



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

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Title: Issue purchase order for Contract 19-603-12 (Re-Bid), Furnishing and Delivering Roadway Rock Salt to Various Service Areas, Item 1 to Morton Salt, Inc., in an amount not to exceed \$36,405.60, Accounts 101-68000, 69000-623130, Requisitions 1517976 and 1518112

Sponsors:

Indexes:

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

TRANSMITTAL LETTER FOR BOARD MEETING OF NOVEMBER 7, 2019

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Issue purchase order for Contract 19-603-12 (Re-Bid), Furnishing and Delivering Roadway Rock Salt to Various Service Areas, Item 1 to Morton Salt, Inc., in an amount not to exceed \$36,405.60, Accounts 101-68000, 69000-623130, Requisitions 1517976 and 1518112

Dear Sir:

On May 16, 2019, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 19-603-11, Furnishing and Delivering Roadway Rock Salt to Various Service Areas, Items 1 and 2.

In response to a public advertisement of June 19, 2019, a bid opening was held on July 9, 2019. All bids were rejected as reported at the August 8, 2019 Board Meeting.

Authorization to decrease the cost estimate from \$125,060.00 to \$42,000.00 was granted at the August 8, 2019 Board Meeting. The contract was also reduced to 12 months from 30 months.

In response to a public re-advertisement of August 14, 2019, a bid opening was held on September 10, 2019. The bid tabulation for this contract is:

ITEM 1: BULK ROADWAY SALT

MORTON SALT, INC.	\$36,405.60
MIDWEST SALT LLC	*\$20,796,512.00

ITEM 2: THAWROX TYPE 2 TREATED SALT

MIDWEST SALT LLC	*\$1,224,200.00
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*corrected total

One hundred nine (109) companies were notified of this contract being advertised and fourteen (14) companies requested specifications.

Morton Salt, Inc., the lowest responsible bidder for Item 1, is proposing to perform the contract in accordance with the specifications. The estimated cost of Item 1 of this contract is \$33,000.00, placing their bid of \$36,405.60 is approximately 10.3 percent above the estimate.

Midwest Salt LLC, the sole bidder for Item 2, entered the extended price, not the unit price, where "written in words" is indicated in the contract. As stated on page 2 of the document, "written in words" amounts govern, consequently, the discrepancy considerably increases the extension price. Therefore, their bid is considered too high for award and rejected in the public's best interest. The Director of Procurement and Materials Management has informed Midwest Salt LLC of this action.

Item 2, Thawrox Type 2 Treated Salt, of this contract will be procured on the open market when needed.

The contract will be completed by October 31, 2020.

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

The Affirmative Action Ordinance, Revised Appendix D was not included in this contract because it is primarily a furnish and deliver contract.

There was no bid deposit required for this contract.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to issue purchase order for Contract 19-603-12 (Re-Bid), Item 1 to Morton Salt, Inc., in an amount not to exceed \$36,405.60.

Funds for the 2019 expenditure for Item 1, in the amount of \$18,500.00, are available in Accounts 101-68000, 69000-623130. The estimated expenditure for 2020 is \$17,905.60. Funds for the 2020 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 November 7, 2019