



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Text

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**File #:** 10-0792, **Version:** 1

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### **TRANSMITTAL LETTER FOR BOARD MEETING OF JULY 8, 2010**

#### COMMITTEE ON PROCUREMENT

Mr. Richard Lanyon, Executive Director

Issue purchase orders for Contract 10-609-11, Furnishing and Delivering Mechanical Repair Parts to Various Service Areas, to Applied Industrial Technologies, Inc., in an amount not to exceed \$136,500.00, Accounts 101-67000, 68000-623270, Requisitions 1287495, 1287536, 1296504, 1299696, and 1300999

Dear Sir:

On April 15, 2010, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 10-609-11 Furnishing and Delivering Mechanical Repair Parts to Various Service Areas.

In response to a public advertisement of May 5, 2010 a bid opening was held on May 25, 2010. The bid tabulation for this contract is:

APPLIED INDUSTRIAL TECHNOLOGIES, INC.	\$149,740.50
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Six hundred nineteen (619) 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. Two vendors submitted bids, but were declared non-responsive at the bid opening for failing to sign their proposal page. A planholders' survey revealed the following reason for not bidding: goods or service was outside their area of business, and could not comply with delivery and liquidated damages penalties. 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.

The quantities specified in the contract documents were used for the purpose of comparing bids and establishing unit prices. The total amount to be expended on this contract, should usage differ from the quantities, is not to exceed \$136,500.00.

Applied Industrial Technologies, Inc., the lowest responsible bidder, is proposing to perform the contract in accordance with the specifications.

The estimated cost for this contract was \$136,500.00, placing the total bid of \$149,740.50, approximately 9.7 percent above the estimate.

The Multi-Project Labor Agreement was not included in this contract because it is primarily a furnish and deliver contract.

The revised Appendix D was not included in this contract because it is a furnish and deliver contract.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to issue purchase orders for Contract 10-609-11, to Applied Industrial Technologies, Inc., in an amount not to exceed \$136,500.00. The bid deposit in the amount of \$6,700.00, will be retained in lieu of a performance bond, which is satisfactory to the Law Department and approved by the Director of Procurement and Materials Management.

Funds for the 2010 expenditure in the amount of \$21,500.00 are available in Accounts 101-67000, 68000-623270. The estimated expenditure for 2011 is \$46,000.00, for 2012 is \$46,000.00, and for 2013 is \$23,000.00. Funds for the 2011, 2012, and 2013 expenditures are contingent on the Board of Commissioners' approval of the District's budget for those years.

Recommended, Darlene A. LoCascio, Director of Procurement and Material Management, DAL:SEB:klv  
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 8, 2010