



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 7, 2014

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to decrease Contract 06-494-3P Centrifuge Building and Sludge Loading System Upgrades at the Egan Water Reclamation Plant and the Hanover Park Water Reclamation Plant, North Service Area, to IHC Construction Companies, LLC in an amount of \$243,221.21, from an amount of \$9,152, 582.71, to an amount not to exceed \$8,909,361.50, Accounts 201-50000-645650, 401-50000-645650 and 645750, Purchase Order 5001400

Dear Sir:

On March 7, 2013, the Board of Commissioners authorized the Director of Procurement and Materials Management to award Contract 06-494-3P Centrifuge Building and Sludge Loading System Upgrades at the Egan Water Reclamation Plant and the Hanover Park Water Reclamation Plant (WRP), North Service Area, to IHC Construction Companies, LLC, in an amount not to exceed \$9,044,000.00. The scheduled contract completion date is March 25, 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 \$108, 582.71 from the original amount awarded of \$9,044,000.00. The current contract value is \$9,152, 582.71. The prior approved change orders reflect a 1.20% increase to the original contract value.

Item 1: A credit in the amount of \$280,428.00 to eliminate all work associated with the existing ferric chloride system for the centrifuges at the Egan WRP. The work that is eliminated includes the demolition and replacement of three existing ferric chloride pumps and skid, two existing ferric chloride storage tanks, and associated electrical, piping and control systems. Also eliminated from the contract are modification to the secondary containment wall and application of a secondary containment epoxy liner. Due to a solids treatment process change utilizing carbon dioxide instead of ferric chloride, the replacement and upgrade of the existing ferric chloride system is no longer required. The contractor submitted a cost proposal (CCO-002) for a credit in the amount of \$280,428.00. The engineer reviewed the proposal, found it to be reasonable, and stated via correspondence 304, that the Engineering Department would recommend its approval.

Item 2: A net extra of \$12,131.00 to increase the size of the variable frequency drives (VFDs) from 7.5 HP to 15.0 HP for four Return Activated Sludge (RAS) pumps at the Hanover Park WRP. Resizing the VFDs also requires resizing of the cables and circuit breakers for all four RAS pumps. Pumps required 15.0 HP VFDs as specified in Division 11 Specification, but Division 16 only specified 7.5 HP VFDs. Changes are necessary to correct this conflict. The contractor submitted a revised cost proposal (CCO-003.2) for an extra in the amount of \$86,217.00, and a credit in the amount of \$74,086.00, for a net extra of \$12,131.00. The engineer reviewed the proposal, found it to be reasonable, and stated via correspondence 330, that the Engineering Department would recommend its approval.

The above two change orders are in compliance with the Illinois Criminal Code since the changes are due to

circumstances not reasonably foreseeable at the time the contract was signed, and are in the best interest of the District.

Item 3: An extra in the amount of \$25,075.79 to relocate four RAS pumps and four associated VFDs, to install concrete pads to support the pumps and VFDs, and to perform other related electrical work in the Operating Gallery (Gallery) at the Hanover Park WRP. Due to space constraints within the Gallery, modifications to the pump layout are necessary in order to maintain adequate egress requirements. The contractor submitted a cost proposal (CCO-010) for an extra in the amount of \$25,075.79. The engineer reviewed the proposal, found it to be reasonable, and stated via correspondence 338, that the Engineering Department would recommend its approval.

This change order is in compliance with the Illinois Criminal Code since the change is germane to the contract.

It is hereby recommended that the Board of Commissioners authorize the Director of Procurement and Materials Management to execute three change orders to decrease Contract 06-494-3P in an amount of \$243,221.21 (2.66% of the current contract value), from an amount of \$9,152,582.71, to an amount not to exceed \$8,909,361.50.

Funds are available in Accounts 201-50000-645650, 401-50000-645650 and 645750.

Requested, Catherine A. O'Connor, Director of Engineering, MVL:GR

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