



Engineering | Architecture | Planning | Allied Services

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January 16, 2020

VIA EMAIL

Mr. Jason Anderson
Economic Development Director
City of Rochelle
420 N 6th Street
Rochelle, IL 61068

RE: Agreement Increase Request #1
Construction Phase Engineering (CPE) Services
Rochelle City Industrial Rail (CIR) Improvements
City of Rochelle, Illinois

Dear Mr. Anderson:

Thank you for the opportunity to submit this proposal for an Agreement increase for the additional construction phase engineering (CPE) services for the City's Industrial Rail Improvements. The original contract was executed July 16, 2018 and approved formally by the City Council July 22, 2018. This increase request is for engineering services up to January 11, 2020 and for forecasted services through September 30, 2020, the expected completion of the project.

Summary of original and amended project scopes

The entire project consisted of three separate construction contracts which included the following:

Contract #1: Transload Facility
Contract #2 Rail Bridge
Contract #3 South Rail Extension

Original engineering scope:

The original scope of CPE services and the pricing was based on a December 2018 and early 2019 completion of the proposed construction. This timeline was dictated by the longest of the three contracts (Contract #3) which had a duration of 180 calendar days and a completion date of January 20, 2019. The three contracts, while running concurrently, could most often be monitored by a single construction observer/inspector with supplemental assistance from a second individual during bridge pier construction and more concentrated construction operations.

Amended engineering scope:

While the general scope of engineering services remained unchanged, the combination of colder weather, much higher than normal precipitation and saturated field conditions has

extended the duration of the project and engineering services into January 2020 with a projected completion of September 30, 2020.

As a result, construction inspection and the associated documentation and processing of paperwork has been stretched out over 1 year and 6 months (to date), far exceeding the original 6-month construction duration and 1 to 2-month closeout period. Since October/November 2018, most working days by a contractor were limited to only one contractor/project that was progressing, eliminating the efficiencies originally assumed.

Hanson's effort for labor, expenses and subconsultant fees exceeded the amount of the original contract around the end of May 2019. Despite the work being limited to a single contractor most of that time, and a substantial amount of bridge work with minimal construction crews occurring through the winter months on Contract #2, Hanson was able to stay under the limits of the original contract amount for 4½ months past the original project completion.

The following table illustrates the original and extended or projected durations of construction contracts:

Contract	Description	General Contractor	Original Contract Duration (Days)	Original Contract Ending	Revised Contract Duration (Days)	Revised Construction Contract Ending
1	Transload Facility	Railworks Track Services	120	12/17/18	328	07/13/19 [^]
2	Rail Bridge	Martin and Company Excavating	120	01/01/19	327	07/27/19
3	South Rail Extension	William Charles Construction	180	01/20/19	707	06/30/20

[^] Contract #1, while substantially complete and accepted for industry operations, is not 100% complete and retention is still being held.

Although work slowed significantly in Winter 2018-2019, Martin and Company kept no more than 2-4 workers on the bridge for that time as weather would allow. While the pace of work was slow, the bridge work warranted continued monitoring.

Items beyond the original scope of engineering services:

- 1) Additional engineering services for processing contractor invoices and EDA and IDOT reimbursement requests had to be made during the extended project schedule. While the processing of this paperwork would be more straight-forward with a single construction contract, the process was challenging for three contracts due to the ways in which the three contractors approached invoicing in a timely manner while meeting the EDA/IDOT requirements of the certified payrolls and IDOT requirement for partial lien waiver and contractor affidavit submittals.

We anticipated no more than six (6) reimbursement requests to EDA and IDOT for the original construction duration. Presently, five requests have been submitted to both

agencies, we expect to submit one to each agency in January 2020 and there may be one or two submittals after that depending on closeouts for Contracts #1 and #3.

- 2) There was an additional \$27,515.00 pass-through expense for the drainage tile survey conducted by Huddleston-McBride at the beginning of the Contract #3 project. The City requested that Hanson pay the fee on this initially as an expense with the City reimbursing the cost.
- 3) Preparation of Detour plans for the Contract #1 Crossing Closure was loosely written in the project specifications as being the responsibility of the Contractor, however no criteria were provided for these submittals. Typically, the general plan is done by the design engineer. During the review of traffic control bids from all bid submittals, no contractor included this engineering aspect. In the interest of moving this work item forward and not delay the project further, Hanson coordinated with Lee County for the submittal and made presentation exhibits to two local businesses affected by the closure. Approximate fee cost = \$4,000.

