



## Memorandum

To: Honorable Mayor and Members of the City Council  
Administration and Public Works Committee

From: David Stoneback, Public Works Agency Director  
Lara Biggs, Bureau Chief – Capital Planning / City Engineer  
Kristin Rehg, Senior Project Manager

Subject: Water Treatment Plant Reliability Improvements  
Engineering Services (RFP 15-27)  
Amendment to Engineering Services Agreement

Date: April 26, 2016

### Recommended Action:

Staff recommends that City Council authorize the City Manager to execute Amendment No. 1 to an agreement for Water Treatment Plant Reliability Improvements Engineering Services (RFP 15-27) with CDM Smith (125 South Wacker Drive, Chicago, IL) in the not-to-exceed amount of \$200,766, increasing the contract amount from \$244,668 to \$445,434. It will also extend the contract duration by 335 days from May 31, 2016 to May 1, 2017.

### Funding Source:

This project is budgeted in the Water Fund (account 513.71.7330.62140 – 733094), which has a FY 2016 budget allocation of \$2,500,000 for engineering and construction. The City is in the process of obtaining a low interest loan from the Illinois Environmental Protection Agency (IEPA) to fund the project. Eligible engineering fees under this contract will be included in the loan funding. Ineligible engineering fees (\$1,984 for IEPA loan application assistance) will be paid for by the Water Fund.

### Background:

The City Council authorized the City Manager to execute an agreement with CDM Smith for the subject project in the amount of \$225,113 on June 22, 2015. The project involves improvements and repairs at Evanston's Water Treatment Plant, including optimization of the initial chemical and mixing stages of treatment, structural repairs, installing permanent access to critical underground valves for repairs, replacing leaking underground piping, and improvements to the electrical and process control systems.

The original contract with CDM Smith included design engineering services, assistance during bidding, and assistance with the City's application for IEPA low interest loan funding. On July 22, 2015, Change Order No. 1 was authorized in the amount of \$5,600 to further modify the chemical treatment processes by relocating the feed points for phosphate (a pipe corrosion inhibitor used to maintain compliance with the Lead and Copper Rule). This increased the contract amount to \$230,713.

Change Order No. 2 was a final modification to the design engineering fee for additional modifications needed to the phosphate feed system. This change order increased the engineering fee for design and bidding services from \$230,713 to \$244,668.

#### Analysis:

There were multiple alternatives available to address the redundancy and reliability issues on this project. Therefore, the project included a preliminary design study to evaluate alternatives in further detail before the project scope was finalized. CDM Smith's original engineering services proposal included pricing for construction services, but due to the wide variation in construction complexity between these alternatives, the City chose to award only design and bidding services initially, and amend CDM Smith's contract at the conclusion of design to add construction services. This approach allowed the City to get a more accurate estimate of the scope and duration of CDM's construction services, reducing the chance of change orders during construction.

CDM Smith's proposed fee for construction engineering services is \$200,766 (see attached breakdown). This is similar to CDM's originally estimated construction services fee of \$198,949 in CDM Smith's proposal, though the distribution of time between construction inspection and project management services was modified to better reflect the actual scope of services needed during construction.

CDM Smith's revised proposal for construction services remains in compliance with the State Disadvantaged Business Enterprise (DBE) program goals. Using the State DBE goals in lieu of Evanston's M/W/EBE Program goals is a prerequisite to obtaining the IEPA low interest loan funding that is programmed for this project. The State's DBE program includes MBEs, WBEs, and other economically disadvantaged businesses. The State's DBE participation goal is 17%. Under the revised contract amount, total DBE participation for design and construction engineering services is 16.1%. A memo reviewing compliance with the State DBE program is attached.

#### Legislative History:

The City Council approved contract award to CDM Smith on June 22, 2015.

The Acting City Manager approved Change Order No. 1 with CDM Smith on July 22, 2015.

The City Council approved Change Order No. 2 was on May 9, 2016.

#### Attachments:

Proposed Agreement Amendment No. 1

Construction engineering fee breakdown from CDM Smith

Memo on Compliance with State of Illinois DBE Program

**CITY OF EVANSTON  
CHANGE ORDER**

**Amendment No.** 001  
**Date:** April 26, 2016  
**Agreement Date:** June 25, 2015

**PROJECT:** Water Treatment Plant Reliability Improvements  
**OWNER:** City of Evanston  
**ENGINEER:** CDM Smith

The following changes are hereby made to the **AGREEMENT**:  
The agreement is amended to add construction phase services. As part of this amendment, the not-to-exceed fee shall be increased by \$200,766, from \$244,668 to \$445,434. Exhibit A to the Agreement shall be replaced with a new Exhibit A outlining the additional tasks and fee.

