



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 17-1063, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 19, 2017

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authority to increase Contract 11-054-3P Disinfection Facilities, Terrence J. O'Brien Water Reclamation Plant, to Walsh Construction Company II, LLC in an amount of \$773,055.05, from an amount of \$62,477,915.38, to an amount not to exceed \$63,250,970.43, Accounts 901-30000-667220 and 401-50000-645650, Purchase Order 4000005

Dear Sir:

On August 8, 2013, the Board of Commissioners authorized the Director of Procurement and Materials Management to award Contract 11-054-3P Disinfection Facilities, Terrence J. O'Brien Water Reclamation Plant, to Walsh Construction Company II, LLC, in an amount not to exceed \$59,899,650.00 plus a five (5) percent allowance for change orders in an amount of \$2,994,982.50, for a total amount not to exceed \$62,894,632.50. The scheduled contract completion date was June 6, 2017.

As of October 6, 2017, the effect of change orders resulted in a net increase in the amount of \$2,578,265.38 from the original amount awarded of 59,899,650.00. The current contract value is \$62,477,915.38. The prior approved change orders reflect a 4.30% increase to the original contract value.

Item 1: A net credit in the amount of \$128,780.64 to install new pavement on the plant roadways. The contract required the use of a 12-inch thick coarse aggregate base and a 6-inch CA-6 capping for the construction of the plant roadways. The contractor submitted a request to substitute a 9-inch thick recycled crushed concrete coarse aggregate base and 3-inch thick FM-6 capping material for the roadway construction. Field investigation determined that the existing roadway base material was approximately 12-inches thick. In order to avoid any unplanned interferences, it was prudent to match the existing road base and avoid the risks of excavating an additional 6-inches. The use of recycled crushed concrete from the existing replaced plant roadways was determined to be structurally acceptable. The credit work consists of reduced roadway base and sub-base thickness, reduced excavation and reduced material costs. The extra work includes removal and replacement of existing guard rail which was not indicated on the contract drawings required to perform the roadwork. The work has been completed. Before the engineer's determination on the change order, the contractor proceeded at his own risk with this work as determined in his best interest in executing the overall contract. The contractor submitted a cost proposal (CCO-064) for an extra in the amount of \$13,527.72 and a credit in the amount of \$142,308.36, for a net credit in the amount of \$128,780.64. The engineer reviewed the proposal, found it to be reasonable, and stated via correspondence 1934, that the Engineering Department would recommend its approval.

Item 2: A Settlement of Claim in the amount of \$901,835.69 to rebuild the Chicago Transit Authority's Yellow Line Railroad tracks. Although the contractor builder's risk insurance covered much of the damage caused by the embankment collapse, the cost to rebuild the railroad tracks was not covered. The work was necessary to quickly and safely restore service to the public. The contractor submitted a proposal which included costs for earthwork, sub-ballast and ballast installation, associated electrical work and instrumentation work. Payment

of this claim will not operate as an admission of liability by the District. If approved by the Board of Commissioners, the contractor will be required to sign a Release before any monies are disbursed in this Settlement of Claim. In addition, the District agrees to waive the time related liquidated damages incurred on this contract. The work has been completed. Before the engineer's determination on the change order, the contractor proceeded at his own risk with this work as determined in his best interest in executing the overall contract. The contractor submitted a cost proposal (CCO-070) for an addition in the amount of \$901,835.69. The engineer reviewed the proposal, and stated via correspondence 2056, 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.

It is hereby recommended that the Board of Commissioners authorize the Director of Procurement and Materials Management to execute two change orders to increase Contract 11-054-3P in an amount of \$773,055.05 (1.24% of the current contract value), from an amount of \$62,477,915.38, to an amount not to exceed \$63,250,970.43.

Funds are available in Account 901-30000-667220.

Funds will be restored to Account 401-50000-645650.

Requested, Marcella V. Landis, Acting Director of Engineering, ECB: BB
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 October 19, 2017

Attachment