

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda
Bids and Proposals

TO: President and Village Board of Trustees
FROM: Scott R. Niehaus, Village Manager
DATE: May 9, 2016 MEETING DATE: May 19, 2016
TITLE: Bid Opening For: Roosevelt Rd Water Main Lining, West Phase
SUBMITTED BY: David Gorman, P.E., Assistant Director of Public Works *DG*

RESULTS:

Date Bids Were Published 01/21/16 Bidding Closed 03/7/16
Total Number of Bids Received 2
Total Number of Bidders Meeting Specifications 2
Bid Security Required X Yes No
Performance Bond Required X Yes No
Were Any Bids Withdrawn Yes X No
Explanation:
Waiver of Bids Requested? Yes X No
If yes, explain:
Award Recommended to Lowest Responsible Bidder? X Yes No
If no, explain:

FISCAL IMPACT:

Budget Estimate: \$4,900,000.00 (\$2,150,000.00 for West Phase, \$2,750,000.00 for East Phase)
Engineer's Estimate: \$6,150,360.00 (\$3,013,962.00 for West Phase, \$3,496,395.00 for East Phase)
Amount of Award: \$4,071,931.33 for West Phase in 2016. Award to East Phase is pending on successful completion of West Phase. The amount is \$4,273,162.10 for East Phase in 2017.

Fund: Sewer/Water Capital Reserve, IEPA Revolving Loan: \$8,345,093.43
Fund Account #: 520.790.715.75420
New World System Number: WA-12-01 (West Phase) & WA-12-03 (East Phase)

BACKGROUND/RECOMMENDATION:

Has Recommended Bidder Worked for Village Previously Yes X No
If yes, was quality of work acceptable Yes No
Was item bid in accordance with Public Act 85-1295? X Yes No
Waiver of bids - Public Act 85-1295 does not apply Yes X No

REVIEW (as needed):

Village Attorney XX _____ Date _____
Finance Director XX _____ Date _____
Village Manager XX _____ Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 4:30 pm. Wednesday, prior to the Board Agenda distribution.



May 9, 2016

TO: Village President and Board of Trustees

THROUGH: Scott Niehaus, Village Manager

FROM: Carl Goldsmith, Director of Public Works *CG*

SUBJECT: Roosevelt Rd Water Main Lining Project - West Phase (Finley Rd to Fairfield Ave.)

The Roosevelt Road Water Main Lining project, West Phase & East Phase, is located on Roosevelt Rd. from Finley Road to Wisconsin Avenue. The West Phase is to be constructed in 2016. The Village anticipates the award of the East Contract to the Contractor in 2017 pending the successful completion of the work within the West Contract.

The scope of the project is to line approximately 16,300 lineal feet of existing water main by the installation of cured-in-place-pipe (CIPP). Additional work includes removal of existing fire hydrants and valves pertinent to the lining of the water main, and reinstallation of the new fire hydrants and valves at the existing locations.

Thirteen (13) potential bidders purchased bid documents. On March 7, 2016 at 11:00 AM, Public Works - Engineering received and read aloud two (2) bids. The results are recorded below:

Company	Bid
Fer-Pal Construction USA	\$8,345,093.43
Sheridan Plumbing & Sewer	\$10,087,805.80
Engineer's Estimate	\$6,510,360.00

The budget estimate in the Capital Improvement Plan for construction of this project is \$4,900,000.00 (\$2,150,000 for West Phase and \$2,750,000 for East Phase). The engineer's estimate is \$6,510,360.00 (\$3,013,962.00 for West Phase and \$3,496,395.00 for East Phase). The low bid is \$8,345,093.43 (\$4,071,931.33 for West Phase and \$4,273,162.10 for East Phase).

By comparing the unit prices of a water main lining project constructed in 2015 in the Village of Lisle and the Village of Lombard Transmission Main project (Bid opening was Feb. 5, 2016) to the Engineer's Estimate, it appears that the Engineer's Estimate (established by Civiltech Engineering as Design Engineer) is much lower than the most current bidding unit prices. The low bid for the project is approximately \$1.83 million above the Engineer's Estimate. The following four items can primarily be accounted for the deviation between the Engineer's Estimate and the lowest responsible bid:

- Water Valves, 8" - \$171,000
- Fire Hydrant with Auxiliary Valve and Valve Box - \$429,000
- Connection to Existing Water Mains (Non Pressure) - \$766,500
- Reinstate Active Service Connection, Greater than 2" - \$540,600

These four (4) items represent \$1,907,100 of the project costs for both phases of the project. The Engineer's Estimate included \$604,500 and the contractor's bid prices for these four (4) pay items is \$2,511,600. The contractor's bid pricing is roughly four times the Engineer's Estimate for these pay items.

