

**JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT**

**COMPLETE THIS SECTION IF NEW CONTRACT**

For contract(s) in this request, answer applicable questions in each of the 4 major subject areas below in accordance with the Instructions for Preparation of Non-Competitive Procurement Form on the reverse side.

Request that negotiations be conducted only with T. D. Williamson, Inc. (Name of Person or Firm) TDW Services, Inc., Division of \_\_\_\_\_ for the product and/or services described herein.

This is a request for  (One-Time Contractor Requisition # \_\_\_\_\_, copy attached) or \_\_\_\_\_ Term Agreement or \_\_\_\_\_ Delegate Agency (Check one). If Delegate Agency, this request is for "blanket approval" of all contracts within the \_\_\_\_\_ (Program Name) (Attach List) Pre-Assigned Specification No. \_\_\_\_\_ Pre-Assigned Contract No. \_\_\_\_\_

**COMPLETE THIS SECTION IF AMENDMENT OR MODIFICATION TO CONTRACT**

Describe in detail the change in terms of dollars, time period, scope of services, etc., its relationship to the original contract and the specific reasons for the change. Indicate both the original and the adjusted contract amount and/or expiration date with this change, as applicable. Attach copy of all supporting documents. Request approval for a contract amendment or modification to the following:

Contract #: \_\_\_\_\_ Company or Agency Name: \_\_\_\_\_  
Specification #: \_\_\_\_\_ Contract or Program Description: \_\_\_\_\_  
Mod. #: \_\_\_\_\_ (Attach List, if multiple)

Jamie L Rhee 773 557 4726 Jamie Rhee OMP 12/13/04  
Originator Name Telephone Signature Department Date

Indicate SEE ATTACHED in each box below if additional space needed:

(X) PROCUREMENT HISTORY SEE ATTACHMENT
(X) ESTIMATED COST SEE ATTACHMENT
(X) SCHEDULE REQUIREMENTS SEE ATTACHMENT
(X) EXCLUSIVE OR UNIQUE CAPABILITY SEE ATTACHMENT
(X) OTHER SEE ATTACHMENT

APPROVED BY: [Signature] 12/13/04 \_\_\_\_\_  
DEPARTMENT HEAD OR DESIGNEE DATE BOARD CHAIRPERSON DATE

## JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT

O'Hare Modernization Program – WA #09 JAWA 90-inch Water main Relocation Project  
Sole Source Utilization of T.D. Williamson/TDW Services, Inc.

December 16, 2004

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### Procurement History

This request stems from the planned "WA #09 JAWA 90-inch Water Main Relocation Project", one of the several enabling projects associated with construction of the new Runway 9L-27R under the O'Hare Modernization Program.

OMP's requirement is to secure the services of a vendor who is eminently qualified to perform the service of safely and reliably stopping, diverting and restoring water flow in the NSMJAWA 90-inch water main. This is necessary to accomplish the connections at both ends between the existing water main and the planned 4800 ft. relocated section of the water main. This work is to be done while the water main remains in service, with no disruption of flow. Because this is done while the pipeline is "live" and in operation, the first step in this process, which is to drill a hole in the live line, is called "hot-tapping".

The process necessary to accomplish this overall stop-divert-restore task can be summarized as follows:

- Perform a small 12-inch hot tap at each of the two proposed locations to assess and confirm the existing pipe properties and condition, and prepare templates necessary to fabricate the primary equipment to follow. These locations are shown in the accompanying drawings.
- Manufacture the 60" x 90" tapping saddles (2) and 60" Stopple apparatus (2). (STOPPLE ® is a T.D. Williamson trademark.) The saddles are mounted on the 90-inch pipe to create a 60-inch vertical "tee".
- Excavate and prepare the existing water main at each location and install the tapping saddle.
- Construct the thrust restraint structures necessary to stabilize the existing pipe, the Stopple apparatus and the diversion /bypass piping while this equipment is in service. Again, see accompanying drawings.
- Mount the tapping machine and drill the 60-inch hole into the pipe at each location.
- Remove the tapping machine and install the line plugging or Stopple apparatus, and connect 48-inch bypass piping to the Stopple apparatus.
- When all other preparations and construction has been accomplished, lower and insert the plugging device housed inside the Stopple apparatus into the 90-inch water main, thereby stopping all flow through the 90-inch and diverting that flow into the 48-inch bypass line.
- With water flow stopped at the connection points, make the 90-inch to 90-inch tie-in's.
- Following completion of the connections, reverse the process to restore flow through the 90-inch utilizing the new relocated section, and remove all applicable vendor equipment.

