



LAKE COUNTY FOREST PRESERVES

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Preservation, Restoration, Education and Recreation

DATE: August 4, 2016

MEMO TO: S. Michael Rummel, Chair
Finance and Administrative Committee

Agenda Item# 9.3

FROM: James L. Anderson
Director of Natural Resources

RECOMMENDATION: Recommend approval of a Resolution authorizing Change Order No. 3 to the Contract with Michels Corporation, Park Ridge, Illinois, for the Des Plaines River Dam Removals at MacArthur Woods and Captain Daniel Wright Woods Forest Preserves, increasing the Contract Amount by \$25,146.00.

STRATEGIC DIRECTIONS SUPPORTED: Organizational Sustainability; Conservation

FINANCIAL DATA: This project was approved as part of the adopted FY 2016/2017 Capital Improvement Plan in the amount of \$690,000.00. The change order will be charged to account 69644100-803200-62410, and will increase the contract amount by \$25,146.00 for a total Contract Price of \$519,580.20.

BACKGROUND: The District has entered into an Intergovernmental Agreement with the Illinois Department of Natural Resources-Office of Water Resources (IDNR-OWR) to remove the two low-head dams at MacArthur Woods and Captain Daniel Wright Woods Forest Preserves. In April of 2015, a Resolution was passed awarding a contract to Michels Corporation to remove the dams.

The agreement with IDNR-OWR requires the State to reimburse the District for all costs associated with the removal of these dams. However, due to the State budget impasse, these funds are not available, and whether they will ever be is unknown. The project was delayed due to this situation. Subsequently, after review with the Planning and Restoration Committee and Finance and Administrative Committee the District decided to move forward on the project using existing CIP funds.

Removal of the dams is necessary for the natural migrations of fish and other aquatic wildlife, to improve water quality, and to provide safe passage for recreational paddlers.

Change Order No. 3 includes additional funds necessary for the contractor to secure additional insurance requested by Hollister Incorporated, co-owner of the MacArthur Woods dam. The District's contractor will be accessing the MacArthur Woods dam from Hollister property.

REVIEW BY OTHERS: Executive Director, Chief Operations Officer, Director of Finance, Director of Administration, Corporate Counsel

PRESENTER: James L. Anderson

STATE OF ILLINOIS)
) SS
COUNTY OF LAKE)

**BOARD OF COMMISSIONERS
LAKE COUNTY FOREST PRESERVE DISTRICT
REGULAR AUGUST MEETING
AUGUST 9, 2016**

MADAM PRESIDENT AND MEMBERS OF THE BOARD OF COMMISSIONERS:

Your **FINANCE AND ADMINISTRATIVE COMMITTEE** presents herewith “A Resolution Approving Change Order No. 3 to the Contract with Michels Corporation for the Des Plaines River Dam Removals,” and requests its adoption.

FINANCE AND ADMINISTRATIVE COMMITTEE:

Date: 8/4/2016 Roll Call Vote: Ayes: _____ Nays: _____
 Voice Vote Majority Ayes; Nays: 0

**LAKE COUNTY FOREST PRESERVE DISTRICT
LAKE COUNTY, ILLINOIS**

**A RESOLUTION APPROVING CHANGE ORDER NO. 3 TO THE CONTRACT WITH
MICHELS CORPORATION FOR THE DES PLAINES RIVER DAM REMOVALS**

WHEREAS, the Lake County Forest Preserve District (the "District") entered into a contract (the "Contract") with Michels Corporation ("Michels") for the Des Plaines River Dam Removals at MacArthur and Captain Daniel Wright Woods Forest Preserves (the "Work "); and

WHEREAS, the Contract contained a lump sum price for the Work to be completed according to a scope of services; and

WHEREAS, the Work requires Michels Corporation to access the dam at MacArthur Woods Forest Preserve through property owned by Hollister Incorporated ("Hollister") and, therefore, the District has approved or will approve an easement agreement with Hollister allowing Michels to gain such access (the "Easement Agreement"); and

WHEREAS, pursuant to the Easement Agreement, the District is required to cause Michels to obtain additional insurance coverages; and

WHEREAS, Change Order Numbers 1 and 2 to the Contract have already been approved; and

WHEREAS, it is in the best interest of the District to approve Change Order No. 3 attached hereto (the "Change Order") to provide for the additional insurance requested by Hollister;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Lake County Forest Preserve District, Lake County, Illinois THAT:

Section 1. Recitals. The recitals set forth above are incorporated as a part of this Resolution by this reference.

