



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Details (With Text)

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**File created:** 4/10/2018 **In control:** Procurement Committee  
**On agenda:** 5/3/2018 **Final action:** 5/3/2018  
**Title:** Issue purchase order for Contract 18-935-12 (Re-Bid), Furnishing and Delivering Sodium Hydroxide, to Olin Corporation, in an amount not to exceed \$5,045,312.00, Account 101-69000-623560, Requisition 1460504 (Deferred from the April 19, 2018 Board Meeting)

**Sponsors:**

**Indexes:**

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**Attachments:**

Date	Ver.	Action By	Action	Result
5/3/2018	1	Board of Commissioners	Approved	Pass
5/3/2018	1	Committee of the Whole	Recommended	Pass
4/19/2018	1	Board of Commissioners	Deferred	
4/19/2018	1	Committee of the Whole	Deferred	

### TRANSMITTAL LETTER FOR BOARD MEETING OF MAY 3, 2018

#### COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue purchase order for Contract 18-935-12 (Re-Bid), Furnishing and Delivering Sodium Hydroxide, to Olin Corporation, in an amount not to exceed \$5,045,312.00, Account 101-69000-623560, Requisition 1460504 (Deferred from the April 19, 2018 Board Meeting)

Dear Sir:

On November 16, 2017, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids Contract 18-935-11, Furnishing and Delivering Sodium Hydroxide.

In response to a public advertisement of November 29, 2017, a bid opening was held on December 19, 2017. The sole bid was rejected, as reported, at the Board meeting of January 18, 2018.

At the Board meeting of January 18, 2018, the Board of Commissioners granted approval to reduce the estimated cost of the contract from \$5,100,000.00 to \$3,400,000.00 and reduce the contract period from three years to two years.

In response to a public re-advertisement of January 24, 2018, a bid opening was held on February 13, 2018. The bid tabulation for this contract is:

OLIN CORPORATION	\$5,045,312.00
ROWELL CHEMICAL CORPORATION	\$5,087,635.00

Three hundred thirty five (335) companies were notified of this contract being advertised and twenty (20) companies requested specifications.

Olin Corporation, the lowest responsible bidder, is proposing to perform the contract in accordance with the specifications. The estimated cost for this contract was \$3,400,000.00, placing the bid of \$5,045,312.00 approximately 48.4 percent above the estimate. The reason for the higher bid is due to a large increase in raw material costs since November of 2017.

The contract will expire approximately twenty-four months after the mailing date of purchase order.

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

The Affirmative Action Ordinance, Revised Appendix D is not applicable to this contract because it is primarily a furnish and deliver contract.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to issue a purchase order for Contract 18-935-12 (Re-Bid) to Olin Corporation in an amount not to exceed \$5,045,312.00.

The bid deposit, in the amount of \$102,000.00, 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.

Funds for the 2018 expenditure, in the amount of \$1,480,600.00, are available in Account 101-69000-623560. The estimated expenditures for 2019 are \$2,500,000.00, and for 2020 are \$1,064,712.00. Funds for the 2019 and 2020 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: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 May 3, 2018