



Metropolitan Water Reclamation District of Greater Chicago Errata Correction

100 East Erie Street
Chicago, IL 60611

File Number: 19-1136

File Key: 19-1136

Type: Agenda Item

Status: PC Authorization

Version: 1

Reference:

Controlling Body: Procurement
Committee

File Created Date : 11/08/2019

File Name:

Final Action:

Title label: Authorization to participate in Pennsylvania, New Jersey and Maryland (PJM) upcoming 2022/2023 Reliability Pricing Model (RPM) Base Residual Auction (BRA) for Demand Response (DR) (*As Revised*)

Notes: ERRATA CORRECTION

The middle initial, "A.", is added to the Executive Director's name at the top of the Transmittal.

Sponsors:

Enactment Date:

Attachments:

Enactment Number:

Contact:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Board of Commissioners	11/21/2019					

Text of Legislative File 19-1136

Authorization to participate in Pennsylvania, New Jersey and Maryland (PJM) upcoming 2022/2023 Reliability Pricing Model (RPM) Base Residual Auction (BRA) for Demand Response (DR) (*As Revised*)

Dear Sir:

Since 1998, the District has participated in a voluntary curtailment program (Demand Response). In that time, the District has received approximately \$15.07M in total revenue for reducing electricity usage at designated times.

On June 6, 2019, the Board of Commissioners authorized the Director of Procurement and Materials Management to participate in the 2022/2023 PJM-BRA for the Demand Response program. The auction originally scheduled for July 10th through July 20th, 2019, was postponed indefinitely per a Federal Energy Regulatory Commission (FERC) order.

It is requested that the Board of Commissioners authorize the Director of Procurement and Materials

Management to participate in the 2022/2023 RPM-BRA when it occurs, and to perform all PJM requirements to register District facilities for the Demand Response program.

If authorized to participate in the auction as a member of the PJM, the District will commit to curtail up to 24 MW. The committed amount will be pooled with other members' commitments and be auctioned together at the PJM RPM-BRA for DR. Each member will receive an equal dollar value per MW. In this program, penalties may be assessed if the committed level of curtailment is not reached during an event. In the District's past participation, the District has been able to meet the committed level of curtailments.

A report will be submitted to the Board of Commissioners on the results of the auction after it occurs.

Requested, John P. Murray, Director of Maintenance and Operation, EJS:MAG:JR:SES:PD
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 November 21, 2019



Metropolitan Water Reclamation District of Greater Chicago

Errata Correction

100 East Erie Street
Chicago, IL 60611

File Number: 19-1139

File Key: 19-1139

Type: Agenda Item

Status: PC Issue Purchase
Order

Version: 1

Reference:

Controlling Body: Procurement
Committee

File Created Date : 11/08/2019

File Name:

Final Action:

Title label: Issue purchase order to Mesirow Insurance Services, Inc. for Furnishing Excess Casualty Insurance Coverage for the District in an amount not to exceed \$1,107,659.00, Account 101-25000-612290, Requisition 1526314 (*As Revised*)

Notes: ERRATA CORRECTION

The middle initial, "A.", is added to the Executive Director's name at the top of the Transmittal.

Sponsors:

Enactment Date:

Attachments: aa17-RFP-32.pdf

Enactment Number:

Contact:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Board of Commissioners	11/21/2019					

Text of Legislative File 19-1139

Issue purchase order to Mesirow Insurance Services, Inc. for Furnishing Excess Casualty Insurance Coverage for the District in an amount not to exceed \$1,107,659.00, Account 101-25000-612290, Requisition 1526314 (*As Revised*)

Dear Sir:

At the Board Meeting of December 21, 2017, in accordance with Contract 17-RFP-32, the Board of Commissioners awarded a purchase order to Mesirow Insurance Services, Inc. (Mesirow) to serve as the District's broker-of-record for casualty lines of insurance and related services for a three-year period. In this capacity, Mesirow has responsibility for securing quotes from the insurance market for specified insurance policies. The current excess casualty insurance policies will expire on December 10, 2019.

