



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

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TRANSMITTAL LETTER FOR BOARD MEETING OF SEPTEMBER 5, 2019

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Report on rejection of bids for Contract 18-803-31, Gravity Concentration Tank Rehabilitation at the Calumet Water Reclamation Plant, estimated cost \$1,650,000.00

Dear Sir:

On August 2, 2018, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 18-803-31, Gravity Concentration Tank Rehabilitation at the Calumet Water Reclamation Plant.

In response to a public advertisement of May 29, 2019, a bid opening was held on June 25, 2019. The bid tabulation for this contract is:

IHC CONSTRUCTION COMPANIES, L.L.C. \$2,295,000.00

One thousand one hundred seventy-nine (1,179) companies were notified of this contract being advertised and forty-five (45) companies requested specifications.

The bid submitted by the sole bidder, IHC Construction Companies, L.L.C., in an amount of \$2,295,000.00, is 39.1 percent over the estimated cost of \$1,650,000.00. Therefore, the bid was considered too high for award and rejected in the public's best interest. The Director of Procurement and Materials Management has notified IHC Construction Companies, L.L.C., of this action.

A review of the estimated cost by the Maintenance and Operations Department revealed that the Engineer's estimate did not reflect adequate labor and equipment required to install components in the building. The new tank collector components, when assembled, will span each of the four 60 foot diameter tanks. In addition, the tanks are located in a building that has limited overhead space restrictions and no overhead bay crane.

The Maintenance and Operations Department will review and revise the contract prior to re-advertisement.

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