



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 19-0369, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF APRIL 18, 2019

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to increase Contract 14-263-3F Melvina Ditch Reservoir Improvements to F.H. Paschen, S.N. Nielsen & Associates LLC in an amount of \$253,225.85, from an amount of \$14,344,627.46, to an amount not to exceed \$14,597,853.31, Account 401-50000-645620, Purchase Order 4000052

Dear Sir:

On November 2, 2017, the Board of Commissioners authorized the Director of Procurement and Materials Management to award Contract 14-263-3F Melvina Ditch Reservoir Improvements to F.H. Paschen, S.N. Nielson & Associates, LLC, in an amount not to exceed \$14,245,000.00, plus a five (5) percent allowance for change orders in an amount of \$712,250.00, for a total amount not to exceed \$14,957,250.00. The contract expires May 31, 2020.

As of April 5, 2019, the attached list of change orders has been approved. The effect of these change orders resulted in an increase amount of \$99,627.46 from the original amount of \$14,245,000.00. The current contract value is \$14,344,627.46. The prior approved change orders reflect a 0.70% increase to the original contract value.

This contract includes a new emergency overflow structure and other improvements in 87th Street on the south side of the Melvina Ditch Reservoir. During planned relocation of existing communications lines to accommodate the new overflow structure, AT&T determined that the scope of their relocation efforts would be more extensive than they originally contemplated. As a result, work that was restricted under our contract to winter months was not able to be completed as scheduled, and the contractor has submitted a request for a change order for escalation costs incurred, as well as a cost to accelerate their activities to make up lost time, due to the delay caused by AT&T's utility relocation work. This change order would account for work to be done outside the contract specified winter period in order to reduce the impact caused by AT&T's delay in relocating its facilities on 87th Street. Accelerating the work will avoid significant additional escalation costs resulting from the delayed contract activities and will allow for the benefits of the project to be achieved in a more timely fashion. Through the proposed acceleration, contract work is expected to be completed by June 2021; without acceleration, the estimated completion is May 2022. The contractor submitted a cost proposal in an amount not to exceed \$253,225.85 for acceleration costs associated with the aforementioned delay. The payments for the work covered under this change order will be based upon actual costs incurred and proper documentation to be submitted by the contractor and approved by the District.

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 increase Contract 14-263-3F in an amount of \$253,225.85 (1.77% of the current contract value), from an amount of \$14,344,627.46, to an amount not to

exceed \$14,597,853.31.

Funds are available in Account 401-50000-645620.

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

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 April 18, 2019

Attachment