



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

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Title: Authority to award Contract 15-123-3D, Safety Railing Around Tanks, Stickney Water Reclamation Plant, to IHC Construction Companies, LLC and F.H. Paschen, S.N. Nielsen & Associates LLC Joint Venture, in an amount not to exceed \$5,239,000.00, plus a five (5) percent allowance for change orders in an amount of \$261,950.00, for a total amount not to exceed \$5,500,950.00, Account 401-50000-645650, Requisition 1407354

Sponsors:

Indexes:

Code sections:

Attachments: 1. Contract 15-123-3D Revised Appendix D Report.pdf, 2. Contract 15-123-3D Project View.pdf

Date	Ver.	Action By	Action	Result
7/7/2016	1	Board of Commissioners	Approved	Pass
7/7/2016	1	Committee of the Whole	Recommended	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF JULY 7, 2016

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to award Contract 15-123-3D, Safety Railing Around Tanks, Stickney Water Reclamation Plant, to IHC Construction Companies, LLC and F.H. Paschen, S.N. Nielsen & Associates LLC Joint Venture, in an amount not to exceed \$5,239,000.00, plus a five (5) percent allowance for change orders in an amount of \$261,950.00, for a total amount not to exceed \$5,500,950.00, Account 401-50000-645650, Requisition 1407354

Dear Sir:

On November 5, 2015, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 15-123-3D, Safety Railing Around Tanks, Stickney Water Reclamation Plant.

In response to a public advertisement of March 9, 2016, a bid opening was held on April 26, 2016. The bid tabulation for this contract is:

MORRISON CONSTRUCTION COMPANY, INC.	\$4,452,250.00
IHC CONSTRUCTION AND F.H. PASCHEN, S.N. NIELSEN JV	\$5,239,000.00
JOSEPH J. HENDERSON & SON, INC.	\$5,298,000.00
BROADWAY ELECTRIC, INC.	\$5,311,500.00
GEORGE SOLLITT CONSTRUCTION COMPANY, THE	\$6,450,000.00
FRIEDLER CONSTRUCTION COMPANY	\$6,568,800.00
ALDRIDGE ELECTRIC, INC.	\$6,995,683.00

BARTON MALOW COMPANY

\$7,822,000.00

Nine hundred eighty-two (982) companies were notified of this contract being advertised and forty-six (46) companies requested specifications.

The Minority Business Enterprise (MBE), Woman Business Enterprise (WBE), and Small Business Enterprise (SBE) utilization goals for this contract are 20% MBE, 10% WBE, and 10% SBE.

A review of the Utilization Plan submitted by Morrison Construction Company (Morrison), the apparent low bidder, revealed that the bidder exceeds the 25% supplier exception amount allowable under the contract documentation. As a result, the bid is deficient for the overall MBE goal. Therefore, Morrison is considered non-responsive in accordance to the Affirmative Action Ordinance, Revised Appendix D under Section 11(i) where it states that:

Purchase of materials and supplies must be pre-approved if their purchase is related to goal attainment. Bidder may count payments to MBE, WBE or SBE regular dealers or manufacturers who offer only furnish and deliver contracts for materials and supplies for no more than twenty-five percent (25%) of each MBE, WBE or SBE goal, unless approved by the Administrator. If the bidder exceeds the supplier exception amount allowable as stated in the bid documents, the bid will be viewed as non-responsive.

The Director of Procurement and Materials Management concurs with the Diversity Administrator and has notified Morrison Construction Company of this action.

The second low bidder, IHC Construction Companies, LLC and F.H. Paschen, S.N. Nielsen & Associates LLC Joint Venture, is proposing to perform the contract in accordance with the specifications. The estimated cost for the contract was \$9,377,000.00, placing their bid of \$5,239,000.00 approximately 44.2 percent below the estimate.

IHC Construction Companies, LLC and F.H. Paschen, S.N. Nielsen & Associates LLC Joint Venture is in compliance with the Affirmative Action Ordinance, Revised Appendix D as indicated on the attached report. The Minority Business Enterprise (MBE), Women Business Enterprise (WBE), and Small Business Enterprise (SBE) utilization goals for this contract are 20 percent MBE, 10 percent WBE and the bidder offers MBE and WBE credits to satisfy SBE participation.

IHC Construction Companies, LLC and F.H. Paschen, S.N. Nielsen & Associates LLC Joint Venture has executed the Multi-Project Labor Agreement (MPLA) certificate as required. It is anticipated that the following trades will be utilized on this contract: carpenters, painters, steel erectors and steel erector foreman. The list of construction trades is not intended to confer any rights or jurisdiction upon any union or unions.

The contract will require approximately fifty-eight (58) 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 15-123-3D to IHC Construction Companies, LLC and F.H. Paschen, S.N. Nielsen & Associates LLC Joint Venture, in an amount not to exceed \$5,239,000.00, plus a five (5) percent allowance for change orders in an amount of \$261,950.00, for a total amount not to exceed \$5,500,950.00, 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 contract specifications require all work to be completed within 400 calendar days after approval of the Contractor's Bond.

Funds are available in Account 401-50000-645650.

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 July 7, 2016

Attachments