Section 2. Approval of the Change Order. The Change Order, in substantially the form attached hereto, is approved for the following reasons:

- a. The Change Order is germane to the original Contract, as signed; and
- b. The Change Order is in the best interest of the District.

Section 3: Placement in Contract File. This Resolution and the Change Order shall be preserved in the permanent District file of the Contract. This Resolution shall constitute the written determination required by Section 33E-9 of the Illinois Criminal Code, 720 ILCS 5/33E-9.

Section 4: Reapproval of the Contract. The Contract is hereby reapproved, except to the extent that it has been changed by or conflicts with the Change Order or this Resolution.

Section 5. Effective Date. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

PASSED this _____ day of _____, 2016

AYES:

NAYS:

APPROVED this _____ day of _____, 2016

Ann B. Maine, President
Lake County Forest Preserve District

ATTEST:

Julie Gragnani, Secretary
Lake County Forest Preserve District

Exhibit No. _____



Lake County Forest Preserve District

CHANGE ORDER NO. 3

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Date: July 21, 2016
Project No: 65004-15049-774
DES PLAINES RIVER DAM REMOVALS
MacArthur Woods & Captain Daniel Wright Woods

Contractor: MICHELS CORPORATION
817 West Main Street
Brownsville, WI 53006

Contract Date: April 28, 2015

To the Contractor: You are hereby authorized to make the following changes,
subject to the Contract provisions.

Table with 4 columns: Description, Change Type, Amount, and Percentage. Rows include Bulletin No. 1 (INCREASE \$25,145.00 5.24%), TOTAL (INCREASE \$15,260.00 3.18%), Original Contract Price (\$479,174.20), Change Order No. 1 (TIME EXTENSION \$0.00 0.00%), Change Order No. 2 (INCREASE \$15,260.00 3.18%), Change Order No. 3 (INCREASE \$25,146.00 5.24%), and REVISED CONTRACT PRICE (\$519,580.20 5.24%).

Time Extension: NONE
Other Contracts Affected: NONE

Recommended By:

James Z. Andrus
Acting Director of Natural Resources

DATE: 25 July 2016

Approved By:

Executive Director

DATE: _____

Accepted By:

H. Black
Contractor

DATE: 07.21.16

DISTRIBUTION: Original: LCFPD Project Manager

Copies: Contractor
Decrease: Accounting, Purchasing
Increase: Munis
Original PO# 20150758-00



Bulletin No. 2
Project No. 65004-15049-774
Project Name DES PLAINES RIVER DAM REMOVALS
Date: July 21, 2016

YOU ARE HEREBY AUTHORIZED TO MAKE THE FOLLOWING CHANGES IN THE CONTRACT DOCUMENTS:

Paragraph 4.2 of the Contract, titled Insurance is deleted and replaced with the following:

4.2 Insurance

Contemporaneous with Contractor's execution of this Contract, Contractor shall provide certificates and policies of insurance evidencing the insurance coverage and limits set forth in Attachment A. Such policies shall be in a form, and from companies acceptable to Owner. Such insurance shall provide that no change, modification in or cancellation of any insurance shall become effective until the expiration of thirty (30) days after written notice thereof, shall have been given by the insurance company to Owner. Contractor shall, at all times while providing, performing or completing the Work (including, without limitation, at all times while correcting any failure to meet warranty pursuant to Section 3.2 of this Contract) and at all other times required by Attachment A, maintain and keep in force, at Contractor's expense, the insurance coverages and limits set forth in Attachment A.

Paragraph 4.3 of the Contract, titled Indemnification is deleted and replaced with the following:

4.3 Indemnification

Contractor shall indemnify, save harmless, and defend Owner, the State of Illinois/Department of Natural Resources, Wills Burke Kelsey Associates, Ltd., Hollister Incorporated, and their officers, officials, agents, commissioners, representatives, employees, and attorneys (collectively the "Owner Indemnitees") against any and all lawsuits, claims, demands, damages, liabilities, losses, and expenses, including attorneys' fees and administrative expenses that may arise or be alleged to have arisen out of or in connection with Contractor's performance of or failure to perform the Work or any part thereof, whether or not due or claimed to be due in whole or in part to the active, passive or concurrent negligence or fault of Contractor, except to the extent caused by the sole negligence of Owner and/or any other Owner Indemnitee.

