



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 DECEMBER 16, 2010

COMMITTEE ON PROCUREMENT

Mr. Richard Lanyon, Executive Director

Authority to award Contract 11-021-11, Item 1, Furnish and Deliver Unleaded Gasoline to Various Locations for a One (1) Year Period to Petroleum Traders Corporation, in an amount not to exceed \$268,000.00, Accounts 101-20000, 66000-623820

Dear Sir:

On October 21, 2010, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 11-021-11 Furnish and Deliver Unleaded Gasoline to Various Locations for a One (1) Year Period, beginning approximately January 1, 2011 and ending December 31, 2011.

In response to a public advertisement of November 3, 2010, a bid opening was held on November 16, 2010. The bid tabulation for this contract is:

ITEM 1: TRUCK TRANSPORT DELIVERY
PETROLEUM TRADERS CORPORATION

\$299,196.00

ITEM 2: TANK WAGON DELIVERY
NO BIDS RECEIVED

One hundred fifty-three (153) companies were notified of this 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 product has been adequately solicited. A planholders' survey revealed the following reasons for not bidding; Two bids were received after the bid opening for this contract. 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 for Item 1.

Petroleum Traders Corporation, the sole responsible bidder for Item 1, is proposing to perform the contract in accordance with the specifications. The estimated cost for Item 1 of this contract was \$268,000.00, placing the total bid of \$299,196.00 approximately 11.6 percent above the estimate.

The Multi-Project Labor Agreement (MPLA) is not applicable to this contract because it is primarily a furnish and deliver contract.

Revised Appendix D is not included in this contract because it is primarily a furnish and deliver contract.

Petroleum Traders Corporation is registered and in good standing with the State of Illinois.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to award Contract 11-021-11, for Item 1, to Petroleum Traders Corporation, in an amount not to exceed \$268,000.00.

The bid deposit in the amount of \$13,400.00 will be retained in lieu of a performance bond, which is satisfactory to the Law Department and approved by the Director of Procurement and Materials Management. Purchase orders will be issued for the material as required. Payment will be based on the unit cost as indicated in the contract documents.

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, for Item 1, should usage differ from the estimated quantities, is not to exceed \$268,000.00.

Item 2, Tank Wagon Delivery, will be re-advertised at a future date.

Funds are being requested in 2011, in Accounts 101-20000, 66000-623820 and are contingent on the Board of Commissioners' approval of the District's budget for that year

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management, DAL:SEB:JN:bk
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 December 16, 2010