

August 29, 2014

City of Rochelle
Manager David Plyman
420 North 6th Street
Rochelle, IL 61068

RE: Recommendation of Award, Rev. 8/29
2014 Blower Replacement

Dear Manager Plyman,

The City of Rochelle received four bids for the 2014 Blower Replacement project. The bids are tabulated below.

Bidder	Base Bid
DMI Inc.	\$248,888.00
Mechanical Inc.	\$258,380.00
GA Rich	\$271,178.00
Marc Kresmery	\$279,360.00

Trotter and Associates is familiar with DMI, Inc. and has worked with them on several projects. Trotter and Associates is confident that DMI Inc. can complete the project, and recommends awarding the contract to DMI.

The base bid includes blower equipment as manufactured by APG Neuros. The bid also included a mandatory alternate to use blower equipment as manufactured by Aerzen. The low bidder, DMI, Inc., offers a contract price reduction of \$37,000.00 to utilize Aerzen instead of APG Neuros.

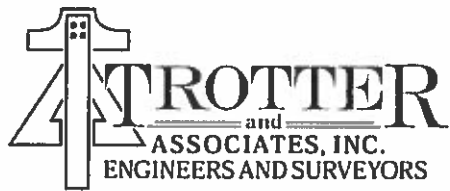
Payback calculations (simple):

Annual electricity cost savings based on \$.07 per kWh, 0.85 pf, 170 kW (existing) vs 127 kW (proposed)
= \$26,295.00 per year savings

Neuros: \$248,888 -\$54,054 (grant) = \$194,834, therefore payback 7.4 years

Aerzen: \$211,888 -\$54,054 (grant) = \$157,834, therefore payback 6.0 years.

As both APG Neuros and Aerzen were researched prior to bid and determined to be acceptable, and the performance and features of the units by both manufacturers are similar, Trotter and Associates recommends acceptance of Aerzen for a reduced total contract amount of \$211,888.00.



Trotter and Associates has prepared the appropriate Notice of Award document and Agreement for signature, and have included these as attachment to this letter. Please execute 3 copies of each and return to TAI.

Please contact me if you have any questions.
Sincerely,

Trotter and Associates, Inc.

A handwritten signature in black ink, appearing to read 'Mark R. Sikora'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Mark Sikora, P.E.
Vice President

SECTION 00500

AGREEMENT

THIS AGREEMENT is dated as the ____ day of _____ in the year 2014 by and between the City of Rochelle, Illinois (hereinafter called OWNER) and Dahme Mechanical Industries, Inc. (hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

Article 1. WORK

CONTRACTOR shall complete all WORK as specified or indicated in the Contract Documents. WORK is generally described as follows:

1. Remove existing centrifugal blower.
2. Furnish and install new high speed turbo blower.
3. Start-up, commissioning and staff training for the new systems.
4. Warranties as specified in the Contract Documents..

Article 2. ENGINEER

Trotter and Associates, Inc. of St. Charles, Illinois (hereinafter called ENGINEER) will assume all duties and responsibilities and will have the rights and authority assigned to ENGINEER in the Contract Documents in connection with completion of the WORK in accordance with the Contract Documents.

Article 3. CONTRACT TIME

All WORK shall be substantially complete within **One hundred sixty eight (168) calendar days** after the date when the Contract Time commences to run as indicated in the Notice to Proceed and provided in Paragraph 2.3 of the General Conditions. All work shall be at Final Completion and ready for Final Payment in accordance with Paragraph 14.7 of the General Conditions within **One hundred ninety six (196) calendar days** of the date when Contract Time commences to run.

- 3.1 Liquidated Damages. OWNER and CONTRACTOR recognize that time is of the essence of this Agreement and that OWNER will suffer financial loss if the WORK is not completed within the time specified in Paragraph 3 above, plus any extensions thereof allowed in accordance with Article 12 of the General Conditions. They also recognize the delays, expense and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by OWNER if the WORK is not completed on time. Accordingly, instead of requiring any such proof, OWNER and CONTRACTOR agree that as liquidated damages for delay (but not as a penalty)

CONTRACTOR shall pay OWNER five hundred dollars and zero cents (\$500.00) for each day that expires after the time specified in Paragraph 3 for **Substantial Completion** until the work is fully operational and tested. The CONTRACTOR shall pay the OWNER an additional five hundred dollars and zero cents (\$500.00) for each day that expires after the time specified in Article 3 for **Final Completion** until the work is accepted by the OWNER. Aggregate damages for time expired, past the time of final completion shall then be one thousand dollars and zero cents (\$1,000.00). At the option of the ENGINEER and OWNER damage amounts may be deducted, on a monthly basis, from the contract balance.