This requirement was initially defined during the Conceptual Design phase of this project in 2003 and has seen little if any alteration as the project has progressed through Data Validation and now Final Design.

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While hot tapping of water mains is not an everyday occurrence in the City of Chicago, for small diameter lines it is not an uncommon practice. Heretofore T.D. Williamson (TDW) has not worked directly for the City of Chicago. However, there are a number of instances where TDW has competitively bid and won contracts to work as a subcontractor to a general handling a project requiring hot tapping of a Department of Water Management water main. All that notwithstanding, this procurement event is a first time requirement, and will be a one-time occurrence.

During the referenced Conceptual Design phase of this project, BPC endeavored to contact and solicit feedback from other firms in the business of providing hot tapping and related services. Given the size of water main involved in this project, the high pressure at which this system operates (150psi.) and the requirement that the vendor possess a demonstrable track record of having performed previous hot tap / line-plug operations of a similar scope, the result was that no vendor other than TDW responded to BPC's solicitation.

As indicated above, from the perspective of OMP, this is a one-time request.

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Estimated Cost

As shown in the accompanying TDW proposal dated November, 2004, the anticipated cost for TDW's services is expected to total approximately \$5,275,000.

It should be noted that this total is made up of the \$2,644,000 figure shown in the referenced proposal, plus \$2,631,000 which represents TDW's current best estimate for the general construction components under item #5, a firm price for which TDW is currently in the process of obtaining.

As indicated, the source of this cost estimate is the proposed vendor, TDW. TDW's estimate has been prepared with the benefit of significant input over time, first from BPC during Conceptual Design, and later from Burns & McDonnell, as Final Design has evolved.

TDW's significant body of work in performing this type and magnitude of project has made it possible for them to apply tried and proven technology and equipment designs from their portfolio, thereby not requiring, thus far, a substantial investment in original design, tooling or other categories of expense. However, these categories of expense will be required once TDW is under contract and issued a Notice To Proceed.

At this time, no price negotiation between the City and TDW has yet occurred. The uniqueness of each of the relatively small number of very large diameter, high pressure hot tap and line plug projects that have been completed to-date, worldwide, does not lend itself to developing a meaningful cost comparison.

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### **Schedule Requirements**

OMP's schedule for contracting with TDW to perform these services is based on two key drivers. First, obviously, is the overarching OMP schedule for all enabling projects leading up to construction of the new Runway 9L-27R, with its 2007 target completion date. Second, is the constraint which stems from fundamental operation of the NSMJAWA system. As you know, NSMJAWA is THE source of water for its seven member communities, which include:

- Elk Grove Village
- Hanover Park
- Hoffman Estates
- Mount Prospect
- Rolling Meadows
- Schaumburg, and
- Streamwood

Together these communities comprise approximately 350,000 customers. Predictably, customer demand peaks during the warmer period of the year. Based on historical demand variations and system performance capabilities, hot tapping on this system and operating the system in a bypass mode as referred to above has been restricted by NSMJAWA to the lower demand period, generally the months of November through March. This means that, to meet the overall OMP timetable, it will be necessary to take advantage of both the winter '04-'05 period we are currently in the midst of, and the upcoming winter of '05-'06, for executing the tasks intended for TDW. More specifically, it is necessary for TDW to complete the initial step described previously, namely the 12-inch hot taps, between now and the end of March, 2005 in order for this project to stay on schedule and not ultimately impact the schedule for initial operation of the new runway.

