



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 10-0897, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 12, 2010

COMMITTEE ON PROCUREMENT

Mr. Richard Lanyon, Executive Director

Authority to award Contract 10-830-11, Maintenance and Repair Services for Overhead Cranes and Hoists in the Calumet Service Area, to Sievert Electric Service and Sales Co., in an amount not to exceed \$124,500.00, Account 101-68000-612650, Requisition 1297551

Dear Sir:

On May 6, 2010, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 10-830-11 Maintenance and Repair Services for Overhead Cranes and Hoists in the Calumet Service Area.

In response to a public advertisement of June 2, 2010, a bid opening was held on June 22, 2010. The bid tabulation for this contract is:

SIEVERT ELECTRIC SERVICE AND SALES COMPANY \$123,507.00

One hundred seventy-two (172) companies were notified of the contract being advertised and four (4) companies requested specifications.

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: scope of work was more than they could handle at this time, and did not seem like the job would be profitable. In light of these findings, the Director of Procurement and Materials Management is of the opinion that the bid received is a fair and reasonable price, and nothing would be gained by rejecting the sole bid and re-advertising this contract.

The quantities specified in the contract documents were used for the purpose of comparing bids and establishing unit prices. The total amount to be expended on this contract, should usage differ from the estimated quantities, is not to exceed \$124,500.00.

Sievert Electric Service and Sales Co., the lowest responsible bidder, is proposing to perform the contract, in accordance with the specifications. The estimated cost for this contract was \$124,500.00, placing the bid of \$123,507.00, approximately 1 percent below the cost estimate.

Sievert Electric Service and Sales Co., has executed the Multi-Project Labor Agreement certificate, as required. It is anticipated that the following trades will be utilized on this contract: crane repairmen. The utilization of any construction trades is not intended to confer any rights or jurisdiction upon any union or unions.

The Revised Appendix D was not be included in this contract due to the specialized nature of the specified

services.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to award Contract 10-830-11 to Sievert Electric Service and Sales Co., in an amount not to exceed \$124,500.00, 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.

Funds for the 2010 expenditures, in the amount of \$17,300.00, are available in Account 101-68000-612650. The estimated expenditure for 2011 is \$41,500.00, for 2012 is \$41,500.00 and for 2013 is \$24,200.00. Funds for the 2011, 2012, and 2013 expenditures are contingent on the Board of Commissioners' approval of the District's budget for those years.

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management, DAL:SEB:klv
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 August 12, 2010