



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 purchase order for Contract 97-362-1S O'Hare TARP Drop Shaft 5 Rehabilitation, to Rausch Construction Company, Inc. in an amount of \$103,410.88, from an amount of \$1,713,043.00 to an amount not to exceed \$1,816,453.88, Account 201-50000-645700 and 612490, Purchase Order 5000162

Sponsors:

Indexes:

Code sections:

Attachments: 1. Change Order Log Report_0001.pdf, 2. Principal Amount_0001.pdf

Date	Ver.	Action By	Action	Result
1/21/2010	1	Committee of the Whole	Recommended	Pass
1/21/2010	1	Board of Commissioners	Approved	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF JANUARY 21, 2010

COMMITTEE ON PROCUREMENT

Mr. Richard Lanyon, Executive Director

Authority to increase purchase order for Contract 97-362-1S O'Hare TARP Drop Shaft 5 Rehabilitation, to Rausch Construction Company, Inc. in an amount of \$103,410.88, from an amount of \$1,713,043.00 to an amount not to exceed \$1,816,453.88, Account 201-50000-645700 and 612490, Purchase Order 5000162

Dear Sir:

On November 20, 2003 the Board of Commissioners authorized the Director of Procurement and Materials Management to issue a purchase order for Contract 97-362-1S O'Hare TARP Drop Shaft 5 Rehabilitation to Rausch Construction Company, Inc., in an amount not to exceed \$1,816,453.88. The contract expires on March 31, 2006 (by Judicial Decree).

As of January 19, 2010, the attached list of change orders has been approved. The effect of these change orders resulted in a decrease in the amount of \$957.00 from the original amount awarded of \$1,714,000.00. The current contract value is \$1,713,043.00. The prior approved change orders reflect a 0.06% decrease to the original contract value.

This change order for \$103,410.88 is for Extended General Conditions and is needed in order to provide sufficient funding to closeout this project. In litigation, the Judge made an award that mixed 1) the payment of previously approved funds, 2) approving change orders for additional funds and then 3) took contract penalties in such a way as there is no clear line item in the current contract schedule of values to actually make the full payment of the judgment. The change orders approved by the Judge were not in the normal scope of the contract and therefore lack the normal backup and documentation to present to the Board. Extended General Conditions was chosen as a change order for Board approval from the list of those used by the Judge

(attached) in the award as a line item that would provide sufficient funds to close the contract. There is no further justification for this change order.

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 the purchase order for Contract 92-362-1S in an amount of \$103,410.88 (6.0% of the current contract value) from an amount of \$1,713,043.00 to an amount not to exceed \$1,816,453.88.

Funds are available in Account 201-50000-645700 and 612490.

Requested, Joseph P. Sobanski, Director of Engineering, KAK:RL

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 January 21, 2010

Attachments