



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

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Title: Authority to award Contract 19-612-22 (Re-Bid), Roof Restoration at the Lockport Powerhouse, to McDonagh Demolition, Inc., in an amount not to exceed \$452,000.00, Account 201-50000-645680, Requisition 1499333

Sponsors:

Indexes:

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Attachments: 1. Contract 19-612-22 Revised Appendix D and Appendix V Report.pdf

Date	Ver.	Action By	Action	Result
7/11/2019	1	Board of Commissioners	Approved	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF JULY 11, 2019

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to award Contract 19-612-22 (Re-Bid), Roof Restoration at the Lockport Powerhouse, to McDonagh Demolition, Inc., in an amount not to exceed \$452,000.00, Account 201-50000-645680, Requisition 1499333

Dear Sir:

On September 6, 2018, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids Contract 19-612-21, Roof Restoration at the Lockport Powerhouse.

On October 18, 2018, authorization to amend the Board Order of September 6, 2018 was approved by the Board of Commissioners.

In response to a public advertisement of January 16, 2019, a bid opening was held on February 26, 2019. All bids were rejected as reported at the April 18, 2019 Board meeting.

Based on further review of this contract by the Maintenance and Operations Department, and the bids received on February 26, 2019, the contract was re-advertised on April 17, 2019 with a cost estimate increase from \$240,000.00 to \$310,000.00.

In response to a public re-advertisement of April 17, 2019, a bid opening was held on May 14, 2019. The bid tabulation for this contract is:

MORTENSON ROOFING CO., INC.	\$354,880.00
MCDONAGH DEMOLITION INC.	\$452,000.00

One hundred eighty-five (185) companies were notified of this contract being advertised and twenty (20)

companies requested specifications.

The Affirmative Action Ordinance, Revised Appendix D goals for this contract are 20% Minority Business Enterprise (MBE), 9% Women Business Enterprise (WBE), 10% Small Business Enterprise (SBE) and 3% Veteran-Owned Business Enterprise (VBE).

A review by the Diversity Administrator revealed that Mortenson Roofing Co., Inc. (Mortenson), the apparent low bidder, did not comply with the goals of this contract as required. Mortenson offered 3% MBE, 0% WBE, 0% SBE and 0% VBE participation. Mortenson requested a waiver for the remaining MBE, WBE, SBE and VBE participation.

The waiver submitted by Mortenson was reviewed by the Diversity Administrator and denied for failing to provide an adequate good faith effort to meet the MBE, WBE and SBE goals in accordance with Section 12(e), of the Affirmative Action Ordinance, Revised Appendix D. Mortenson also failed to meet any VBE goals or provide good faith efforts for the Appendix V. The Director of Procurement and Materials Management concurs with the Diversity Administrator. Therefore, the bid is considered non-responsive and rejected under Section 12(e), (iii) (v) of the Revised Appendix D and Section 5, Good Faith Efforts of the Appendix V. The Director of Procurement and Materials Management has informed Mortenson Roofing Co., Inc., of this action.

McDonagh Demolition Inc., the lowest responsible bidder, is proposing to perform the contract in accordance with the specifications. The estimated cost for this contract was \$310,000.00, placing their bid of \$452,000.00 approximately 45.8% above the estimate.

McDonagh Demolition Inc., has executed the Lockport Project Labor Agreement (LPLA) Certificate as required. It is anticipated that the following trades will be utilized on this contract: roofers and carpenters. The list of construction trades is not intended to confer any rights or jurisdiction upon any union or unions.

McDonagh 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), Small Business Enterprise (SBE), and Veterans Business Enterprise (VBE) utilization attainments for this contract are 55% MBE, 9% WBE and bidder offers MBE credits to satisfy the SBE participation. McDonagh Demolition, Inc., submitted good faith efforts for VBE participation.

The contract will require approximately six to seven (6-7) people for the services.

The work under this contract shall commence upon approval of the Contractor's bond. The contract shall terminate one hundred fifty (150) days thereafter, or by December 31, 2019, or upon expenditure of available funds, whichever occurs first.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to award Contract 19-612-22 (Re-Bid) to McDonagh Demolition Inc., in an amount not to exceed \$452,000.00, 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.

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management, DAL:SEB:lga
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 11, 2019