On November 6, 2019, the District received certain bid quotations, which Mesirow had solicited pursuant to the detailed specifications in the excess casualty underwriting submission for casualty

insurance for a one-year period to be effective December 11, 2019 to provide a tower of excess casualty insurance, including general liability, public officials liability, employment practices liability, law enforcement/police professional liability, employers liability, automobile liability, and excess liability for marine.

For the 2019 excess casualty program, 30 insurance companies were approached for quotations. Pricing for this coverage is primarily based on payroll, which has increased year-over-year. Also impacting carrier interest and pricing is the District's loss history, which includes three open claims that are anticipated to be in excess of the self-insured retention (SIR) as well as the number of open, large class action law suits for flood/sewer backup.

For the 2019 excess casualty insurance, we recommend a program with total limits of \$50,000,000.00 over an SIR of \$3,000,000.00, with the exception of an SIR of \$5,000,000.00 for class action suits, for flood/sewer back-up at a total program cost of \$1,107,659.00. Coverage will be provided by the following insurance companies:

First Layer: AIG/Lexington Insurance Company: Limit of \$10,000,000.00 with an SIR of \$3,000,000.00 except \$5,000,000.00 for class action suits for flood/sewer back-up at a cost of \$468,655.00.

Second Layer: Allied World National Assurance Company: Limit of \$10,000,000.00 excess of the \$10,000,000.00 first layer at a cost of \$252,904.00.

Third Layer: Arch Insurance Company: Limit of \$10,000,000.00 excess of \$20,000,000.00 at a cost of \$148,500.00.

Fourth Layer: Great American Assurance Company: Limit of \$10,000,000.00, 50% quota share of \$20,000,000.00 excess of \$30,000,000.00 at a cost of \$118,800.00.

Fourth Layer: Berkley National Insurance Company: Limit of \$10,000,000.00, 50% quota share of \$20,000,000.00 excess of \$30,000,000.00 at a cost of \$118,800.00.

The quotations were evaluated by Mesirow, the District's Risk Manager, the Director of Human Resources, and a representative from the Procurement and Materials Management Department.

Carriers who declined to offer a quotation cited various reasons, including the inability to be competitive with program pricing, the class of business, the inability to provide required coverages, and claims experience.

All insurance carriers being recommended for this placement are licensed to do business in Illinois and meet the District's A.M. Best Company insurance ratings requirements of A- VII or better.

The Affirmative Action goals for Contract 17-RFP-32 are 10% Minority Business Enterprises (MBE), 5% Women Business Enterprises (WBE) and 10% Small Business Enterprises (SBE).

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to issue a purchase order to Mesirow Insurance Services, Inc. in an amount not to exceed \$1,107,659.00.

Funds for the 2019 expenditure in the amount of \$1,107,659.00 are available in Account 101-25000-612290.

Requested, Beverly K. Sanders, Director of Human Resources, BKS:RAJ

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 November 21, 2019

Attachment



Metropolitan Water Reclamation District of Greater Chicago

Errata Correction

100 East Erie Street
Chicago, IL 60611

File Number: 19-1146

File Key: 19-1146

Type: Agenda Item

Status: PC Issue Purchase
Order

Version: 1

Reference:

Controlling Body: Procurement
Committee

File Created Date : 11/08/2019

File Name:

Final Action:

Title label: Issue purchase order to Willis of Illinois, Inc. for Furnishing Property Insurance Coverage for District properties in an amount not to exceed \$2,159,000.00, Account 101-25000-612290, Requisition 1533121 (*As Revised*)

Notes: ERRATA CORRECTION

The middle initial, "A.", is added to the Executive Director's name at the top of the Transmittal.

Sponsors:

Enactment Date:

Attachments: aa17-RFP-32.pdf

Enactment Number:

Contact:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Board of Commissioners	11/21/2019					

Text of Legislative File 19-1146

Issue purchase order to Willis of Illinois, Inc. for Furnishing Property Insurance Coverage for District properties in an amount not to exceed \$2,159,000.00, Account 101-25000-612290, Requisition 1533121 (*As Revised*)

Dear Sir:

At the Board Meeting of December 21, 2017, in accordance with Contract 17-RFP-32, the Board of Commissioners awarded a purchase order to Willis of Illinois, Inc. (Willis) to serve as the District's broker-of-record for property insurance and related services for a three-year period. In this capacity, Willis has responsibility for securing quotes from the insurance market for property insurance for the District. The District's current property insurance policy will expire on December 6, 2019.