**Change to CONTRACT PRICE:** \$200,766

Original <b>CONTRACT PRICE:</b>	\$ <u>225,113.00</u>
Current <b>CONTRACT PRICE</b> adjusted by previous <b>CHANGE ORDERS</b>	\$ <u>244,668.00</u>
Total change in <b>CONTRACT PRICE</b> for this <b>AMENDMENT</b> <u>001</u>	\$ <u>200,766.00</u>
The <b>CONTRACT PRICE</b> including this <b>CHANGE ORDER</b> will be	\$ <u>445,434.00</u>

Original <b>COMPLETION DATE</b>	<u>May 31, 2016</u>
Current <b>COMPLETION DATE</b> adjusted by previous <b>CHANGE ORDERS</b>	<u>May 31, 2016</u>
Total Change in <b>CONTRACT TIME</b> for this <b>CHANGE ORDER</b>	<u>335 days</u>
The <b>COMPLETION DATE</b> including this <b>CHANGE ORDER</b> will be	<u>May 1, 2017</u>

Recommended by: \_\_\_\_\_ Date

Accepted by (Engineer): \_\_\_\_\_ Date  
CDM Smith

Approved by (Owner): \_\_\_\_\_ Date  
City of Evanston

Water Treatment Plant Reliability Improvements  
 Engineering Services (RFP 15-27)  
 Agreement Amendment No. 1

**Construction Engineering Fee Breakdown from CDM Smith**

Task	Description	Project Team Members													Labor Hours	Labor Dollars	Other Direct Costs	
		PM	Process / Civil Engineers	Structural Engineers	Electrical Engineers	Control Engineers	Construction Inspection	Cost Estimating	Admin	QA/QC	Civil - AIT (MBE)	Inspector - Ardmore (WBE)						
6	Construction Administration																	
	Current Budget	30	150	102	119	34	3	137	72	16	663	593,749	\$1,500					
	Proposed Budget Revisions		62	-10	28			11	15		106	\$15,276						
	Subtotal Hours	30	212	92	147	34	3	148	87	16	769							
	Subtotal Dollars	56,692	527,602	511,679	519,618	55,486	5270	\$14,452	\$21,239	\$1,987	\$0	\$109,025	\$1,500					
	<b>Total Construction Administration Fee</b>												<b>\$110,525</b>					
7	Construction Inspection																	
	Current Budget (as updated May 14, 2015)						425			32	553	\$90,241						
	Proposed Budget Revisions										0	\$0						
	Subtotal Hours	0	0	0	0	0	425	0	0	32	553							
	Subtotal Dollars	50	50	50	50	50	\$38,304	50	50	\$2,720	\$49,217	\$90,241	\$0					
	<b>Total Construction Inspection Fee</b>												<b>\$90,241</b>					



# Memorandum

**To:** David Stoneback, Director of Utilities  
 Lara Biggs, Superintendent of Construction & Field Services  
 Kristin Rehg, Senior Project Manager

**From:** Tammi Turner, Purchasing Manager

**Subject:** RFP 15-27, Water Treatment Plant Reliability Improvements  
 Engineering Services, Amendment to Engineering Services  
 Agreement

**Date:** May 9, 2016

The goal of the Minority, Women and Evanston Business Enterprise Program (M/W/EBE) is to assist such businesses with opportunities to grow. In order to help ensure such growth, the City's goal is to have general contractors utilize M/W/EBEs to perform no less than 25% of the awarded contract. With regard the recommendation for RFP 15-27, Water Treatment Plant Reliability Improvements Engineering Services, Amendment to Engineering Services Agreement, CDM Smith Inc. is found to be in initial compliance with IL State DBE goals.

CDM Smith Inc. total base bid is \$445,434.00, and will have 16.1% credit.

Name of M/W/EBE	Scope of Work	Contract Amount	%	MBE	WBE	EBE
American Infrastructure Technologies 825 N Cass Ave, # 309 Westmont, IL 60559	Engineering Services	\$21,155.00	4.7%	X		
Ardmore Associates, LLC 33 N Dearborn St, #1720 Chicago, IL 60602	Inspection Services	\$50,730.00	11.4%		X	
<b>Total M/W/EBE</b>		<b>\$71,885.00</b>	<b>16.1%</b>			

**Cc:** Martin Lyons, Assistant City Manager/Chief Financial Officer