



Agenda Cover Memorandum

Meeting Date: March 2, 2015

Meeting Type: Committee of the Whole City Council Budget Workshop

Item Title: Approve a FY15 purchase order increase for Nicor, P.O. Box 5407, Carol Stream, IL 60197-5407 by \$32,464 from \$57,000 to \$89,464.

Item Type: Transfer Budget Amendment Purchase Order Other

Action Requested: Approval For Discussion Feedback Requested For Your Information

Staff Contact: Shawn Hamilton, City Manager
Phone #: (847) 318-5205 Email: shamilto@parkridge.us

Background:

A FY15 blanket purchase order for Nicor in the amount of \$57,000 was approved by Council in April, 2014. The FY15 blanket purchase order and corresponding FY15 budget for heating costs was an estimate that was consistent with the FY13 actuals and FY14 forecast at that time.

The winter of 2013 was unusually mild and the winter of 2014 was unusually cold. As a result the FY14 actuals were significantly greater than the FY13 actuals and FY14 original budget. A large FY14 PO increase and FY14 budget transfer was approved by Council in May 2014 to account for this variance. This Council action was completed after the adoption of the FY15 budget and approval of FY15 POs. As such, the FY15 budget for heating costs was established at an amount not sufficient to fund all FY15 Nicor heating costs.

A FY15 purchase order increase will be needed to adequately fund the budget to levels consistent with the current trend and consistent with the FY14 actual results.

This item was discussed at the February 23, 2015 Committee of the Whole meeting and was voted unanimously.

Vendor and Transaction History:

Vendor Status: Current New Vendor #: 57766

Is Purchase Order Request supported by existing contract: Yes No Date:

Is this an Annual Recurring Purchase Order: Yes No

Bid Process Used: N/A Price Quotes Bid RFP Details: Risk Pool

Have Goods been received or Statement of Work completed: N/A Yes No

If Overage, approved by Department: Yes No Details:

Recommendation:

Approve a FY15 purchase order increase for Nicor, P.O. Box 5407, Carol Stream, IL 60197-5407 by \$32,464 from \$57,000 to \$89,464.

Budget Implications:

Does Action Require an Expenditure of Funds: Yes No

If Yes, Total Cost: \$32,464

If Yes, is this a Budgeted Item: Yes No Requires Budget Transfer

If Budgeted, Budget Code (Fund, Dept, Object):



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Attachment(s), if any:

- FY15 Purchase Order # 150468 increase for Nicor Gas



CITY OF PARK RIDGE

M E M O R A N D U M

DATE: February 20, 2015

TO: FINANCE/PURCHASING

This is a change order to authorize an increase on:

P. O. NO: 150468

Vendor Name: Nicor

Original Purchase Order Amount \$ 57,000.00

Change Order Amount Requested \$ 32,464.00

Total New Purchase Order Amount \$ 89,464.00

DEPARTMENT HEAD SIGNATURE: _____

DATE SIGNED: 2/23/15

CITY MANAGER SIGNATURE: _____

(Required if New Purchase Order Amount is between \$5,000. - \$10,000.)