



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 19-0010, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF JANUARY 10, 2019

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to decrease purchase order for Contract 11-403-2P, Membrane Gas Holder Replacement and Digester Cleaning at Egan Water Reclamation Plant, Cook County, to Path Construction, Inc. in an amount of \$416,540.96 from an amount of \$5,929,567.63, to an amount not to exceed \$5,513,026.67 and to decrease the related five percent change order allowance in an amount of \$45,364.46, from an amount of \$45,364.46, to an amount not to exceed \$0.00, Account 201-50000-645750, Purchase Order 4000018

Dear Sir:

On November 6, 2014, the Board of Commissioners authorized the Director of Procurement and Materials Management to award Contract 11-403-2P, Membrane Gas Holder Replacement and Digester Cleaning at Egan Water Reclamation Plant, Cook County, to Path Construction, Inc. in an amount not to exceed \$4,364,000.00, plus a five percent allowance for change orders, in an amount of \$218,200.00, for a total amount not to exceed \$4,582,200.00. Contract work was completed on August 4, 2017.

As of December 21, 2018, the effect of change orders resulted in a net increase in an amount of \$1,392,732.09 from the original amount awarded of \$4,582,200.00. The current contract value is \$5,974,932.09. The prior approved change orders reflect a 30.4% increase from the original contract value.

This contract is complete and it is necessary to decrease and close this purchase order. In addition to a reduction in the remaining value of the contract, the remaining balance of the five percent allowance for change orders also must be decreased.

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 the purchase order and amend the agreement in an amount of \$416,540.96 (7.02% of the current contract value), from an amount of \$5,929,567.63, to an amount not to exceed \$5,513,026.67, and to decrease the remaining five percent change order allowance in an amount of \$45,364.46, from an amount of \$45,364.46, to an amount not to exceed \$0.00.

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

Requested, Catherine A. O'Connor, Director of Engineering, CLG:JB:AMB

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 January 10, 2019

Attachment