



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 JUNE 1, 2023

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authorization to increase cost estimate for Contract 22-902-21, Influent Gate Demolition at the Stickney Water Reclamation Plant, from \$739,000.00 to \$1,571,000.00, Account 201-50000-645700, Requisition 1581771

Dear Sir:

On June 16, 2022, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise Contract 22-902-21, Influent Gate Demolition at the Stickney Water Reclamation Plant, at an estimated cost of \$739,000.00. The contract was advertised on August 24, 2022, and no bids were received. The contract was revised to include videos of the project scope and the site conditions. The contract was re-advertised and the sole bids was received on May 2, 2023. As reported to the Board of Commissioners at the meeting of May 18, 2023, the sole bid was deemed too high to award and in the best interest of the District to reject the bid and further re-evaluate the contract for re-advertisement. It should be noted that during the planholder survey one potential bidder indicated they did not submit a bid as they felt the District's estimate was too low.

Upon further evaluation and review of assumptions made for the initial estimate, it was determined the District did not adequately account for various aspects associated with the uniqueness of this type of project. For example, the multiple levels below ground increases the manpower needed to monitor the double confined space entry and the time to complete the job. The extended time increases items such as crane rental and traffic control that also increases the project costs. Based on these factors, a new estimate was prepared. The revised estimated cost for this contract is \$1,571,000.00. The estimated expenditures in 2023 and 2024 are \$739,000.00 and \$832,000.00, respectively.

The Multi-Project Labor Agreement (MPLA) will be included in this contract.

The Affirmative Action Ordinance, Revised Appendix D and Appendix V will be included in this contract. The type of work to be performed under the contract is within the "Construction Services" category for establishing Minority-owned Business Enterprises (MBE), Women-owned Business Enterprises (WBE), and Veteran-owned Business Enterprises (VBE) utilization goals. The utilization goals for this contract are: 20% MBE, 10% WBE, and 3% VBE.

The tentative schedule for this contract is as follows:

Re-Advertise	June 28, 2023
Bid Opening	July 25, 2023
Award	August 10, 2023
Completion	December 31, 2024

Funds are available in 2023 in Account 201-50000-645700. Funds for the subsequent year, 2024, are

contingent on the Board of Commissioners' approval of the District's budget for that year.

In view of the foregoing, it is recommended that the Director of Procurement and Materials Management be authorized to increase the cost estimate for Contract 22-902-21 from \$739,000.00 to \$1,571,000.00.

Requested, John P. Murray, Director of Maintenance and Operations, EJS:JS:MAG:JR:RD

Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management

Respectfully Submitted, Marcelino Garcia, 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 June 1, 2023

Attachment