



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

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Title: Authority to award Contract 13-985-12, Railroad Car Repair, Maintenance and Rebuilding at the Stickney Water Reclamation Plant, to JK-CO, LLC, in an amount not to exceed \$316,117.47, Account 101-69000-612670, Requisition 1356608

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Date	Ver.	Action By	Action	Result
10/16/2014	1	Board of Commissioners	Approved	Pass
10/16/2014	1	Committee of the Whole	Recommended	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 16, 2014

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to award Contract 13-985-12, Railroad Car Repair, Maintenance and Rebuilding at the Stickney Water Reclamation Plant, to JK-CO, LLC, in an amount not to exceed \$316,117.47, Account 101-69000-612670, Requisition 1356608

Dear Sir:

On June 6, 2013, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids Contract 13-985-11, Railroad Car Repair, Maintenance and Rebuilding at the Stickney Water Reclamation Plant.

In response to a public advertisement of September 4, 2013, a bid opening was held on September 24, 2013. All bids were rejected, as reported, at the October 17, 2013 Board Meeting.

In response to a public re-advertisement of December 11, 2013, a bid opening was held on January 7, 2014. The bid tabulation for this contract is:

JK-CO, LLC

\$316,117.47

Eighty-five (85) companies were notified of this contract being advertised and seven (7) companies requested specifications.

The purpose of this contract is to repair, maintain and rebuild railroad cars. The work consists of mechanically rehabilitating, maintaining and rebuilding 60 cubic yard capacity side dump railroad cars used for the transportation of biosolids in the Stickney Service Area.

JK-CO, LLC, the sole bidder, is proposing to perform the contract in accordance with the terms and specifications of the contract. The estimated cost for this contract is \$210,000.00, placing the bid of \$316,117.47, approximately 50.5 percent above the estimate.

The District's estimate did not take into consideration the costly transportation from the Stickney Plant to Findley, Ohio, where the railroad cars will be repaired, plus the labor cost to have the bidders' personnel come to the plant to certify the cars for transportation over the railroad system.

Based on the above information, the Director of Procurement & Materials Management is of the opinion that the sole bid received is fair and reasonable, and that re-advertising the contract would not generate any new bids.

The Affirmative Action Interim Ordinance Appendix D was not included in this contract due to the specialized nature of the services required.

The Multi-Project Labor Agreement (MPLA) was not included in this contract because the work is performed off-site at the contractor's facility.

The contract will require approximately 2 to 4 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 13-985-12 to JK-CO, LLC, in an amount not to exceed \$316,117.47, 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 shall initiate work within 30 calendar days after approval of the Contractor's Bond and complete all work by December 31, 2016.

Funds for the 2014 expenditure in the amount of \$50,000.00 are available in Account 101-69000-612670. The estimated expenditures for 2015 and 2016 are \$42,500.00 and \$223,617.47, respectively. Funds for the 2015 and 2016 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 October 16, 2014