On November 8, 2019, the District received the renewal bid quotations which Willis had solicited pursuant to the detailed specifications (including a per occurrence policy limit of \$1,000,000,000.00 with a deductible of \$10,000,000.00) and updated property values for property insurance for a

one-year period to be effective December 6, 2019 to provide insurance coverage for District property. District property includes buildings, structures and equipment at water reclamation plants, pumping stations, the Lockport Powerhouse, and offices.

For the 2019 property insurance program, eight insurance companies were approached for quotations. Six insurance companies provided quotations at a variety of limits based on capacity and interest. Two insurance companies declined to provide a quotation based on the inability to be competitive with program pricing. Based on the quotations submitted, two property program structures were considered: 1) a single limit program with one insurance company, and 2) a layered program involving multiple insurance companies.

For the 2019 property insurance, we recommend a single limit program with one insurance company. Coverage will be provide by the following insurance company:

FM Global/Factory Mutual Insurance Company: Limit \$1,000,000,000.00 and a Deductible of \$10,000,000.00 Pricing \$2,159,000.00.

As with the expiring coverage, a sublimit applies for Earth Movement in the amount of \$250,000,000.00 annual aggregate; however the sublimit for Flood is now \$100,000,000.00 per occurrence. While the Flood sublimit is lower per occurrence, there is no longer an annual aggregate, which is an improvement.

The recommended program offers the preferred policy structure as well as the most competitive pricing. A review of overall coverage terms and conditions when compared to the expiring program and the renewal by the incumbent shows the FM Global proposal to be superior in a majority of key areas.

The property insurance market has dramatically and progressively changed in 2019. Insurance carrier capacity has been greatly reduced and pricing has dramatically increased. These changes are primarily being driven by the loss experience of insurance carriers over recent years, including the cost of damages from hurricanes, windstorm, flooding and wildfires. Both the frequency and severity of these events has significantly increased. With insurable values in excess of \$10,000,000,000.00 the District is a formidable risk to insure. While well reviewed by the insurance carriers who provided quotations, carrier capacity and pricing is being driven by the broader market issues.

The proposal terms and conditions were evaluated by Willis, the Risk Manager, senior management, and representatives from the Procurement and Materials Management Department. Based on their collective review, it was determined that the District should purchase property coverage from FM Global/Factory Mutual Insurance Company. The company is licensed to do business in Illinois, was responsive to the terms and conditions of the bid specifications, has an A.M. Best Company rating of A+ (Superior), XV (\$2.0 billion or greater) and has a reputation for excellent service.

The Affirmative Action goals for Contract 17-RFP-32 are 10% Minority Business Enterprises (MBE), 5% Women Business Enterprises (WBE) and 10% Small Business Enterprises (SBE).

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to issue a purchase order to Willis of Illinois, Inc. in an amount not to exceed \$2,159,000.00.

Funds in the amount of \$2,159,000.00 are available in Account 101-25000-612290, contingent upon approval of a Board of Commissioners authorized transfer at this meeting.

Requested, Beverly K. Sanders, Director of Human Resources, BKS:RAJ

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 November 21, 2019

Attachment



Metropolitan Water Reclamation District of Greater Chicago

Errata Correction

100 East Erie Street
Chicago, IL 60611

File Number: 19-1152

File Key: 19-1152

Type: Agenda Item

Status: PC Authority to
Advertise

Version: 1

Reference:

Controlling Body: Procurement
Committee

File Created Date : 11/12/2019

File Name:

Final Action:

Title label: Authority to advertise Contract 20-012-11 Furnish and Deliver Paint, Brushes, Solvents and Stains to Various Locations for a One (1) Year Period, estimated cost \$46,000.00, Account 101-20000-623190 (*As Revised*)

Notes: ERRATA CORRECTION

In the 8th paragraph, the words, "Funds are being requested in 2019,...", is corrected to read, "Funds are being requested in 2020,..."

