



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

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Title: Issue purchase order for Contract 15-935-11, Furnishing and Delivering Sodium Hydroxide, to K. A. Steel Chemicals, Inc., in an amount not to exceed \$765,063.00, Account 101-69000-623560, Requisition 1396222

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Date	Ver.	Action By	Action	Result
8/6/2015	1	Board of Commissioners	Approved	Pass
8/6/2015	1	Committee of the Whole	Recommended	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 6, 2015

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue purchase order for Contract 15-935-11, Furnishing and Delivering Sodium Hydroxide, to K. A. Steel Chemicals, Inc., in an amount not to exceed \$765,063.00, Account 101-69000-623560, Requisition 1396222

Dear Sir:

On April 23, 2015, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 15-935-11, Furnishing and Delivering Sodium Hydroxide.

In response to a public advertisement of June 10, 2015, a bid opening was held on June 30, 2015. The bid tabulation for this contract is:

K.A. STEEL CHEMICALS, INC. \$765,063.00

Two hundred eighty (280) companies were notified of this contract being advertised and eleven (11) 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 quantity requested and would not be able to bid competitively. 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.

K. A. Steel Chemicals, Inc., the sole bidder, is proposing to perform the contract in accordance with the

specifications.

The estimated cost for this contract was \$696,150.00, placing the bid of \$765,063.00 approximately 9.9 percent above the estimate.

The contract will expire approximately three years after the mailing date of purchase order.

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 15-935-11 to K. A. Steel Chemicals, Inc., in an amount not to exceed \$765,063.00.

The bid deposit, in the amount of \$14,000.00, 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 2015 expenditure, in the amount of \$86,047.00, are available in Account 101-69000-623560. The estimated expenditures for 2016 are \$254,397.00, 2017 are \$254,397.00, and 2018 are \$170,222.00. Funds for the 2016, 2017 and 2018 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 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 August 6, 2015