

Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street Chicago, IL 60611

Legislation Text

File #: 20-0821, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 1, 2020

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to Advertise Contract 20-RFP-28 Biogas Combined Heat and Power System, EWRP, estimated cost \$2,000,000.00, Accounts 101-50000-612490, 401-50000-612450, 401-50000-645650, Requisition 1549345

Dear Sir:

Request for Proposal (RFP) documents have been prepared for Biogas Combined Heat and Power System at Egan Water Reclamation Plant (EWRP), at the request of the Engineering Department.

Combined Heat and Power (CHP), also known as cogeneration, is the simultaneous production of electricity and thermal energy from a fuel source, such as natural gas or biogas. CHP is not a single technology, but an energy system that can be modified depending on the needs of the energy end user.

The purpose of this contract is to solicit proposals from qualified engineering, procurement, and construction (EPC) contractors to design, fabricate, deliver, permit, install, and maintain a combined heat and power (CHP) system at EWRP. The system will beneficially utilize excess biogas, in lieu of gas-flaring, to produce electricity to offset EWRP operating energy costs. Additionally, the system will recover heat generated by the CHP engine for beneficial reuse at the plant, such as heating boiler make-up water or to pre-heat sludge entering the digester facilities.

The RFP requests a turnkey design-build approach by the selected contractor. The successful proposer will clearly define an operating strategy for utilization of all biogas currently produced on site, considering also the use of supplemental natural gas; develop sizing and design recommendations for a CHP system along with schematic drawings; provide recommendations for a biogas pretreatment system; identify equipment suppliers; provide detailed cost estimates, production rates, and performance guarantees; and identify financing mechanisms and grant opportunities for the project. Additionally, the RFP includes a three (3) year maintenance agreement on the CHP system.

The estimated cost for this RFP contract is \$2,000,000.00.

A bid deposit is not required for this RFP. The contract requires that all work be completed in 470 calendar days upon the award of the purchase order, exclusive of the maintenance agreement.

Appendix A and Appendix V will be included in this RFP. The type of work to be performed under this contract is within the professional services category for establishing Minority-owned Business Enterprises (MBE), Women-owned Business Enterprises (WBE), Small Business Enterprises (SBE), and Veteran-owned Business Enterprise goals. The affirmative action goals for this contract are: 20 percent MBE, 10 percent WBE, 10 percent SBE, and 3 percent VBE.

The tentative schedule for this contract is as follows:

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Advertise October 28, 2020 Proposals Received December 4, 2020

Award March 2021 Completion July 2022

Funds for the current year are available in Accounts 101-50000-612490, 401-50000-612450, and 401-50000-645650. Funds for subsequent years, 2022, 2023, and 2024 will be \$83,400.00, \$83,300.00, and \$83,300.00 respectively, are contingent on the Board of Commissioners' approval of the District's budget for those years.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to advertise Contract 20-RFP-28.

Requested, Catherine A. O'Connor, Director of Engineering, WSS:KMF Respectfully Submitted, Darlene A. LoCascio, Director of Procurement and Materials Management

Attachment