There are no issues associated with a lack of drawings and/or specifications that are impeding a competitive bid process. That process is simply not relevant because there are no viable competitors beyond TDW capable of performing this work.

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### Exclusive or Unique Capability

Bottom line: There is no vendor other than T.D. Williamson who has the capability of hot tapping and plugging a live 90-inch high pressure water main.

T.D. Williamson, Inc., and TDW Services, Inc. are privately held corporations with headquarters in Tulsa, Oklahoma. TDW was founded in 1920 and has been in continuous operation since that date. The firm has 60 offices worldwide, and specializes in the inspection and modification of live pipe systems without loss of pressure, flow or service. TDW's manufacturing facilities are located in Tulsa, Oklahoma, as well as Canada and Belgium. The firm's clientele and market centers on pipeline systems used to transport potable water, waste water, oil, natural gas; nuclear power generation cooling systems; any continuous process industry and subsea pipelines.

TDW is the founder and lead developer of the large diameter and high pressure hot tapping and pipe plugging industry. TDW holds over 150 patents on the equipment and processes utilized for this highly specialized work. TDW has over 20 registered professional engineers on staff worldwide. TDW participates on several code committees, including ASME (American Society of Mechanical Engineers) B31.3 (Chemical and Refinery Process Piping), B31.4 (Liquid Petroleum Pipeline), B31.8 (Natural Gas Transmission and Distribution). TDW has had a presence on these committees since 1956, and is the only firm from the hot tapping and pipe plugging industry that has had such continuous presence. TDW is also the only firm in this industry that has ISO (International Standards Organization) registration. This registration covers their design, manufacture and field installation procedures. Finally, TDW is the only company that manufactures and sells high pressure pipeline plugging equipment for use above 24" and at pressures rated above 1,480 psig working pressure.

Based on the firm's experience and reputation, TDW was contacted early in the Conceptual Design phase of this project and asked to provide engineering expertise on the potential relocation of the 90" water main without service interruption. OMP expressed concern regarding the ability to work on such a large diameter water system while at a pressure above 120 psig. TDW provided documentation (see sample documents in binder) that demonstrated past success and experience regarding modifications to large diameter and high pressure systems, including oil and natural gas pipelines, dating back to the 1950's.

The damage that could be inflicted by tapping, plugging and diverting flow in this system improperly is quite significant. That damage would be not only physical and financial, but also political. Loss of water service to a major population of the Northwest suburbs of Chicago, impacting the 350,000 customers, including hospitals, schools, nursing homes and fire protection systems, could border on catastrophic in terms of both direct and collateral impacts. It therefore

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behooves the City, OMP, NSMJAWA and all other parties involved in this project to utilize the best possible resources to accomplish it, and thereby minimize the potential risks just alluded to.

It should also be noted that TDW has a 15-year plus relationship with Price Brothers Concrete Pipe Company in Dayton, Ohio regarding large diameter hot tapping and pipe relocation projects. A predecessor firm previously acquired by Price Brothers was the vendor who supplied the 90" pipe used to construct the existing NSMJAWA system in 1983-84. Price Brothers will not recommend any company other than TDW for this type work based TDW's successful performance record over these past 15 years.

As indicated earlier, OMP performed a due diligence search of other companies in the hot tapping and pipe plugging industry that would have interest and experience in bidding on a project of this nature. Following initial screening, two other companies were contacted:

1. The IPSCO Division of Flowserve Industrial Services, and
2. Hydra-Stop Division, Severn Trent Pipeline Services

Neither of these companies provided proposals indicating that they could perform the required work. Further, both of these companies reportedly:

- Use TDW equipment.
- Apply TDW equipment designs from expired TDW patents.
- Could not demonstrate that they had performed engineering-based design calculations for their equipment.
- Are only capable of applications which are 48" diameter or less, and generally rated at working pressures below 100 psig.

