



City Council Agenda Memo

Crest Hill, IL

Meeting Date: 3/20/23
Submitter: Mark Siefert, Director of Public Works
Department: Public Works
Agenda Item: Approve a change order with Vissering Construction for a deduct of \$1,338,041.00.

Summary:

As a reminder to all, the City received three bids for the West STP Improvements project. The low bidder was Vissering Construction Company out of Streator, Illinois with a lump sum bid of \$51,770,000. Unfortunately, Vissering's bid was higher than anticipated for a variety of reasons, most notably, the current inflationary conditions in the economy.

Since the bid opening, Strand Associates, Inc. (Strand) and City staff have worked diligently to identify potential project savings. To date, the following changes have been implemented as part of the awarding the project to Vissering Construction:

- Deductive Bid Alternative No. 1 was selected.
- Multiple alternative manufacturers were selected.

The total savings associated with the changes above totaled \$1,130,000. As a result, the project was awarded to Vissering Construction for \$50,640,000.

In addition to the changes above, City staff and Strand worked together to identify several more reductions in project scope to further reduce the overall project costs as discussed above. The original list of project cuts, which was provided to Vissering,. The dollar value identified for was \$1,338,041.00.

In total the total project cost has now decreased to \$49,301,959.00. Staff is asking for Council to approve Change Order 1 which is a deduct of \$1,338,041.00.

Recommended Council Action:

Approve a change order with Vissering Construction for a deduct of \$1,338,041.00.

Financial Impact:

Funding Source: IEPA Loan

Budgeted Amount:

Cost:

Attachments:

Strand Letter

Change Order #1