



# Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street  
Chicago, IL 60611

## Legislation Details (With Text)

**File #:** 14-0796 **Version:** 1  
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**File created:** 7/24/2014 **In control:** Procurement Committee  
**On agenda:** 8/7/2014 **Final action:** 8/7/2014  
**Title:** Authority to increase Contract 04-202-4F Connecting Tunnels & Gates, Thornton Composite Reservoir, Calumet Service Area, to Walsh/II in One, Joint Venture, in an amount of \$602,146.45, from an amount of \$135,475,524.47, to an amount not to exceed \$136,077,670.92, Account 401-50000-645600, Purchase Order 5001136

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. CO 04-202-4F.pdf

Date	Ver.	Action By	Action	Result
8/7/2014	1	Board of Commissioners	Approved	Pass
8/7/2014	1	Committee of the Whole	Recommended	Pass

### TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 7, 2014

#### COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to increase Contract 04-202-4F Connecting Tunnels & Gates, Thornton Composite Reservoir, Calumet Service Area, to Walsh/II in One, Joint Venture, in an amount of \$602,146.45, from an amount of \$135,475,524.47, to an amount not to exceed \$136,077,670.92, Account 401-50000-645600, Purchase Order 5001136

Dear Sir:

On May 6, 2010, the Board of Commissioners authorized the Director of Procurement and Materials Management to award Contract 04-202-4F Connecting Tunnels & Gates, Thornton Composite Reservoir, Calumet Service Area, to Walsh/II in One, Joint Venture, in an amount not to exceed \$135,475,200.00. The scheduled contract completion date is May 14, 2015.

As of July 11, 2014, the attached list of change orders has been approved. The effect of these change orders resulted in an increase in an amount of \$324.47 from the original amount awarded of \$135,475,200.00. The current contract value is \$135,475,524.47. The prior approved change orders reflect a 0.0002% increase to the original contract value.

On June 14, 2011, an explosion occurred at the existing Thornton Construction Shaft, located at the end of the Indiana Avenue TARP tunnel. The contractor, Walsh/II in One, Joint Venture, had been performing construction adjacent to the construction shaft under the contract 04-202-4F and was engaged in excavating a gate shaft at the time of this incident. The explosion shot off the existing shaft cover and littered debris across the whole area causing damage to the Contractor's equipment. In addition, the Contractor was directed to stop contract work on the job site until August 11, 2011, when the site was declared safe to resume construction work.

Under the emergency contract 11-800-02, the contractor was paid \$49,233.12 for clean-up work and other temporary repairs to the District's property necessary after the explosion. The contractor submitted a claim for additional compensation in the amount of \$1,071,981.99 to recover the costs for damages to his equipment and for the extra costs incurred due to the shut-down of construction activities during the time of the stop work order. The extra costs consisted of ownership and routine maintenance of the equipment to remain on site, protection and maintenance of work in place, relocation of equipment within the shaft area, bond and insurance costs during the delay caused by the explosion and other documented miscellaneous expenses. However, after engaging in settlement negotiations, the contractor has agreed to accept \$602,146.45 in full settlement and compromise of any and all claims and liens it has against the District relating to the June 14, 2011 shaft explosion. Prior to remittance, Walsh/II in One, Joint Venture will be required to sign a Release and Settlement Agreement.

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 04-202-4F in an amount of \$602,146.45 (0.44% of the current contract value), from an amount of \$135,475,524.47, to an amount not to exceed \$136,077,670.92.

Funds are available in Account 401-50000-645600.

Requested, Catherine A. O'Connor, Director of Engineering, WSS:KMF

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 7, 2014

Attachment