3.2 The contract time may be changed only by a change order. For each change order, CONTRACTOR shall submit to the Engineer for review, sufficient reason for delay to enable the Engineer to ascertain the necessity and reasonableness of the delay, and the allowability and eligibility of delay proposed.

Article 4. CONTRACT PRICE

OWNER shall pay CONTRACTOR for performance of the WORK in accordance with the Contract Documents in current funds as follows

4.1 Payment shall be made on the basis of the monthly estimates of partial completion, approved by the ENGINEER, except as otherwise provided in the detailed specifications for each class of WORK.

4.2 The contract price may be changed only by a change order. For each change order, CONTRACTOR shall submit to the Engineer for review, sufficient cost and pricing data to enable the Engineer to ascertain the necessity and reasonableness of costs and amounts proposed, and the allowability and eligibility of costs proposed.

Article 5. PAYMENT PROCEDURES

CONTRACTOR shall submit Applications for Payment in accordance with Article 14 of the General Conditions. Applications for Payment will be processed by the ENGINEER as provided in the General Conditions.

5.1 Progress Payments. OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR's Applications for Payment as recommended by ENGINEER, on or about the second Wednesday of each month during construction as provided below. All progress payments will be on the basis of the progress of the WORK estimated by the ENGINEER.

5.1.1 Prior to Substantial Completion progress payments will be in an amount equal to 90% of the WORK completed, and 90% of materials and equipment not incorporated in the WORK but delivered and suitably stored, less in each case the aggregate of payments previously made.

5.1.2 Upon Substantial Completion and thereafter, OWNER shall pay an amount sufficient to increase total payments to CONTRACTOR to 95% of the Contract Price, less such amounts as ENGINEER shall determine in accordance with Paragraph 14.07 of the General Conditions.

5.2 Final Payment. Upon final completion and acceptance of the WORK in accordance with Paragraph 14.07 of the General Conditions, OWNER shall pay the remainder of the Contract Price as recommended by ENGINEER as provided in said Paragraph 14.07.

Article 6. CONTRACTOR'S REPRESENTATIONS

In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representation:

- 6.1 CONTRACTOR has familiarized himself with the nature and extent of the Contract Documents, WORK, locality, and with all local conditions and federal, state and local laws, ordinances, rules and regulations that in any manner may affect cost, progress or performance of the WORK.
- 6.2 CONTRACTOR has studied carefully all available reports of investigations and tests of subsurface and latent physical conditions at the site or otherwise affecting cost, progress or performance of the WORK which were relied upon by ENGINEER in the preparation of the Drawings and Specifications and which have been identified in the Supplementary Conditions.
- 6.3 CONTRACTOR has made or caused to be made examinations, investigations and tests and studies of such reports and related data in addition to those referred to in Paragraph 6.2 as he deems necessary for the performance of the WORK at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents; and no additional examinations, investigations, tests, reports or similar data are or will be required by CONTRACTOR for such purposes.
- 6.4 CONTRACTOR has correlated the results of all such observations, examinations, investigations, tests, reports and data with the terms and conditions of the Contract Documents.
- 6.5 CONTRACTOR has given ENGINEER written notice of all conflicts, errors or discrepancies that he has discovered in the Contract Documents and the written resolution thereof by ENGINEER is acceptable to CONTRACTOR.
- 6.6 CONTRACTOR shall warrant that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For breach or violation of this

warranty, the OWNER shall have the right to annul the contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

6.7 The award or execution of all subcontracts by a prime CONTRACTOR and the procurement and negotiation procedures used by such prime CONTRACTOR in awarding or executing subcontracts shall comply with:

- 6.7.1 All provisions of federal, State and local law,
- 6.7.2 All provisions of Illinois Administrative Code Title 35 Part 365 regarding fraud and other unlawful or corrupt practices;
- 6.7.3 All provisions of Illinois Administrative Code Title 35 Part 365 with respect to access to facilities, records and audit or records; and
- 6.7.4 All provisions of Illinois Administrative Code Title 35 Part 365 that require a "Certification Regarding Debarment, Suspension, and Other Responsibility Matters" (EPA Form 5700-49) showing compliance with federal Executive Order 12549.

6.8 CONTRACTOR shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. CONTRACTOR shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the CONTRACTOR to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.

