



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 20-1013, Version: 1

TRANSMITTAL LETTER FOR BOARD MEETING OF NOVEMBER 19, 2020

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authority to increase Contract 11-186-3F Addison Creek Reservoir, Bellwood, Illinois to IHC Construction Companies, L.L.C. in an amount of \$14,604,148.91, from an amount of \$75,721,830.69 to an amount not to exceed \$90,325,979.60, Account 401-50000-645620, Purchase Order 4000068

Dear Sir:

On January 24, 2019, the Board of Commissioners authorized the Director of Procurement and Materials Management to award Contract 11-186-3F Addison Creek Reservoir, Bellwood, Illinois to IHC Construction Companies in an amount not to exceed \$63,280,000.00, plus a five (5) percent allowance for change orders in an amount of \$3,164,000.00, for a total amount not to exceed \$66,444,000.00. The scheduled contract completion date is August 18, 2022.

As of November 6, 2020, the attached list of change orders has been approved. The effect of these change orders resulted in an increase in an amount of \$12,441,830.69 from the original amount awarded of \$63,280,000.00. The current contract value is \$75,721,830.69. The prior approved change orders reflect a 19.66 percent increase to the original contract value.

Item 1: On April 16, 2020 and July 16, 2020, respectively, change orders COR-4 and COR-6 for removal of hazardous waste soils were approved for an approximate 13,000 cubic yards of removal, handling, and legal off-site disposal of chlorinated solvent-impacted soils in a total amount not to exceed \$12,385,813.01. These soils are contaminated with trichloroethylene, 1,2-dichloroethane, and vinyl chloride, all known carcinogens. The estimated quantity of work for COR-4 and COR-6 was based on an environmental investigation performed upon encountering these chemicals during reservoir excavation work. However, the current cost projection for the actual quantity and concentration of contamination is anticipated to go above the approved values of COR-4 and COR-6, and additional funds are needed to complete the removal, handling, and legal off-site disposal of all soils which may be categorized as hazardous waste once excavated and profiled for disposal.

In an effort to minimize the impacts of the chlorinated solvent-impacted soils encountered at the reservoir site, the District's design and post-award engineering consultant investigated possible modifications to the project, including potentially reducing the size of the reservoir. The District also enlisted the assistance of the Law Department's Professional Environmental Engineering Services consultant, Tetra Tech Inc., under Contract 19-RFP-26, to perform additional detailed testing and develop a three-dimensional model to better quantify the remaining hazardous waste at the site and to research alternatives for in-situ remediation. Unfortunately, the options for modifying the design and in-situ remediation were determined to be infeasible due to their impacts on the project's flood control benefits and construction timeline, as well as their overall cost and uncertainty. Accordingly, the Engineer submitted a request for proposal from the contractor for the removal and disposal of additional soils that may be categorized as hazardous or non-special waste, and on October 29, 2020, the contractor submitted a cost proposal (COR-11) for an additional amount of \$14,582,840.66 for the additional hazardous waste and NSW soils identified and credit in the amount of \$1,057,332.95 for the CCDD material,

for a net extra in the amount of \$13,525,507.71.

The amount of soil contaminated with chlorinated solvents is estimated not to exceed 28,540 cubic yards of material which is approximately three percent of the total volume of soil excavated for this project.

Item 2: Following award of the subject construction contract, supplemental environmental testing was performed by the District in order to be able to certify that material located below the limits of contaminated soils met the definition of Uncontained Soils under the State of Illinois' Clean Construction Demolition Debris (CCDD) regulations. Based on the results of the supplemental environmental testing, the volume of soil classified as CCDD decreased and the volume of soil classified as contaminated, non-special waste (NSW) soil increased. As a result of this change in soil classification, the District requested the contractor to submit a cost proposal for the incremental cost to dispose of approximately 25,000 cubic yards of soil as contaminated, NSW soil versus CCDD material. On November 3, 2020, the contractor submitted a cost proposal (COR-5) for an additional amount of \$1,675,000.00 for the NSW soil and a credit in the amount of \$650,250.00 for the CCDD material, for a net extra in the amount of \$1,024,750.00.

Item 3: During construction of the reservoir intake/drop structure. District field engineers suggested a need for additional safety features for the intake/drop structure. District design and Maintenance and Operations engineers agreed and requested the contractor provide a cost proposal for additional removable handrails, a ladder and a gate on the intake/drop structure, along with additional chain link fence to restrict creek access. On July 15, 2020, the contractor submitted a change order request (COR-07) in an amount of \$53,891.20 to install the additional safety features.

Under item 3 above, the contractor will be required to coordinate with the District and its environmental consultant during excavation. A separate item is being submitted on the agenda for this board meeting to increase the purchase order and amend the agreement with Tetra Tech, Inc. under Contract 19-RFP-26, in order to provide additional assistance in monitoring and testing through completion of the contractor's remediation effort under COR-11. The payments for the work under the change orders described in items 2 and 3 above will be paid based upon actual cost incurred and proper documentation submitted by the contractor and approved by District.

The Engineer reviewed the proposals for the three change orders listed above, found them to be acceptable, and is recommending approval to the Board of Commissioners. These change orders are in compliance with the Illinois Criminal Code since the changes are due to circumstances 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 a change order to increase Contract 11-186-3F in an amount of \$14,604,148.91 (19.29 percent of the current contract value), from an amount of \$75,721,830.69, to an amount not to exceed \$90,325,979.60.

Funds are available in Account 401-50000-645620.

Requested, Catherine A. O'Connor, Director of Engineering, KMF: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 November 19, 2020

Attachment