



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 AUGUST 31, 2017

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Issue purchase order for Contract 17-633-11 Furnish and Deliver Polymer, to Polydyne Inc., in an amount not to exceed \$15,222,008.95, Accounts 101-67000, 68000, 69000-623560, Requisitions 1464035, 1464238 and 1464049

Dear Sir:

On June 15, 2017, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise for bids, Contract 17-633-11 Furnish and Deliver Polymer.

In response to a public advertisement of July 26, 2017, a bid opening was held on August 15, 2017. The bid tabulation for this contract is:

	<u>Product Designation</u>	<u>Unit (cost \$/LB.)</u>	<u>Bid Extension</u>
<u>GROUP A - SUMMER POLYMER</u>			
POLYDYNE INC. (Item 1)	CE 1520	\$0.110	\$6,954,310.00
<u>GROUP B - WINTER POLYMER</u>			
POLYDYNE INC. (Item 2)	CE 1830	\$0.105	\$8,267,698.95

Three hundred seventeen (317) companies were notified of the contract being advertised and ten (10) 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: do not provide polymer and could not bid competitively. 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.

Polydyne Inc., the lowest responsible bidder for Groups A and B, is proposing to perform the contract, in accordance with the specifications. The estimated cost for this contract was \$23,931,600.00, placing the total bid of \$15,222,008.95, approximately 36.4 percent below the estimate.

The Multi-Project Labor Agreement (MPLA) was not included in the contract because it is a furnish and deliver contract.

The Affirmative Action Ordinance, Revised Appendix D was not included in 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 purchase orders for Contract 17-633-11 to Polydyne Inc., in an amount not to exceed \$15,222,008.95.

The bid deposit, in the amount of \$480,000.00 for Groups A and B, shall 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.

The contractor shall commence work within 5 days after the purchase order mailing date and terminate December 31, 2020 or upon expenditure of available funds, whichever occurs sooner.

Funds for the 2017 expenditure for Group A, in the amount of \$2,107,328.81, are available in Accounts 101-67000, 69000-623560. The estimated expenditures for 2018 are \$2,347,070.36, for 2019 are \$2,328,910.83 and 2020 are \$171,000.00. Funds for 2018, 2019 and 2020 expenditures are contingent on the Board of Commissioners' approval of the District's budget for those years.

Funds for the 2018 expenditure for Group B, in the amount of \$58,658.40, are available in Accounts 101-68000-623560. The estimated expenditures for 2018 are \$3,324,182.35, for 2019 are \$3,342,341.89 and 2020 are \$1,542,516.31. Funds for 2018, 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:st
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 31, 2017