



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

File #: 22-0662 **Version:** 1

Type: Agenda Item **Status:** Adopted

File created: 7/17/2022 **In control:** Procurement Committee

On agenda: 8/11/2022 **Final action:** 8/11/2022

Title: Issue purchase orders for Contract 22-604-11, Furnish and Deliver HVAC Coils to Various Locations, to Affiliated Steam Equipment Co. d/b/a Affiliated Steam & Hot Water, in an amount not to exceed \$192,516.20, Accounts 101-67000, 68000, 69000-623270, Requisitions 1580046, 1580047, 1580048

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
8/11/2022	1	Board of Commissioners	Approved	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 11, 2022

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Issue purchase orders for Contract 22-604-11, Furnish and Deliver HVAC Coils to Various Locations, to Affiliated Steam Equipment Co. d/b/a Affiliated Steam & Hot Water, in an amount not to exceed \$192,516.20, Accounts 101-67000, 68000, 69000-623270, Requisitions 1580046, 1580047, 1580048

Dear Sir:

On April 21, 2022, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids for Contract 22-604-11, Furnish and Deliver HVAC Coils to various locations.

In response to a public advertisement of June 1, 2022, a bid opening was held on June 28, 2022. The bid tabulation for this contract is:

GUNN & PEGELOW, INC.	*\$157,230.00	
AFFILIATED STEAM EQUIPMENT CO. d/b/a AFFILIATED STEAM AND HOT WATER		\$192,516.20
*corrected total		

The low bidder, Gunn & Pegelow, Inc., submitted a bid which did not comply with the terms and conditions of the contract documents. Gunn & Pegelow, Inc. excluded accessories for the coils such as freezestat that was required in the specifications. Bidders were cautioned not to qualify their bids by modifying the contract documents, either by alterations, by supplemental statements or by adding additional terms and conditions. Therefore, the bid submitted by Gunn and Pegelow, Inc., is rejected for failing to comply with the contract documents and is in the public's best interest. The Director of Procurement and Materials Management has notified Gunn & Pegelow, Inc., of this action.

Affiliated Steam & Hot Water, the lowest responsible bidder, is proposing to perform the contract in accordance with the specifications. The estimated cost for this contract is \$177,782.00, placing their bid of \$192,516.20 approximately 8 percent above the estimate.

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

The Affirmative Action Ordinance, Revised Appendix D applies only to construction contracts over a \$100,000.00 threshold. These sections on page D-5 of the Ordinance address the types of covered contracts:

- Section 4, Coverage: The following provisions, to be known as "Appendix D" together with relevant forms shall apply and be appended to every construction contract awarded by the District where the estimated total expenditure is in excess of \$100,000.00, except contracts let in the event of an emergency contract pursuant to 70 ILCS 2605/11.5."
- Section 5. Definitions: (g) "Construction contract" means any District contract or amendment thereto, providing for a total expenditure in excess on One Hundred Thousand Dollars (\$100,000.00) for the construction, demolition, replacement, major repair or renovation and maintenance of real property and improvement thereon or sludge hauling and any other related contract which the District deems appropriate to be subject to Appendix D consistent with the Ordinance.

The contractor shall complete delivery of all coils within 180 calendar days after receipt of the purchase order and approval of drawings.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to issue purchase order for Contract 22-604-11 to Affiliated Steam & Hot Water, in an amount not to exceed \$192,516.20.

Funds for the expenditure are available in Accounts 101-67000, 68000, 69000-623270.

Requested, John P. Murray, Director of Maintenance and Operations

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management, DAL:SEB:bn

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 11, 2022