



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 JUNE 2, 2016

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to award Contract 11-239-3S, Calumet Intercepting Sewer 19F Rehabilitation, CSA, to Insituform Technologies USA, LLC, in an amount not to exceed \$12,395,588.70, plus a five (5) percent allowance for change orders in an amount of \$619,779.43, for a total amount not to exceed \$13,015,368.13, Account 401-50000-645700, Requisition 1399616

Dear Sir:

On June 18, 2015, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 11-239-3S, Calumet Intercepting Sewer 19F Rehabilitation, CSA.

In response to a public advertisement of December 2, 2015, a bid opening was held on February 9, 2016. The bid tabulation for this contract is:

SAK CONSTRUCTION, LLC	\$11,734,815.00
INSITUFORM TECHNOLOGIES USA, LLC	\$12,395,588.70
KENNY CONSTRUCTION COMPANY	\$29,887,887.00

Six hundred and three (603) companies were notified of this contract being advertised and fifty-five (55) companies requested specifications.

The Minority Business Enterprise (MBE), Woman Business Enterprise (WBE), and Small Business Enterprise (SBE) utilization goals for this contract are 2% MBE, 2% WBE, and 10% SBE.

The low bid, submitted by SAK Construction, LLC (SAK), requested a partial waiver for the MBE goal attainment. SAK offered .001% MBE participation, 13% WBE participation, and 13% SBE participation based on the Diversity Administrator's review of the utilization plan.

The Diversity Administrator reviewed the partial waiver request for MBE participation and denied the waiver, indicating that SAK did not make a good faith effort to attain MBE participation in accordance to Section 12 (e), of the Affirmative Action Ordinance, Revised Appendix D. The Director of Procurement and Materials Management concurs with the Diversity Administrator. Therefore, the bid was considered non-responsive and rejected in accordance with the Affirmative Action Ordinance, Revised Appendix D, Section 13(a) (ii). The Director of Procurement and Materials Management has notified SAK Construction, LLC of this action.

The second low bidder, Insituform Technologies USA, LLC, is proposing to perform the contract in accordance with the specifications. The estimated cost for the contract was \$12,000,000.00, placing their bid of \$12,395,588.70 approximately 3.3 percent above the estimate.

Insituform Technologies USA, LLC 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), and Small Business Enterprise (SBE) utilization goals for this contract are 2 percent MBE, 10 percent WBE and the bidder offers WBE credits to satisfy SBE participation.

Insituform Technologies USA, LLC has executed the Multi-Project Labor Agreement (MPLA) certificate as required. It is anticipated that all construction trades will be utilized under this contract, with the exception of boilermaker, brick mason, construction machinist, elevator constructor, iron worker ornamental, marble setter, and terrazzo worker. The list of construction trades is not intended to confer any rights or jurisdiction upon any union or unions.

The contract will require approximately one hundred twenty-two (122) 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 11-239-3S to Insituform Technologies USA, LLC, in an amount not to exceed \$12,395,588.70, plus a five (5) percent allowance for change orders in an amount of \$619,779.43, for a total amount not to exceed \$13,015,368.13, 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 contract specifications require all work to be completed within 620 calendar days after approval of the Contractor's Bond.

Funds are available in Account 401-50000-645700.

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 June 2, 2016

Attachments