Sponsors:

Enactment Date:

Attachments:

Enactment Number:

Contact:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Board of Commissioners	11/21/2019					

Text of Legislative File 19-1152

Authority to advertise Contract 20-012-11 Furnish and Deliver Paint, Brushes, Solvents and Stains to Various Locations for a One (1) Year Period, estimated cost \$46,000.00, Account 101-20000-623190 (*As Revised*)

Dear Sir:

Contract documents and specifications have been prepared to furnish and deliver paint, brushes, solvents and stains to various locations for a one (1) year period, beginning approximately March 1, 2020 and ending February 28, 2021.

The purpose of this contract is to furnish and deliver paint, brushes, solvents and stains to the District's storerooms to maintain sufficient inventory levels that are required for the day to day operations of the District.

The estimated cost for this contract is \$46,000.00.

No bid deposit is required for this contract.

The Multi-Project Labor Agreement (MPLA) is not applicable to this contract because it is primarily a furnish and deliver contract.

The Affirmative Action Ordinance, Revised Appendix D and Appendix V are not included in this contract because it is primarily a furnish and deliver contract.

The tentative schedule for this contract is as follows:

Advertise	December 4, 2019
Bid Opening	December 17, 2019
Award	February 6, 2020
Completion	February 28, 2021

Funds are being requested in 2020, in Account 101-20000-623190, and are contingent on the Board of Commissioners' approval of the District's budget for that year.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to advertise Contract 20-012-11.

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management,
DAL:SEB:MS:cc

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 November 21, 2019



Metropolitan Water Reclamation District of Greater Chicago

Errata Correction

100 East Erie Street
Chicago, IL 60611

File Number: 19-1158

File Key: 19-1158

Type: Agenda Item

Status: PC Authority to
Award Contract

Version: 1

Reference:

Controlling Body: Procurement
Committee

File Created Date : 11/13/2019

File Name:

Final Action:

Title label: Authority to award Contract 19-603-21, Furnish, Deliver and Install Motor Excitation Control Equipment at Various Locations, to Broadway Electric, Inc., in an amount not to exceed \$814,900.00, Account 201-50000-645700, Requisition 1516159 (*As Revised*)

Notes: ERRATA CORRECTION

After the 6th paragraph, an additional paragraph is added to read, "The Affirmative Action Ordinance, Revised Appendix D and Appendix V will not be included in this contract because of the specialized nature of the contract and its material requirements, and lack of accessible scopes of labor."

An attachment is added, and, the word "Attachment" is added to the bottom of the Transmittal.

Sponsors:

Enactment Date:

Attachments: Contract 19-603-21 Affirmative Action Goal Review
Memo

Enactment Number:

Contact:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Board of Commissioners	11/21/2019					

Text of Legislative File 19-1158

Authority to award Contract 19-603-21, Furnish, Deliver and Install Motor Excitation Control Equipment at Various Locations, to Broadway Electric, Inc., in an amount not to exceed \$814,900.00, Account 201-50000-645700, Requisition 1516159 (*As Revised*)

Dear Sir:

On June 20, 2019, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids Contract 19-603-21, Furnish, Deliver and Install Motor Excitation Control Equipment at Various Locations.

In response to a public advertisement of September 25, 2019, a bid opening was held on October 22, 2019. The bid tabulation for this contract is:

BROADWAY ELECTRIC, INC. \$814,900.00

One thousand and fifty-three (1,053) companies were notified of this contract being advertised and twenty-four (24) companies requested specifications.

The Director of Procurement and Materials Management has reviewed the bidders' list for this contract and is satisfied that the market for this service has been adequately solicited. A planholders' survey revealed the following reasons for not bidding: could not provide the equipment and/or services requested. In light of these findings, the Director of Procurement and Materials Management is of the opinion that the bid received is a fair and reasonable price, and nothing would be gained by rejecting the sole bid and re-advertising this contract.