Contractor shall cause its subcontractors to indemnify, save harmless, and defend the Owner Indemnitees, against any and all lawsuits, claims, demands, damages, liabilities, losses, and expenses, including attorneys' fees and administrative expenses that may arise or be alleged to have arisen out of or in connection with Contractor's subcontractors performance of or failure to perform the Work or any part thereof, whether or not due or claimed to be due in whole or in part to the active, passive or concurrent negligence or fault of the Contractor's subcontractors, except to the extent caused by the sole negligence of Owner and/or any other Owner Indemnitee.

Paragraph 6 of ATTACHMENT A, titled SUPPLEMENTAL SCHEDULE OF CONTRACT TERMS, is deleted and replaced with the following:

6. Insurance Coverages

All insurance policies shall be issued from insurance companies holding at least an "A5" or better rating as rated by A.M. Best Company. All policies (except Worker's Compensation) and Contractor and Contractor's subcontractors shall include and name the Lake County Forest Preserve District ("Owner"), State of Illinois/Department of Natural Resources, Wills Burke Kelsey Associates, LTD. and Hollister Incorporated as additional insureds and as additional interest insureds.



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A. Worker's Compensation and Employer's Liability with limits not less than:

- (1) Worker's Compensation: Statutory
- (2) Employer's Liability:
 - a. \$1,000,000 - injury per occurrence
 - b. \$1,000,000 - disease per employee
 - c. \$1,000,000 - disease policy limit

Such insurance shall evidence that coverage applies in the State of Illinois.

B. Comprehensive Motor Vehicle Liability with limits for any autos, hired autos, vehicles owned, non-owned or rented, not less than:

- (1) Bodily Injury and Property Damage:
 - a. Combined Single Limit
 - b. \$2,000,000 – per occurrence
 - c. \$2,000,000 – aggregate

All employees shall be included as insureds.

C. Comprehensive Commercial General Liability: If such CGL insurance contains a general aggregate limit, it shall apply separately to this project. With coverage written on an "occurrence" basis with limits no less than:

- (1) General Aggregate: \$2,000,000
- (2) Bodily Injury:
 - a. \$ 2,000,000 - per person
 - b. \$ 2,000,000 - per occurrence
- (3) Personal & Advertising Injury:
 - a. \$ 2,000,000 - per person
 - b. \$ 2,000,000 - per occurrence
- (4) Property Damage:
 - a. \$ 2,000,000 - per occurrence
 - b. \$ 2,000,000 – aggregate
- (5) Products-Completed Operations
 - a. \$2,000,000 – per occurrence
 - b. \$2,000,000 – aggregate
- (6) Other Coverages:



Lake County Forest Preserve District

CHANGE ORDER NO. 3

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- Premises/Operations
- Commercial General Liability/Products/Completed Operations (to be maintained by Contractor, Contractor's subcontractors and including all Additional Insureds for two years following Final Payment pursuant and to the limits and terms set forth in Attachment A). The Additional Insureds shall also remain as Additional Interest Insureds and shall receive direct written notice at least thirty (30) days before the effective date of any material changes to, any cancellation of, or any non-renewal of these coverages during the time period for which this coverage shall remain in place.
- Independent Contractors
- Personal Injury (with Employment Exclusion deleted)
- Broad Form Property Damage Endorsement
- Blanket Contractual Liability (must expressly cover the indemnity provisions of the Contract)
- Bodily Injury and Property Damage "X", "C", and "U" exclusions shall be deleted

Railroad exclusions shall be deleted if Work Site is within 50 feet of any railroad tracks.

All employees shall be included as insureds.

D. Umbrella Policy: The umbrella policy must provide excess coverage over all underlying insurance including Comprehensive Motor Vehicle Liability, Comprehensive Commercial General Liability and Workers Compensation on a following-form basis such that, when any loss covered by the primary policy exceeds the limits under the primary policy, the umbrella policy becomes effective to cover such loss. Coverage shall be written on an "occurrence" basis with limits no less than:

- (1) Umbrella Coverage
 - a. \$10,000,000 – per occurrence
 - b. \$10,000,000 - aggregate

E. Deductible. Each policy shall have a deductible of not more than \$500.

F. Additional Insureds. The following shall be named as Additional Insureds and Additional Interest Insureds using ISO Form Endorsements 20 10 11 85 or 2010 10 01 and 2037 10 01 for the following policies:

- Comprehensive Motor Vehicle Liability
- Comprehensive Commercial General Liability
- Umbrella Policy

The Additional Insured Endorsement shall identify the following as Additional Insureds:

Lake County Forest Preserve District, State of Illinois/Department of Natural Resources, Wills Burke Kelsey Associates, LTD. and Hollister Incorporated.

