



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 10-0908, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF AUGUST 12, 2010

COMMITTEE ON PROCUREMENT

Mr. Richard Lanyon, Executive Director

Authority to increase Contract 05-144-3D Lagoon 23 Lining & Lysimeters Installation, LASMA, HASMA, & CWRP, to T. J. Lambrecht Construction, Inc., in an amount of \$263,264.11, from an amount of \$11,478,907.13, to an amount not to exceed \$11,742,171.24, Accounts 401-50000-645650 and 645750, Purchase Order 5000848

Dear Sir:

On March 20, 2008, the Board of Commissioners authorized the Director of Procurement and Materials Management to award Contract 05-144-3D Lagoon 23 Lining & Lysimeters Installation, LASMA, HASMA, & CWRP, to T. J. Lambrecht Construction, Inc., in an amount not to exceed \$10,096,671.91. The contract scheduled completion date was April 8, 2009.

As of July 9, 2010, the attached list of change orders has been approved. The effect of these change orders resulted in an increase in the amount of \$1,382,235.22 from the original amount awarded of \$10,096,671.91. The current contract value is \$11,478,907.13. The prior approved change orders reflect a 13.69% increase to the original contract value.

Item 1: An extra in the amount of \$275,000.00 as a negotiated settlement with the contractor for costs incurred due to delays from an unanticipated winter shutdown and disruption of the planned sequence and timing of the contract work. During construction, a seam of unsuitable soil was encountered on a portion of the work site, which passed close to the existing Commonwealth Edison (ComEd) transmission tower. Due to the time necessary to explore options, process change orders for handling the unsuitable soil and to design extra protection for the ComEd transmission tower, the contractor was delayed and had to modify his scheduled sequence and timing of work, shut down for the winter months and return to the site and complete the work the following spring. The contractor presented a change order request in the amount of \$466,106.34 for costs incurred due to this delay. The engineer rejected the change order request and multiple meetings were held with the contractor. These meetings allowed the contractor an opportunity to present other supplementary information to the engineer to justify the compensation claimed. In light of the supplementary information provided, a global settlement of \$275,000.00 was offered by the District and accepted by the contractor, as documented by correspondence 251.

Item 2: A net credit in the amount of \$11,735.89 to delete the concrete unloading pads and pave the pad areas. The contract included the installation of concrete unloading pads underneath the existing ComEd transmission and distribution lines, at the northeast and southeast corners of Lagoon 23. During construction, ComEd stipulated that truck beds should not be raised underneath the existing ComEd lines. The deletion of the two concrete unloading pads at the northeast and southeast corners of Lagoon 23 eliminated the possibility of such an event. The extra work is to furnish and install the asphalt pavement in areas where the concrete pads are being eliminated. The contractor has completed this work at his own risk.

The contractor submitted a proposal (CCO-7), for an extra in the amount of \$12,782.28 and a credit in the amount of \$24,518.17, for a net credit in the amount of \$11,735.89. The District agreed to accept the proposal, and stated via correspondence 253, 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 that were 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 for an increase to Contract 05-144-3D, in an amount of \$263,264.11 (2.29% of the current contract value), from an amount of \$11,478,907.13, to an amount not to exceed \$11,742,171.24.

Funds are available in Accounts 401-50000-645650 and 645750.

Requested, Kenneth A. Kits, Director of Engineering, TEK:GR

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 12, 2010

Attachment