Broadway Electric, Inc., is proposing to perform the contract in accordance with the specifications. The estimated cost for this contract is \$680,000.00, placing their bid of \$814,900.00, approximately 19.8 percent above the estimate.

Broadway Electric, Inc., has executed the Multi-Project Labor Agreement (MPLA) certificate as required. It is anticipated that the following construction trades will be utilized on this contract: hoisters, millwrights, and electricians. The list of construction trades is not intended to confer any rights or jurisdiction upon any union or unions.

The Affirmative Action Ordinance, Revised Appendix D and Appendix V will not be included in this contract because of the specialized nature of the contract and its material requirements, and lack of accessible scopes of labor.

The contract will require approximately ten to fifteen people for the services.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to award Contract 19-603-21 to Broadway Electric, Inc., in an amount not to exceed \$814,900.00, subject to the contractor furnishing a performance bond in form satisfactory to the Law Department and approved by the Director of Procurement and Materials Management.

The contractor will complete all work by December 31, 2020.

Funds for the 2019 expenditures, in the amount of \$53,000.00, are available in Account 201-50000-645700. The estimated expenditures for 2020 are \$761,900.00. Funds for the 2020 expenditures are contingent on the Board of Commissioners' approval of the District's budget for that year.

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management,
DAL:SEB:cm

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 November 21, 2019



Metropolitan Water Reclamation District of Greater Chicago

Errata Correction

100 East Erie Street
Chicago, IL 60611

File Number: 19-1179

File Key: 19-1179

Type: Agenda Item

Status: PC Issue Purchase
Order

Version: 1

Reference:

Controlling Body: Procurement
Committee

File Created Date : 11/13/2019

File Name:

Final Action:

Title label: Issue purchase order for Contract 19-484-11, Board Room Audio Upgrade, to Pentegra Systems LLC, in an amount not to exceed \$30,745.00, Accounts 101-27000-612430, 612840, 623850, 634810, Requisition 1519903 (*As Revised*)

Notes: ERRATA CORRECTION

In the Title, 2nd, 4th and 7th paragraphs, the dollar amount of "\$30,667" is corrected to read, "\$30,745.00".

In the 4th paragraph, the percentage amount of "37.5" is corrected to read, "37.3".

Sponsors:

Enactment Date:

Attachments:

Enactment Number:

Contact:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Board of Commissioners	11/21/2019					

Text of Legislative File 19-1179

Issue purchase order for Contract 19-484-11, Board Room Audio Upgrade, to Pentegra Systems LLC, in an amount not to exceed \$30,745.00, Accounts 101-27000-612430, 612840, 623850, 634810, Requisition 1519903 (*As Revised*)

Dear Sir:

On May 2, 2019, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 19-484-11, Board Room Audio Upgrade. The contract expires on December 31, 2019.

In response to a public advertisement of October 16, 2019, a bid opening was held on October 29,

2019. The bid tabulation for this contract is:

PENTEGRA SYSTEMS LLC	*\$30,745.00
KBR AUDIO/VIDEO, INC.	*\$45,361.81
*corrected total	

Three hundred seventy (370) companies were notified of this contract being advertised and twenty (20) companies requested specifications.

Pentegra Systems LLC, the lowest responsible bidder, is proposing to perform the contract in accordance with the specifications. The estimated cost for this contract was \$49,049.00, placing their bid of \$30,745.00 approximately 37.3 percent below the estimate.

The Multi-Project Labor Agreement is not applicable to this contract because the classification of work does not fall within the provisions of the MPLA.

The Affirmative Action Ordinance, Revised Appendix D and Appendix V are not included in this contract because the estimate is less than the minimum threshold established by Section 4 of the Affirmative Action Ordinance.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to issue a purchase order for Contract 19-484-11 to Pentegra Systems LLC, in an amount not to exceed \$30,745.00.

No bid deposit was required for this contract.

Funds are available in Accounts 101-27000-612430, 612840, 623850, 634810.

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management,
DAL:SEB:cm

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 November 21, 2019