Proposed Fee

The total estimated not-to-exceed fee for our additional services is \$223,103.00.
 This estimate is based on the general scope noted above and the detailed scoping noted in the following pages.

Our current Agreement is in the amount of \$397,897.00. The \$221,103 requested agreement increase would bring the total agreement amount for this project to **\$620,000.00**

Breakdown of Services by 4-week Periods

Highlighted below in blue boxes is a tabulation (by 4-week Hanson Invoice periods) of Construction Phase Engineering Services for effort from July 2018 to January 11, 2020.

Note: Period amounts are rounded for clarity and include services for all three contracts.

Hanson Invoice Period	General Hanson Effort Notes on Significant Contractor Activity	Cumulative Amount
(01) 2018 Jul 25 to Aug 11	<ul style="list-style-type: none"> • All contracts - Pre-Construction meetings for all and preliminary coordination • Contract #2 - Shop Drawing Review (Bridge) • Contract #3 - Field Services (Inspection) 	
	Period Amount: <u>\$11,600</u>	<u>\$11,600</u>

Hanson Invoice Period	General Hanson Effort <i>Notes on Significant Contractor Activity</i>	Cumulative Amount
(02) 2018 Aug 12 to Sep 08	<ul style="list-style-type: none"> • Contract #1 & #3 - Field Services (Inspection and Coordination) • All Contracts – Processed Pay Applications (including initial setup) • Contract #1 - Shop Drawing Reviews • Contract #2 - Shop Drawing Reviews (Bridge) • Contract #3 - Field Services (Inspection) <p>Period Amount: <u>\$36,000</u></p>	<p><u>\$47,600</u></p>
(03) 2018 Sep 09 to Oct 6	<ul style="list-style-type: none"> • All Contracts - Field Services • All Contracts – Processed Pay Applications • Contract #1 - Shop Drawing Reviews • Contract #2 - Shop Drawing Reviews (Bridge) • Contract #3 - Shop Drawing Review (Box Culvert) • <i>Contract #3 - Contractor raises concerns that wet weather and forecast may delay the project from Jan 2019 finish</i> <p>Period Amount: <u>\$36,700</u></p>	<p><u>\$84,300</u></p>
(04) 2018 Oct 07 to Nov 03	<ul style="list-style-type: none"> • All Contracts - Field Services • All Contracts – Processed Pay Applications • Contract #2 – Bridge Pile Inspection (Includes test piles) • Contract #2 - Shop Drawing Reviews (Bridge) • <i>Contract #1 - Delays begin to develop as Love's Truck Stop construction and coordination delays the closure of Steward Road Crossing for new crossing and signals.</i> <p>Period Amount: <u>\$56,600</u></p>	<p><u>\$140,900</u></p>
(05) 2018 Nov 04 to Dec 01	<ul style="list-style-type: none"> • Contracts #1 and #2 - Field Services • Contract #2 – Bridge Pile Inspection • All Contracts – Processed Pay Applications • <i>Contract #3 – Contractor shuts down earthwork effort due to wet weather. Contractor does not recommence earthwork again before Spring 2019 due to early onset of winter.</i> • <i>November 25/26: Near blizzard conditions and heavy snow postpone all Contract #1 rail construction through the winter. Contract #2 resumes shortly after storm because bridge construction is possible</i> <p>Period Amount: <u>\$46,000</u></p>	<p><u>\$186,900</u></p>

