



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 19-641-12 (Re-Bid), Furnishing and Delivering Liquid Carbon Dioxide to the Stickney Water Reclamation Plant, to American Gases Corporation, in an amount not to exceed \$930,000.00, Account 101-69000-623560, Requisition 1525495

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
1/9/2020	1	Board of Commissioners	Approved	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF JANUARY 9, 2020

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Issue purchase order for Contract 19-641-12 (Re-Bid), Furnishing and Delivering Liquid Carbon Dioxide to the Stickney Water Reclamation Plant, to American Gases Corporation, in an amount not to exceed \$930,000.00, Account 101-69000-623560, Requisition 1525495

Dear Sir:

On August 8, 2019, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 19-641-11, Furnishing and Delivering Liquid Carbon Dioxide to the Stickney Water Reclamation Plant. The contract expires on December 31, 2022.

In response to a public advertisement of October 2, 2019, a bid opening was held on October 22, 2019. All bids were rejected as reported at the Board meeting of November 21, 2019.

In response to a public re-advertisement of November 27, 2019, a bid opening was held on December 17, 2019. The bid tabulation for this contract is:

AMERICAN GASES CORPORATION	*\$1,207,500.00
AMERICAN WELDING & GAS, INC.	\$1,311,800.00
*corrected total	

Two hundred seventy-two (272) companies were notified of this contract being advertised and five (5) companies requested specifications.

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 \$930,000.00.

American Gases Corporation, the lowest responsible bidder, is proposing to perform the contract in accordance with the specifications. The estimated cost for this contract was \$930,000.00, placing their bid of \$1,207,500.00 approximately 29.8 percent above the estimate. Bids for carbon dioxide are likely higher than estimated due to current economic conditions and the competitive commodities market. The Maintenance and Operations Department believes the bids show the current market price for carbon dioxide and that nothing would be gained from continuing to re-advertise the Contract. The Director of Procurement and Materials Management concurs.

The Multi-Project Labor Agreement is not applicable to this contract because it is primarily a furnish and deliver contract.

The Affirmative Action Ordinance, Revised Appendix D and Appendix V are not included in this contract because it is primarily 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 a purchase order for Contract 19-641-12 (Re-Bid) to American Gases Corporation, in an amount not to exceed \$930,000.00.

No bid deposit was required for this contract.

The contract shall begin five days after the mailing date of a purchase order, and terminate three-years thereafter, or upon expenditure of available funds, whichever occurs sooner.

Funds for the 2020 expenditures, in the amount of \$275,000.00, are available in Account 101-69000-623560. The estimated expenditures for 2021 are \$315,000.00, and for 2022 are \$340,000.00. Funds for the 2021 and 2022 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 January 9, 2020