



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Details (With Text)

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Title: Authority to increase Contract 03-296-3M, Installation of Central Boiler Facility at Calumet Water Reclamation Plant, to IHC Construction Companies LLC, in an amount of \$100,000.00, from an amount of \$29,394,254.83, to an amount not to exceed \$29,494,254.83, Account 401-50000-645650, Purchase Order 5000458

Sponsors:

Indexes:

Code sections:

Attachments: 1. CO 03-296-3M

| Date | Ver. | Action By | Action | Result |
|-----------|------|------------------------|-------------|--------|
| 8/12/2010 | 1 | Committee of the Whole | Recommended | Pass |
| 8/12/2010 | 1 | Board of Commissioners | Approved | Pass |

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 12, 2010

COMMITTEE ON PROCUREMENT

Mr. Richard Lanyon, Executive Director

Authority to increase Contract 03-296-3M, Installation of Central Boiler Facility at Calumet Water Reclamation Plant, to IHC Construction Companies LLC, in an amount of \$100,000.00, from an amount of \$29,394,254.83, to an amount not to exceed \$29,494,254.83, Account 401-50000-645650, Purchase Order 5000458

Dear Sir:

On September 22, 2005, the Board of Commissioners authorized the Director of Procurement and Materials Management to award Contract 03-296-3M, to IHC Construction Companies, LLC, in an amount not to exceed \$25,844,400.00. The contract terms called for the completion of all work by April 20, 2008.

As of July 9, 2010, the attached list of change orders has been approved. The effect of these change orders resulted in an increase in the amount of \$3,549,854.83 from the original amount awarded of \$25,844,400.00. The current contract value is \$29,394,254.83. The prior approved change orders reflect a 13.74% increase to the original contract value.

On December 18, 2008, the Board authorized a change order under this contract to complete the forfeited Contract 00-275-2V, New Research & Development Lab Building at Calumet WRP, for an amount of \$960,251.00. That change order was premised upon correction of the known deficiencies at the time of default and the effort required to complete the contract work on a time and materials basis. Due to the forfeiture, no warranty was provided by the original contractor. The laboratory is now substantially complete and this change order provides services for possible repair of defective or failed original work put in place by the original contractor. This remedial work will be done on a time and material basis for a period of time up to and including March 31, 2011.

The contractor submitted an extra work cost proposal (COR-275-51) based on a time and material basis in an amount not to exceed \$100,000.00. The Engineer reviewed the proposal, found it to be reasonable, and stated via file letter 837, that the Engineering Department would recommend its approval.

This change order is in compliance with the Illinois Criminal Code since the change is due to circumstances not reasonably foreseeable at the time the contract was signed, and is in the best interest of the District.

It is hereby recommended that the Board of Commissioners authorize the Director of Procurement and Materials Management to execute a change order to increase Contract 03-296-3M in an amount of \$100,000.00 (0.34% of the current contract value), from an amount of \$29,394,254.83, to an amount not to exceed \$29,494,254.83.

Funds are available in Account 401-50000-645650.

Requested, Kenneth A. Kits, Director of Engineering, MVL:CH

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

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 12, 2010

Attachment