



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 2, 2016

COMMITTEE ON Procurement

Mr. David St. Pierre, Executive Director

Authorization to decrease cost estimate for Contract 15-072-3D Safety Railing Around Tanks, Terrence J. O'Brien Water Reclamation Plant, from \$3,000,000.00 to \$1,700,000.00, Account 401-50000-645650, Requisition 1423508

Dear Sir:

On April 7, 2016, the Board of Commissioners authorized the Director of Procurement and Materials Management to advertise Contract 15-072-3D Safety Railing Around Tanks, Terrence J. O'Brien Water Reclamation Plant at an estimated cost of \$3,000,000.00.

Due to design changes which allow miter welded connections rather than pipe rolled bends, the price for fabricating the railings are expected to be significantly lower than previously estimated. In addition, the price for raw steel has decreased by approximately \$100.00 per ton within the last year; therefore, bids are expected to be lower than the previously published cost data which was used in the engineer's original estimate. Based on the above, we have revised our estimate for Contract 15-072-3D to \$1,700,000.00.

It is hereby recommended that the Board of Commissioners authorize the Director of Procurement and Materials Management to decrease the cost estimate for Contract 15-072-3D from \$3,000,000.00 to \$1,700,000.00.

Funds for the revised cost estimate are available in Account 401-50000-645650.

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

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 June 2, 2016