In order to assist the Village's Board of Trustees to make a decision on the project, Public Works engineering staff instructed Civiltech Engineering to re-evaluate the cost of estimate for six alternatives to address the condition of the watermain within the Roosevelt Road corridor. As part of the Design Engineering, Civiltech provided the Village with an evaluation of six (6) alternatives in 2013. The engineering staff has also compiled a list of advantages/disadvantages of the six alternatives. The outcomes of the cost of estimate and the analysis of the six alternatives show that the alternative contained in the current bid, **Option (2)-Lining the Existing Water Main**, is the most beneficial from a cost and constructability perspective. The cost estimates and the summaries of the advantages/disadvantages for the six alternatives can be found below.

Roosevelt Rd Water Main Improvement (Phase 1) - Six Alternatives Comparisons

(1) Installing a New Water Main Under Roosevelt Road Pavement - Open Cut: Engineering Cost of Estimate: \$3,810,091.18

Advantages:

- Lowest construction cost alternative

Disadvantages:

- Redesign cost and time (estimated redesign fees: \$250,000.00)
- Construction pushed to 2017/2018 for Phase I and 2019 for Phase II, which will likely increase the cost of construction due to inflation of labor and material
- Roadway and business disruption due to open trench
- Longer permitting process from IDOT and IEPA, and approval by IDOT is not assured
- Installation complicated by crossing existing utilities
- Risk of underestimating the amount of contaminated soils to remove
- Future main break repairs more hazardous and costly in roadway than parkway

(2) Lining the Existing Water Main (Current Design): Lowest Bid: \$4,071,931.33

Advantages:

- Second lowest cost alternative
- Greater safety for Village personnel in the future maintenance
- Less roadway and business disruption than the open cut option
- Minimize removal of potential contaminated soils
- Design has been completed and approved by IDOT and IEPA

Disadvantages:

- Motorist inconvenience

(3) Replacing Water Main in its Existing Location: Engineering Cost of Estimate: \$4,851,691.63

Advantages:

- Greater safety for future main break repairs and valve maintenance in the parkway rather than the roadway

Disadvantages

- IEPA will not issue a construction permit if the horizontal separation requirement for the sewer and water can't be met. In order to meet the separation requirement, portions of the proposed main will be installed under Roosevelt Rd, portions of storm sewer would be lined, and /or permanent easements would be needed from adjacent property owners.
- Redesign cost and time
- Higher cost alternative than Lining
- Motorist project inconvenience
- Roadway and business disruption

(4) Replacing Water Main under Roosevelt Road Pavement - Directional Drilling: Engineering Cost of Estimate: \$4,394,139.48

Advantages:

- Requires less excavation for access pits rather than the open cut

Disadvantages

- Water main location beneath State road
 - New Main will be relocated if the State rebuilds the Roosevelt, therefore potential additional cost for reinstall the main
- Higher cost alternative than Lining
- Increased motorist project inconvenience
- Redesign cost and time
- Roadway and business disruption

- Longer permitting process from IDOT and IEPA, and approval by IDOT is not assured

(5) Replacing Water Main within Permanent Easement: Engineering Cost of Estimate: \$7,892,183.75

Advantages:

- Greater safety for Village personnel
- Would be favorable to IDOT

Disadvantages

- Most costly option
- Redesign cost and time
- Land acquisition is very expensive
- Significant private property disruption
- Reluctant property owner could delay the project
- Redesign cost and time increases

(6) Do Nothing: Engineering Cost of Estimate: \$0.00

Advantages:

- No present cost

Disadvantages

- Increasing number of water main breaks and the correlating costs, work hazards, and business/traffic disruptions
- Potential loss of lining option if IEPA's rule regarding separation, which we lobbied for and obtained, changes

The Village has requested an approval of the IEPA Public Water Supply Loan Program to finance the construction cost of the project. The current fixed loan rate is 1.85% from October 1, 2015 through September 30, 2016. The loan rate is subject to change after September 30, 2016. At the January 22, 2015 meeting, the Village Board approved the Village's submittal for an IEPA Public Water Supply Loan application which anticipated a twenty year (20) period for the loan. Included in the loan submittal were three projects: The Water Transmission Main, the Roosevelt Road Watermain Lining Phase I (West) and the Roosevelt Road Watermain Lining Phase II (East). The Village's Capital Improvement Plan includes the debt service payments for the loan for a period of ten (10) years. The Finance Director has indicated that the debt service could be extended by four (4) years to keep the annual debt service payment at the budgeted amount and allow for the project to be constructed as bid.