Article 7. CONTRACT DOCUMENTS

The Contract Documents which comprise the entire agreement between OWNER and CONTRACTOR are attached to this Agreement, made a part hereof and consist of the following:

- 7.1 This Agreement (Pages 1 to 6, inclusive).
- 7.2 Exhibits to this Agreement
- 7.3 Payment and Performance Bonds
- 7.4 Notice of Intent to Award
- 7.5 Notice of Award
- 7.6 Notice to Proceed
- 7.7 General Conditions
- 7.8 Supplementary Conditions
- 7.9 Section 00825 - Wage Rates
- 7.10 Specifications bearing the title "2014 Blower Replacement – City of Rochelle, IL" as prepared by Trotter and Associates, Inc.
- 7.11 Drawings, consisting of a cover sheet and all sheets designated in Section 00860 with each sheet bearing the title "2014 Blower Replacement – City of Rochelle, IL" as prepared by Trotter and Associates, Inc.
- 7.12 Addenda No's 1 through 1, inclusive.

- 7.13 CONTRACTOR's Proposal (Pages 1 to 8, inclusive).
- 7.14 Documentation submitted by CONTRACTOR prior to Notice of Award.
- 7.15 Any modification, including Change Orders, duly delivered after execution of Agreement.

There are no Contract Documents other than those listed above in this Article 7. The Contract Documents may only be altered, amended or repealed pursuant to Section 3.04 of the General Conditions.

Article 8. MISCELLANEOUS

- 8.1 Terms used in this Agreement which are defined in Article 1 of the General Conditions shall have the meanings indicated in the General Conditions.
- 8.2 No assignment by a party hereto of any rights under or interests in the Contract Documents will be binding on another party hereto without the written consent of the party sought to be bound; and specifically but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.
- 8.3 OWNER and CONTRACTOR each binds himself, his partners, successors, assigns and legal representatives to the other party hereto, his partners, successors, assigns and legal representatives in respect to all covenants, agreements and obligations contained in the Contract Documents.
- 8.4 All claims, counter-claims, disputes and other matters in question between the City of Rochelle and the CONTRACTOR arising out of, or relating to this subagreement or the breach of it will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State of Illinois.

Article 9. OTHER PROVISIONS

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in triplicate. One counterpart each has been delivered to OWNER, CONTRACTOR and ENGINEER. All portions of the Contract Documents have been signed or identified by OWNER and CONTRACTOR or by ENGINEER on their behalf.

This Agreement becomes effective as of _____, 2014.

OWNER
CITY OF ROCHELLE, ILLINOIS

CONTRACTOR
(CONTRACTOR)

by _____
David Plyman, City Manager

by _____
Robert D. LaMantia, President

(Corporate Seal)

(Corporate Seal)

Attested

Attested

by _____
Bruce McKinney, City Clerk

by _____
Lorraine Kull

(Notary Seal)

Address for Giving Notices

Address for Giving Notices

City of Rochelle
420 North 6th Street
Rochelle, Illinois 60168

Dahme Mechanical Industries
610 S. Arthur Avenue
Arlington Heights, IL 60005

END 00500

08/24/14 10:20 AM

00500-6

Trotter and Associates, Inc.
COR-002

SECTION 00510

NOTICE OF AWARD

Date: September 8, 2014

To: Dahme Mechanical Industries
610 S. Arthur Avenue
Arlington Heights, Illinois 60005

Project: City of Rochelle – 2014 Blower Replacement

Job Number: COR-002

The OWNER has considered the BID submitted by you for the above described WORK in response to its Advertisement for Bids and Information for Bidders.

You are hereby notified that your bid has been accepted for items in the amount of **Two Hundred Eleven Thousand Eight Hundred Eighty-Eight Dollars and No Cents**. This amount is inclusive of \$37,000.00 calculated deduction to utilize Mandatory Alternate blower equipment manufactured by Aerzen.

You are required by the information for Bidders to execute the Agreement and furnish the required CONTRACTOR'S Performance BOND, Payment BOND and certificates of insurance within fifteen (15) calendar days from the date of this Notice indicated above.

If you fail to execute said agreement and to furnish said BONDS within fifteen (15) days from the date of this Notice, said OWNER will be entitled to consider all your rights arising out of the OWNER'S acceptance of your BID as abandoned and as a forfeiture of your BID BOND. The OWNER will be entitled to such other rights as may be granted by law.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the OWNER.

Dated this ____th day of _____, 2014.

David Plyman, City Manager
Rochelle, IL

Receipt of the above NOTICE OF AWARD is hereby acknowledged by _____ this ____ day of _____, 2014.

Name: _____
Title: _____

END 00510

8/24/2014 10:20 AM

00510-1

Trotter and Associates, Inc.
COR-002

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