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Hanson Invoice Period	General Hanson Effort <i>Notes on Significant Contractor Activity</i>	Cumulative Amount
(06) 2018 Dec 02 to Dec 29	<ul style="list-style-type: none"> • Contract #2 - Field Services • Contract #2 – Bridge Pile Inspection • Contracts #1 and #2 – Processed Pay Applications • Submitted Reimbursement Request 001 to EDA • Submitted Reimbursement Request 001 to IDOT 	
Period Amount: <u>\$27,900</u>		<u>\$214,800</u>
(07) 2018 Dec 30 To 2019 Jan 26	<ul style="list-style-type: none"> • Contracts #2 and #3 - Field Services (#2 Bridge, #3 Box Culvert) • Contract #2 – Bridge Pile Inspection • Contract #3 – Coordinated Steel Tie Delivery 	
Period Amount: <u>\$19,900</u>		<u>\$234,700</u>
(08) 2019 Jan 27 to Feb 23	<ul style="list-style-type: none"> • Contracts #2 and #3 - Field Services (#2 Bridge, #3 Box Culvert) • Submitted Reimbursement Request 002 to EDA • Contract #3 – Processed Pay Application • Hanson/TSC (tester) effort = \$21,285 • Huddleston-McBride Invoice for drain tile survey = \$27,515 	
Period Amount: <u>\$49,800</u>		<u>\$284,500</u>
(09) 2019 Feb 24 to Mar 23	<ul style="list-style-type: none"> • Contracts #2 and #3 - Field Services • Submitted Reimbursement Request 002 to IDOT • Contract #3 – Processed Pay Application 	
Period Amount: <u>\$28,300</u>		<u>\$312,800</u>
(10) 2019 Mar 24 to Apr 20	<ul style="list-style-type: none"> • Contract #2 - Field Services • Contract #1 – Detour Coordination with Contract and Preliminary Detour Submittal when Contractor slows on effort. • Contract #3 - Project Coordination 	
Period Amount: <u>\$32,400</u>		<u>\$345,200</u>
(11) 2019 Apr 21 to May 18	<ul style="list-style-type: none"> • All Contracts - Field Services • Contract #1 – Detour Submittal to Lee County and Coordination with local businesses for property access during crossing closure 	
Period Amount: <u>\$29,600</u>		<u>\$374,800</u>

Hanson Invoice Period	General Hanson Effort Notes on Significant Contractor Activity	Cumulative Amount
(12) 2019 May 19 to Jun 15	<ul style="list-style-type: none"> • All Contracts - Field Services • Submitted Reimbursement Request 003 to EDA • Hanson Original contract exceed around May 31, 2019. No billings until Increase is approved. • <i>Contract #1 – Crossing and Signal Installation performed</i> • <i>Contract #2 – Precast elements installed</i> • <i>Contract #3 – Earthwork effort and attempt to deal with wet weather without stabilization</i> 	
Period Amount: <u>\$42,400</u>		<u>\$417,200</u>
(13) 2019 Jun 16 to Jul 13	<ul style="list-style-type: none"> • All Contracts - Field Services • Contact #1 – Processed Pay Application • Submitted Reimbursement Request 003 to IDOT • Submitted Reimbursement Request 004 to EDA • <i>Contract #1 – Seal Coat installed; it was determined that the Sub-Contractor had an issue applying material properly. The contractor agreed to resurface at their expense.</i> 	
Period Amount: <u>\$22,800</u>		<u>\$440,000</u>
(14) 2019 Jul 14 to Aug 10	<ul style="list-style-type: none"> • All Contracts - Field Services • Contract #2 Punchlist and Closeout • Contract #1 Punchlist, but no closeout. • <i>Contract #1 – Signals at crossing malfunction.</i> 	
Period Amount: <u>\$25,300</u>		<u>\$465,300</u>
(15) 2019 Aug 11 to Sep 07	<ul style="list-style-type: none"> • Contract #3 - Field Services • Contract #1 – Coordination of Signal correction • Contract #2 – Process Pay Application • Submitted Reimbursement Request 004 to IDOT • <i>Contract #3 – Large Contract #3 change order approved to modify soil using cement and lime stabilization and drying.</i> 	
Period Amount: <u>\$26,100</u>		<u>\$491,400</u>
(16) 2019 Sep 08 to Oct 05	<ul style="list-style-type: none"> • Contract #3 - Field Services (Earthwork and Soil Modification) • Contract #3 – Process Pay Application • Contract #1 – Coordination of Signal correction 	
Period Amount: <u>\$24,300</u>		<u>\$515,700</u>
(17) 2019 Oct 06 to Nov 02	<ul style="list-style-type: none"> • Contract #3 - Field Services (Earthwork and Soil Modification) • Contract #3 – Process Pay Application • Submitted Reimbursement Request 005 to EDA • Submitted Reimbursement Request 005 to IDOT • <i>Contract #3 – Wet weather and groundwater keep Earthwork from being completed at this time</i> 	
Period Amount: <u>\$20,300</u>		<u>\$536,000</u>