At the time OMP requested TDW to provide technical and financial input regarding this relocation project, it was generally believed that this work would be for public bid. It was only during the due diligence review process referred to above that it was determined that TDW had already performed numerous Stopple applications (at least 10 applications above 60" and up to 96" diameter) and was the only company in the world that has done so. TDW has already designed, built, tested and field applied most of the kind of equipment that will be needed to perform this relocation. Neither of the other firms appears to have the technical expertise, nor the resources, nor the experience necessary to under take a project of this nature and magnitude.

In short, as was stated at the start of this section. There is no alternative to use of T.D. Williamson for performance of this work.

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Other

T.D. Williamson, as indicated previously, is headquartered in Tulsa, OK. All design and development work that will be necessary to manufacture the required equipment for this project, and all planning and preparation necessary for and leading up to the installation of their equipment and performance of their services, will be carried out at these Tulsa facilities. TDW's out-of-state base of operations, combined with the highly specialized and engineering-intensive nature of this work, generally preclude MBE/WBE involvement opportunities for TDW self-performed work. Field installation, through the services of an excavation, earth retention, rigging, etc. subcontractor to be engaged by TDW, may yield a modest MBE/WBE involvement opportunity. Separable construction activities, such as traffic control and possibly others, may be tasks that can be handled by MBE/WBE contractors. Whether such an opportunity will readily materialize has not yet been determined.





# CPAC PROJECT CHECKLIST

For CPAC Team Use Only	
Date Received	_____
Date Returned	_____
Date Accepted	_____

**IMPORTANT:** PLEASE READ AND FOLLOW THE INSTRUCTIONS FOR COMPLETING THE PROJECT CHECKLIST AND CONTACT THE APPROPRIATE TEAM LEADER IF YOU HAVE ANY FURTHER QUESTIONS. ALL INFORMATION SHOULD BE COMPLETED INCLUDING THE SUPPLEMENTAL CHECKLIST REQUIRED BY THE SPECIFIC CPAC TEAM. ATTACH ALL REQUIRED MATERIALS AND SUBMIT FOR HANDLING TO THE DEPARTMENT OF PROCUREMENT SERVICES, ROOM 403, CITY HALL, 121 N. LASALLE STREET, CHICAGO, ILLINOIS 60602.

**PROJECT**

Date: 12/9/04 Contact Person: Aurelio Garcia  
 ID No (Spec, RX, Project): \_\_\_\_\_ Tel: 557-4733 Fax: 557-4983 E-mail: Aurelio.garcia@cityofchicago.org  
 Department: Aviation Project Manager: Chris Asman  
 Bureau: OMP Tel: 557-4730 Fax: 557-4983 E-mail: \_\_\_\_\_  
 Contract No (if known): \_\_\_\_\_ Estimated Value \$ \_\_\_\_\_  
 Project Title/Description: Shaw 90" Hot Tap + Relocation

**SCOPE STATEMENT**

attached is a detailed scope of services and/or specification

**IMPORTANT:** THIS IS A CRITICAL PORTION OF YOUR SUBMITTAL. IN ORDER FOR A TEAM TO ACCEPT YOUR SUBMITTAL YOU MUST COMPLETE ALL TEAM SPECIFIC SCOPE REQUIREMENTS AS SET FORTH IN THE SUPPLEMENTAL CHECKLIST FOR THAT TEAM.

The following is a general description of what would be included in a Scope of Services or Specification: A clear description of all anticipated services and products, including: time frame for completion, special qualifications of prospective vendors, special requirements or needs of the project, locations, anticipated participating user departments, citation of any applicable City ordinance or state/federal regulation or statute.