The Endorsements shall also provide that the Lake County Forest Preserve District, State of Illinois/Department of Natural Resources, Wills Burke Kelsey Associates, Ltd. and Hollister Incorporated are Additional Interest Insureds and must receive direct written notice at least thirty (30) days before the effective date of any material changes to, any cancellation of, or any non-renewal of these coverages during the time period for the Work.



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Contractor's insurance policies shall not contain exclusions of coverage such as ISO CG 22 94 10 01 or CG 22 95 10 01 for damages to Work performed in whole or in part by subcontractors.

Contractor's and Contractor's subcontractors' insurance shall be primary and non-contributory to any other insurance available.

- G. Indemnification Clause. The Contractor shall protect, indemnify, hold and save harmless and defend the Owner, State of Illinois/Department of Natural Resources, Wills Burke Kelsey Associates, Ltd. and Hollister Incorporated and their officers, officials, commissioners, representatives, employees, volunteers, and agents against any and all claims, costs, causes, actions and expenses, including but not limited to attorney's fees incurred by reason of a lawsuit or claim for compensation arising in favor of any person, including the employees, or volunteers or officers or independent contractors or subcontractors of the Owner, on account of personal injuries or death, or damages to property occurring, growing out of, incidental to, or resulting directly or indirectly from the use and performance by or on behalf of the Contractor.

The Contractor shall also require all its subcontractors to protect, indemnify, hold and save harmless and defend the Owner, State of Illinois/Department of Natural Resources, Wills Burke Kelsey Associates, Ltd. and Hollister Incorporated and their officers, officials, commissioners, representatives, employees, volunteers, and agents against any and all claims, costs, causes, actions and expenses, including but not limited to attorney's fees incurred by reason of a lawsuit or claim for compensation arising in favor of any person, including the employees, or volunteers or officers or independent contractors or subcontractors of the Owner, on account of personal injuries or death, or damages to property occurring, growing out of, incidental to, or resulting directly or indirectly from the use and performance by or on behalf of the Contractor.

- H. Evidence of Insurance. Contractor shall furnish Owner with a certificate(s) of insurance and applicable policy endorsement(s), executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth in this Paragraph 6. Failure of Owner to demand such certificate, endorsement or other evidence of full compliance with these insurance requirements or failure of Owner to identify a deficiency from evidence that is provided shall not be construed as a waiver of Contractor's obligation to maintain such insurance. Owner shall have the right, but not the obligation, of prohibiting Contractor from entering the Work Site until such certificates or other evidence that insurance has been placed in complete compliance with these requirements is received and approved by Owner. Failure to maintain the required insurance may result in termination of this Contract at Owner's option. Contractor shall provide certified copies of all insurance policies required above within 10 days of Owners' written request for said copies.

The Evidence of Insurance shall be provided on a fully completed, signed and dated ACCORD Certificate of Insurance Form and shall clearly state that "the Lake County Forest Preserve, State of Illinois/Department of Natural Resources, Wills Burke Kelsey Associates, LTD. and Hollister Incorporated and their officers, officials, commissioners, and representatives, employees, volunteers, and agents are Additional Insureds and Additional Interest Insureds under Commercial General Liability Insurance, Comprehensive Motor Vehicle Liability Insurance and Umbrella Insurance Coverage."

- I. Owner's and Contractor's Protective Liability Insurance. Contractor, at its sole cost and expense, shall purchase this insurance in the name of Owner with a combined single limit for bodily injury and property damage of not less than \$1,000,000.
- J. Contractor's Subcontractors. Contractor shall require all its Subcontractors to name Lake County Forest Preserve District, State of Illinois/Department of Natural Resources, Wills



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Burke Kelsey Associates, LTD. and Hollister Incorporated as Additional Insureds under Subcontractors insurance. Contractor shall require all its Subcontractors to furnish certificates and/or policies of insurance evidencing the insurance coverage and that the Lake County Forest Preserve District, State of Illinois/Department of Natural Resources, Wills Burke Kelsey Associates, LTD. and Hollister Incorporated have been named as Additional Insureds. Coverage as Additional Insureds shall be provided by ISO Form Endorsements 20 10 11 85 or 20 10 10 01 and 20 37 10 01. Such insurance shall provide that no change, modification in or cancellation of any insurance shall become effective until the expiration of thirty (30) days, after written notice thereof, shall have been given by the insurance company to Owner. Subcontractors shall, at all times while providing, performing or completing the Work, including, without limitation, at all times while correcting any failure to meet warranty pursuant to Section 3.2 of this Contract, maintain and keep in force, the insurance for the time period set forth in Attachment A.