Hanson Invoice Period	General Hanson Effort <i>Notes on Significant Contractor Activity</i>	Cumulative Amount
(18) Nov 03 to Nov 30	<ul style="list-style-type: none"> Contract #3 - Field Services (Trackwork) Contract #3 – Tamping equipment does not show up to jobsite until after Thanksgiving despite schedule showing 2 weeks earlier. 	
	Period Amount: <u>\$16,300</u>	<u>\$552,300</u>
(19) 2019 Dec 01 to Dec 28	<ul style="list-style-type: none"> Contract #3 - Field Services (Trackwork) Contract #3 – Process Pay Application Contract #1 – Coordination of Signal correction 	
	Period Amount: <u>\$24,700</u>	<u>\$577,000</u>
(20) 2019 Dec 29 To 2020 Jan 11	<ul style="list-style-type: none"> Contract #3 - Field Services (Trackwork) Contract #1 – Coordination of Signal correction 	
	Period Amount: <u>\$9,700</u>	<u>\$586,700</u>

Detailed Scope of Services Remaining
Forecasted Items to project completion

Below are the anticipated items required to complete this project, assuming a completion date of 9/30/2020.

Extended Service	Detailed Scope	Deliverable and/or Hanson Task Duration
(21) Field Services (Trackwork)	<ul style="list-style-type: none"> Inspection and Coordination with Trackwork contractor and general contractor Final Walk-through with contractors and Burlington Junction Railway (BJRY) representatives prior to turning track over for operations 	<ul style="list-style-type: none"> 10 working days (80 hours) Full-time onsite when contractor working
	Task Amount: <u>\$13,400</u>	
(22) Field Services (Final Earthwork and Closeout)	<ul style="list-style-type: none"> Inspection and Coordination with general contractor Walk-through and Punchlist with Contactor Contract Work remaining: <ul style="list-style-type: none"> Rip Rap at Box Culvert (Punchlist) Earthwork (Finalize ditch/ detention) Seeding Cleanup 	<ul style="list-style-type: none"> 80 hours Part-time onsite when contractor working
	Task Amount: <u>\$11,700</u>	

Extended Service	Detailed Scope	Deliverable and/or Hanson Task Duration
(23) Processing Contractor Invoices	<ul style="list-style-type: none"> Contract #1: 1 more Pay Application plus Retention Contract #2: complete Contract #3: 3 more Pay Applications plus Retention <p>Task Amount: \$3,000</p>	<ul style="list-style-type: none"> 6 total pay application submittals anticipated
(24) Preparation and Submittal of EDA & IDOT Reimbursement Requests	<ul style="list-style-type: none"> EDA: 2 more reimbursement requests and closeout IDOT: 2 more reimbursement requests and closeout <p>Task Amount: \$5,200</p>	<ul style="list-style-type: none"> 4 total reimbursement requests anticipated

The summary of Hanson's total effort, grouped by general subjects, is as follows:

(A) Items (01) - (20)	Hanson Labor Effort and Expenses to date	\$ 586,700
(B) Item (21)	Field Services (Trackwork)	\$ 13,400
(C) Item (22)	Field Services (Final Earthwork and Closeout)	\$ 11,700
(D) Item (23)	Processing Contractor Invoices	\$ 3,000
(E) Item (24)	Preparation and Submittal of EDA & IDOT Requests	\$ 5,200
Total Required Budget through Completion		\$ 620,000
Original Contract Amount		\$ 396,897
TOTAL Amendment Request		\$ 223,103.00

We respectfully request your review and approval of the amendment request. With your approval, we ask that you present the amendment to the City for their concurrence and processing of a contract amendment. Please do not hesitate to call me at 630.368.2052, if you have any questions.

Sincerely,
HANSON PROFESSIONAL SERVICES INC.



Stephen P. Gaudette, P.E.
 Project Manager

cc: (all via email)
 Hanson: Stuart Kemp, James Messmore