



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 2, 2018

COMMITTEE ON PROCUREMENT

Mr. John P. Murray, Acting Executive Director

Authority to decrease Contract 04-132-3D A/B and C/D Service Tunnel Rehabilitation - Phase Two, Stickney Water Reclamation Plant, to IHC Construction Companies, LLC and F.H. Paschen, S.N. Nielsen Joint Venture in an amount of \$231,627.13, from an amount of \$20,906,835.16 to an amount not to exceed \$20,675,208.03, Account 401-50000-645750, Purchase Order 4000034

Dear Sir:

On May 5, 2016, the Board of Commissioners authorized the Director of Procurement and Materials Management to award Contract 04-132-3D A/B and C/D Service Tunnel Rehabilitation - Phase Two, Stickney Water Reclamation Plant, to IHC Construction Companies, LLC and F.H. Paschen, S.N. Nielsen Joint Venture, in an amount not to exceed \$20,519,000.00, plus a five (5) percent allowance for change orders in an amount of \$1,025,950.00, for a total amount not to exceed \$21,544,950.00. The scheduled contract completion date is May 17, 2019.

As of July 13, 2018, the attached list of change orders has been approved. The effect of these change orders resulted in an increase in the amount of \$387,835.16 from the original amount awarded of \$20,519,000.00. The current contract value is \$20,906,835.16. The prior approved change orders reflect a 1.89% increase to the original contract value.

The engineer has determined that revisions to the scope of work are advantageous to the District. The contractor submitted revisions to the design of the underdrain system of the service tunnels. The revisions are cost effective and retain the original function of the underdrains alongside the underground service tunnels, diverting water away from the structure and therefore mitigating future water damage to the structure. The changes include modifications to the existing under drain system, changes to piping runs, elimination of manholes and their associated earthwork, and elimination of several jacking pits from the scope of work. While the functionality of the underdrain system remains the same, it is reconfigured in a layout that reduces the overall quantity of each item to produce the net credit. The contractor submitted a cost proposal (CCO-013) for an extra in the amount of \$184,263.74 and a credit in the amount of \$415,890.87, for a net credit in the amount of \$231,627.13. The engineer reviewed the proposal, found it to be reasonable, and stated via correspondence 399, that the Engineering Department would recommend its approval.

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 decrease Contract 04-132-3D in an amount of \$231,627.13 (1.11% of the current contract value), from an amount of \$20,906,835.16 to an amount not to exceed \$20,675,208.03.

Funds will be restored to Account 401-50000-645750.

Requested, Catherine A. O'Connor, Director of Engineering, ECB: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 August 2, 2018

Attachment