



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 SEPTEMBER 6, 2018

COMMITTEE ON PROCUREMENT

Mr. John P. Murray, Acting Executive Director

Authorization to Continue Participation in the State of Illinois Online Auction Program (iBid) for Surplus Material

Dear Sir:

The State of Illinois Treasurer's Office has informed the District that the State of Illinois has selected a new vendor to provide electronic payment services to participants of the Treasurer's E-Pay Program. iBid is part of that program. The name of the vendor is Jetpay Payment Services, FL, LLC (Jetpay). The process of selection went through an RFP process. The date of award was in January 2017 for a six-year term with four one-year renewal options. It took several months to transition to the new vendor.

The District has participated in the iBid online auction program to sell surplus material and equipment since June 5, 2008 upon Board approval. At the September 3, 2009 Board meeting, authorization to amend the existing agreement with the State of Illinois (State) was granted due to the State changing to a new vendor as the merchant vendor for the iBid program.

Since the State of Illinois, through the Treasurer's Office, has a new vendor for their E-Pay program, authorization is being requested to execute the new merchant agreement with Jetpay and any other documents the Treasurer's Office may require in order to continue participation with the iBid program at the District.

The District pays the following fees for participation: 2% of gross sales to the State of Illinois (Central Management Services), approximately 2.5% of gross sales to Jetpay, and ten cents (\$0.10) per deposit to the District's Bank account with Illinois National Bank. The 2% administrative fee imposed by the State of Illinois is fee for marketing and maintaining the iBid program, and the 2.5% fee imposed by Jetpay represents the merchant service fee for processing credit card payments from customers.

The District has generated approximately \$938,394.00 of revenue from June of 2008 to August of 2018 via the iBid program. The iBid program has been a tremendous success for the District. It has produced value for the taxpayers by optimizing revenue for surplus material and equipment that otherwise may be scrapped at a lower value.

In view of the foregoing, authorization is being requested to continue the District's participation in the iBid program and execute the merchant agreement with Jetpay.

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 September 6, 2018