



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

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TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 16, 2014

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to award Contract 10-885-AF (Re-Bid), Streambank Stabilization of I&M Canal Tributary D, to Path Construction Company, in an amount not to exceed \$1,124,000.00, Account 501-50000-645620, Requisition 1361988

Dear Sir:

On June 20, 2013, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 10-885-AF, Streambank Stabilization of I&M Canal Tributary D.

In response to a public advertisement of August 21, 2013, a bid opening was held on October 1, 2013. All bids were rejected as reported at the November 7, 2013 Board Meeting.

On June 19, 2014, the Board of Commissioners approved the increase of the cost estimate from \$394,575.00 to \$970,010.00.

In response to a public re-advertisement of July 9, 2014, a bid opening was held on August 19, 2014. The bid tabulation for this contract is:

PATH CONSTRUCTION COMPANY	\$1,124,000.00
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Six hundred and eighty-four (684) companies were notified of this contract being advertised and twenty-seven (27) companies requested specifications.

Path Construction Company, the sole bidder, is proposing to perform the contract in accordance with the specifications. The estimated cost for this contract was \$970,010.00, placing the bid of \$1,124,000.00, approximately 16 percent above the estimate.

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 meet the affirmative action requirements and not interested in this type of work.

After a thorough investigation of the bids, the District believes that the discrepancy between the engineer's estimate and the sole bid is due to the following factors, which were not taken into account in the engineer's final estimate:

- A shortage of qualified firms to perform the work under the complex site constraints.
- The estimate understated the risk associated with performing the work within limited site constraints.

- The estimate understated the possible difficulties associated with performing the work with heavy machinery on only one side of the creek.

The above factors could have increased the cost by as much as 20% above the engineer's estimate.

Path Construction Company is in compliance with the Affirmative Action Interim Ordinance Appendix D as indicated on the attached report. The Minority Business Enterprise (MBE), Women Business Enterprise (WBE) and Small Business Enterprise (SBE) utilization goals for this contract are 20 percent Minority Business Enterprise (MBE), 10 percent Women Business Enterprise (WBE) and the bidder offers WBE and MBE credits to satisfy SBE participation.

Path Construction Company has executed the Multi-Project Labor Agreement (MPLA) certificate as required. It is anticipated that the following construction trades will be utilized under this contract: laborers, carpenters and operating engineers. The list of construction trades is not intended to confer any rights or jurisdiction upon any union or unions.

The contract will require approximately ten (10) people for the services.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to award Contract 10-885-AF (Re-Bid) to Path Construction Company, in an amount not to exceed \$1,124,000, 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.

The estimated completion date is within 266 calendar days after approval of Contractor's Bond.

Funds are available in Account 501-50000-645620.

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 October 16, 2014

Attachments