**TYPE OF PROCUREMENT REQUESTED (check all that apply)**

Competitive Bid  RFQ/RFP/RFS/RFI  Sole Source\*\*  Term Agreement  One Shot  
 Mod/Amendment  Time Extension  Additional Funding  Small Order  S/O Emergency

**FORMS**

F-25\* (add line item)  F-10\* (special approvals)  SSRB\*\* (sole source approval)  
 F-26\* (new term agreement)  RX (one-shot requisition)  OBM Authorization  
 F-27\* (time extension)  APRF (all purpose request form)  
 F-29\* (change vendor limit)

\*\* Sole source requests must include vendor quotes/proposal and MBE/WBE compliance requirements

**FUNDING**

City:  Corporate  Bond  Enterprise  Grant\*  Other GRANT  
 State:  IDOT/Transit  IDOT/Highway  Grant\*  Other \_\_\_\_\_  
 Federal:  FHWA  FTA  FAA  Grant\*  Other \_\_\_\_\_  
 Funding Strip(s): \_\_\_\_\_

\* Attach copy of any applicable grant agreement terms and conditions

**TIME FRAME**

Date Needed: ASAP Requested Contract Term (y/m/d): One-shot

**PRE BID/SUBMITTAL REQUIREMENTS**

Requesting Pre Bid/Submittal Conference?  Yes  No Requesting Conference be Mandatory?  Yes  No  
 Requesting Site Visit?  Yes  No Requesting Site Visit be Mandatory?  Yes  No

# CPAC PROJECT CHECKLIST

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## ARCHITECTURAL/ENGINEERING SUPPLEMENTAL CHECKLIST

**Required Attachments:** Scope of Services, including location, description of project, services required, deliverables, and other information as required

**Risk Management**

Will services be performed within 50 feet of CTA train or other railroad property?  Yes  No  
Will services be performed on or near a waterway?  Yes  No

**Pre-Qualification Category No.** \_\_\_\_\_ **Category Description:** \_\_\_\_\_

For Pre-Qualification Program, attach list of suggested firms to be solicited

**Other Agency Concurrence Required:**  None  State  Federal  Other (fill in) \_\_\_\_\_

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## AVIATION CONSTRUCTION SUPPLEMENTAL CHECKLIST

DOA sign-off for final design documents:  Yes  No

**Required Attachments:**

Copy of Draft Contract Documents and Detailed Specifications.

**Risk Management:**

Current Insurance Requirements prepared/approved by Risk Management: Yes  No   
Will work be performed within 50 feet of CTA or ATS structure or property? Yes  No   
Will work be performed airside? Yes  No

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## CAPITAL EQUIPMENT (VEHICLES) SUPPLEMENTAL CHECKLIST

**Required Attachments:**

- Detailed Specifications including detailed description of the vehicle(s) or equipment, mounted equipment, if any, and options/accessories.
- Special Provisions (Delivery, Warranty, Manuals, Training, Additional Unit Purchase Options, Bid Submittal Information, etc.)
- Delivery Location(s)
- Technical Literature
- Drawings, if any
- Part Number List (  Manufacturer; or  Dealer;  or Other Source: \_\_\_\_\_ )
- Copy of current Price List(s)/Catalog(s)
- Form F-10 or other authorization document
- Any other exhibits and attachments

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## COMMODITIES SUPPLEMENTAL CHECKLIST

**Required attachments:**

- Copies of price lists, catalogs, drawings, variations of part numbers
- Any other exhibits or attachments

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## CONSTRUCTION SUPPLEMENTAL CHECKLIST (LARGE & SMALL)

**Required attachments: Copy of Draft (80% Completion)**

Copy of Draft (80% Completion) Contract Documents and Detailed Specifications

**Risk Management**

Will services be performed within 50 feet of CTA train or other railroad property?  Yes  No  
Will services be performed on or near a waterway?  Yes  No

# CPAC PROJECT CHECKLIST

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## DELEGATE AGENCY SUPPLEMENTAL CHECKLIST

### Required attachments:

Attach Scope of Services that includes the following information 1) Program background & objectives; 2) Type of services for which proposals are sought; 3) Location and time line for delivery of services; 4) Qualifications, skills, and/or experience necessary; 5) Special licenses or certifications required; 6) Evaluation process (if known).

