



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

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Title: Report on rejection of bids for Contract 10-615-11, Steam Trap Inspection in the North, Calumet, and Stickney Service Areas, estimated cost \$70,000.00

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TRANSMITTAL LETTER FOR BOARD MEETING OF APRIL 15, 2010

COMMITTEE ON PROCUREMENT

Mr. Richard Lanyon, Executive Director

Report on rejection of bids for Contract 10-615-11, Steam Trap Inspection in the North, Calumet, and Stickney Service Areas, estimated cost \$70,000.00

Dear Sir:

On January 21, 2010, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 10-615-11 Steam Trap Inspection in the North, Calumet, and Stickney Service Areas.

In response to a public advertisement of February 17, 2010, a bid opening was held March 9, 2010. The bid tabulation for this contract is:

| | |
|-----------------------|--------------|
| STEAMGARD, LLC | \$64,200.00 |
| HAYES MECHANICAL, LLC | \$206,424.40 |

Two hundred seventy-six (276) companies were notified of this contract being advertised and nine (9) companies requested specifications.

The low bid submitted by Steamgard, LLC, contained a letter dated March 3, 2010, stating that the Multi-Project Labor Agreement (MPLA) does not apply to their bid because the work involved is for a survey and test of steam traps which excludes any construction services. On March 23, 2010, the District received a response letter which contained an alternate, modified bid which included pricing for union trade specific labor in order to comply with the MPLA. Based on the letters submitted, the bid from Steamgard, LLC, is considered non-responsive and was rejected in the public's best interest. The Director of Procurement and Materials

Management has notified Steamgard, LLC, of this action.

The second low bid submitted by Hayes Mechanical, LLC, revealed that their bid is approximately 294 percent above the contract estimate and is considered too high for an award. Therefore, their bid was rejected in the public's best interest. The Director of Procurement and Materials Management has notified Hayes Mechanical, LLC, of this action.

As a result, the Maintenance and Operations Department has determined that the Multi-Project Labor Agreement is not applicable to this contract and does not require union trades to perform the work. Therefore, the MPLA will not be included in the re-advertisement of this contract.

This contract will be revised and re-advertised in the near future.

Respectfully Submitted, Darlene A. LoCascio, Director of Procurement and Materials Management,
DAL:SEB:klv