



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 JANUARY 24, 2019

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to decrease Contract 14-113-5F, Stormwater Retrofits for Real Time Controls and Rainwater Harvesting System at Dearborn Homes, in Chicago, Illinois with Concord Excavating Enterprises, Inc. in an amount of \$986,132.34, from an amount of \$1,088,880.00, to an amount not to exceed \$102,747.66, and to decrease the related five percent change order allowance in an amount of \$54,444.00, from an amount of \$54,444.00, to an amount not to exceed \$0.00, Account 501-50000-645620, Purchase Order 4000058

Dear Sir:

On March 15, 2018, the Board of Commissioners authorized the Director of Procurement and Materials Management to issue a purchase order and enter into an agreement with Concord Excavating Enterprises, Inc. for Contract 14-113-5F, Stormwater Retrofits for Real Time Controls and Rainwater Harvesting System at Dearborn Homes, Chicago, Illinois in an amount not to exceed \$1,088,880.00, plus a five (5) percent allowance for change orders in an amount of \$54,444.00, for a total amount not to exceed \$1,143,324.00. The purpose of this contract was to retrofit an existing underground stormwater detention vault located at the Chicago Housing Authority's (CHA) Dearborn Homes property located at 2960 S. Federal in Chicago to incorporate real-time controls and rainwater harvesting to minimize the amount of stormwater runoff being released to the local combined sewer system during and after a storm event.

This contract has no prior change orders.

After the contract was awarded to Concord Excavating Enterprises, Inc. (Concord), they performed an inspection of the project site and identified several unforeseen conditions related to the existing CHA stormwater facilities and other underground utilities. The primary issue is that the irrigation system that the project was designed around was not in proper working order. Despite efforts by the CHA to make repairs, several issues were unresolved and a test of the system needed to ensure the proposed improvements would be functional cannot be performed at this time due to CHA resource priorities. The CHA indicated it will not be able to revisit the irrigation issues until at least the spring of 2019. In addition, several issues were found with the existing stormwater vault and related infrastructure that would require extensive modifications beyond the scope of the District's project, with no timeframe indicated for addressing these additional concerns. Subsequently, the District and Concord have mutually agreed to discontinue the subject contract, and Concord will be paid a total of \$102,747.66 for the work completed prior to date, which consisted of preparation of administrative submittals, mobilization, and site investigation.

Therefore, it is in the District's best interest to discontinue the current contract and to decrease and close this purchase order. The District will coordinate with the CHA to verify that the irrigation system is fully functional and that the stormwater system discrepancies have been corrected, and then could re-advertise the contract for bid at a later date.

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 14-113-5F in an amount of \$986,132.34 (90.56% of the current contract value), from an amount of \$1,088,880.00, to an amount not to exceed \$102,748.000, and to decrease the related five percent change order allowance in an amount of \$54,444.00, from an amount of \$54,444.00, to an amount not to exceed \$0.00.

Funds will be restored to Account 501-50000-645620.

It is further requested that the Executive Director, and the Clerk be authorized to execute any documents necessary to effectuate the discontinuation of the subject contract, upon approval by the Director of Engineering as to technical matters and by the General Counsel as to form and legality.

Requested, Catherine A. O'Connor, Director of Engineering, WSS:JK:JJY

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 24, 2019