### Other Attachments (please submit all that apply)

1. Copy of grant application and/or grant agreement
2. Evidence of award authority (DAAC agenda with agency name highlighted; City Council ordinance with agency name highlighted; or OBM letter)
3. Modification information (Copy of Form F-8A; screen print of EPS AWDS table)

Does program require Executive Order 91-1 clearance?  Yes  No  
Is boilerplate from Law available or in production?  Yes  No  
Would your department benefit from technical assistance?  Yes  No

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## HARDWARE/SOFTWARE SUPPLEMENTAL CHECKLIST

ITSC (approved by BIS)

OBM (approved by Budget form/memo)

Attach any documentation indicating any previous purchase activity to assist in the procurement process

Grant document attached

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## PROFESSIONAL SERVICES SUPPLEMENTAL CHECKLIST

- Detailed scope of services as described on page 1.
- The Schedule of Compensation
- Deliverables
- Request for individual contract services (if applicable)
- The appropriate EPS form

\* If this is a Telecommunications/Utilities project, please also address the following:

Has the project been reviewed by DGS?  Yes  No  
Attach copy of DGS Recommendation; Reservation(s); or participate under current contract.  
Does the project include software?  Yes  No  
If yes, is signed ITSC form attached?  Yes  No  
Does the location involve:  
A public way?  Yes  No  
Any concession in the City's facilities?  Yes  No  
Is it anticipated City Council approval of the project or contract will be required?  Yes  No



# PROJECT CHECKLIST

## SMALL ORDERS SUPPLEMENTAL CHECKLIST

Yes No

- 1. Special Approval Form/Justification Letter.  
e.g. (Emergency Contract, Telecommunication Back-up documents, Proposals , EPS Form F-10, etc.,).
- 2. Suggested Vendor.
- 3. Commodity Code, Manufacturer, Catalog Information, Model No., Quantity, Unit Cost/Measure, Color etc.,
- 4. Detailed Specification or Scope of Work.

## ATTACHMENT REQUIRED FOR EACH SMALL ORDERS PROCUREMENT TYPE

(Check Appropriate Group)

### 1. ONE SHOT (PN)

- YES ( ) NO ( ) Detailed Specifications
- YES ( ) NO ( ) Suggested Vendor
- YES ( ) NO ( ) Support Documentation

### 3. EMERGENCY CONTRACT

- YES ( ) NO ( ) Justification Letter
- YES ( ) NO ( ) Vendor Proposal
- YES ( ) NO ( ) Pre-assigned Requisition (RX)

### 2. SOLE SOURCE REQUIREMENTS

- YES ( ) NO ( ) Vendor Proposal
- YES ( ) NO ( ) Disclosure Affidavit
- YES ( ) NO ( ) Letter of Exclusive or Unique Capability
- YES ( ) NO ( ) Support Documentation from Vendor/Manufacturer.
- YES ( ) NO ( ) Signature(s) of Originator or Departmental Head/Designee.

### 4. TELEPHONE/FAX BIDS

- YES ( ) NO ( ) Justification Letter

## WORK SERVICES & FACILITY MAINTENANCE SUPPLEMENTAL CHECKLIST

**Required Attachments:** Detailed Specifications (Scope of Services) including detailed description of the work, locations (with supporting detail), user department contacts, work hours/days, laborer/supervisor mix, compensation and price escalation considerations, contract term and extension options, contractor qualifications, citation of any applicable City/State/Federal statutes or regulations, citation of any applicable technical standards and price lists, catalogs, technical drawings and other exhibits and attachments as appropriate.

### Risk Management

- Will services be performed within 50 feet of CTA train or other railroad property?  Yes  No
- Will services be performed on or near a waterway?  Yes  No
- Will services require the handling of hazardous/biowaste material?  Yes  No
- Will services require the blocking of streets or sidewalks in any way?  
Which may affect public safety?  Yes  No