, EAST JORDAN IRONWORKS, INC.
SPECIFICATION NUMBER: 37906

COMMODITY INFORMATION

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SUGGESTED VENDOR: HYDRANT PARTS, CHICAGO STANDARD - 4-1/2 INCH DRIP SHUT OFF BRONZE

REQUESTED BY: Dennis M Kelleher

DIST BFY FUND COST CTR APPR ACCNT ACTV PROJECT RPT CAT GENRL FUTR
1 004 0211 0882025 0550 220550 W706 05610040 000000 0000 0000

Dist. Amt. 8,424.00

LINE TOTAL: 8,424.00

REQUISITION TOTAL: 249,996.50

Where a commodity is for a particular or unique use other than standard quality, grades, color, size or other characteristics, give details of how it will be and for what purpose.

Requisitions prepared incorrectly will be returned to the using department.
To: Julie H. Tomlin

From: Tom Drown

Date: 6/27/05

Number of pages including cover sheet: 2

Phone: (815) 740-1640
Fax phone: (815) 740-1633

Remarks: □ Urgent □ For your review □ Reply ASAP □ Per Your Request

Hydrants & Hydrant Parts.
**Emergency Purchase**

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<tr>
<th>Commodity</th>
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**TOTAL**

$291,220.00

**Delivery made to** (earliest delivery date): 2 days from receipt of order.

Pipeyard B
1424 W Pershing
Chicago, ILLINOIS 60609
Phone 747-8736

Please quote a price on each item for an emergency purchase not to exceed $250,000.

Return quoted and estimated time of delivery to:
Julie Hernandez-Tomlin
FAX: 312-747-7078
Phone 312-747-7089

**REO**
**APPROVED**
June 23, 2005

Dear Julie:

According to our records, Water Mgmt. owes $107,343 from year 2004. Notwithstanding, we recently processed Release #113 which under new prices is valued at $254,300 v. a lesser figure calculated by the formula in the contract document.

The “open order” has not been shipped, because Water Mgmt. will not/has not agreed to pay the new price, even though Release #113 came to us with the new prices thereon.

Water Mgmt. and Procurement Services have collectively held us in default of our contracts for Ductile Pipe and Tapping Connections/Valves. Today we were contacted by Contractors seeking quotations on materials on our ‘canceled’ contracts, to aid them in Bidding on “Feeder Main Cleaning & Lining projects” for the City of Chicago/Water Mgmt.

We recite this as background data because the combination of late payments, voided contracts, and price issues has seriously injured our reputation in the market place, as well as strained our financial resources.

In closing, we will commit to making immediate delivery of Hydrant Parts if Water Mgmt. Agrees to pay the year 2004 Invoices and Release #113 at the prices shown thereon.
We trust that you appreciate and understand the harm and cash drain position Water Management has put us in.

We await what we trust will be a favorable response.

Sincerely,

Charlie Banks
President