While Staff is disappointed with the bids received versus the Engineer's Estimate, the bids have been found to reflect the current market rates for similar watermain lining projects in commercial corridors. The lining of pressure pipe (sanitary and water) is a rehabilitation method that is

becoming a more accepted form of pipe rehabilitation. The Village was successful in having State of Illinois regulations under the Administrative Code amended to allow for the lining of watermain under certain conditions/scenarios. The lining of pipe is estimated to have a useful life comparable to new ductile iron watermain, which is estimated at 60-80 years depending on solid conditions and environmental factors.

Based on the analysis of the alternatives and the potential risks of a higher loan rate in the future, Staff recommends that the Village Board of Trustees award a contract for the West Phase of the Roosevelt Road Watermain Lining Project to Fer-Pal Construction USA, LLC of Elgin, Illinois in the amount of \$4,071,931.33 for as the lowest responsible and responsive bidder. Per the bid documents, the Village Board has the sole discretion to award the East Phase of the contract in 2017. The bid did contain guaranteed pricing for the East Phase in 2017.



VILLAGE OF LOMBARD CONTRACT

CONTRACT DOCUMENT NUMBER WA 12-01

This agreement is made this 19th day of May 2016, between and shall be binding upon the Village of Lombard, an Illinois municipal corporation (hereinafter referred to as the "Village") and Fer-Pal Construction USA (hereinafter referred to as the "Contractor") and their respective successors.

Witnessed, that in consideration of the mutual promises of the parties delineated in the Contract Documents, the Contractor agrees to perform the services and the Village agrees to pay for the following services as set forth in the Contract Documents:

The proposed work is officially known as "Roosevelt Road Water Main Lining, West Phase". The project is located on W. Roosevelt Rd. from Finley Road to S. Fairfield Avenue. The scope of the project is to line approximately 7,000 lineal feet of existing water main by the installation of cured-in-place-pipe (CIPP). Additional work includes removal of existing fire hydrants and valves pertinent to the lining of the water main, and reinstallation of the new fire hydrants and valves at the existing locations. All of the above as well as other project details are further described in the contract documents for the said work prepared for the Village of Lombard by Civiltech Engineering, Inc.

1. This contract shall embrace and include all of the applicable Contract Documents listed below as if attached hereto or repeated herein:
 - a. Contract Document Number WA 12-01 for Roosevelt Road Water Main Lining, West Phase, consisting of the following:
 - i) Cover Sheet
 - ii) Table of Contents
 - iii) Notice to Bidders on Contract Document Number WA 12-01/03 - Legal Notice
 - iv) General Provisions
 - v) Special Provisions
 - vi) Plans and Specifications
 - vii) Addendum #1 dated February 10, 2016
 - b. The Contractor's Bid Proposal Dated: March 4, 2016
 - c. Required Performance and Payment Bonds and Certificate(s) of Insurance
 - d. Executed Bidder's Certification Form.
2. The Village agrees to pay, and the Contractor agrees to accept as full payment the amount as shown on the Contractor's Bid Proposal, which is made a part hereof, subject to such additions and deletions as agreed to by the parties hereto.
3. The Contractor shall commence work under this Contract upon written Notice to Proceed from the Village and shall complete work under this contract within 190 calendar days from the date of the Notice to Proceed (180 calendar days to substantial completion with 10 calendar days for punch list work). Time is of the essence in regard to this Contract, and the Contractor agrees to achieve

completion within the time permitted by all proper and appropriate means including working overtime without additional compensation.

- 4. Pursuant to the provisions of Section 5 of the Mechanics' Lien Act of Illinois, prior to making any payment to the Contractor under this Contract, the Village demands that the Contractor furnish a written statement of the names of all parties furnishing labor and/or materials under this Contract and the amounts due or to become due each. This statement must be made under oath or be verified by affidavit. The Village shall not issue final payment nor shall any retained percentage become due until releases and waivers of lien have been supplied as the Village designates.
- 5. This Contract represents the entire agreement between the parties and may not be modified without the written approval of both parties.

IN WITNESS WHEREOF, the Village of Lombard, Illinois, and the Contractor have each hereunto caused this Contract to be executed by their respective duly authorized representatives this 19th day of May 2016.

If an individual or partnership, the individual or all partners shall sign or, if a corporation, an officer(s) duly authorized shall sign.

Print Company Name

Individual or Partnership _____ Corporation _____

Accepted this _____ day of _____, 2016.

By

Position/Title

By

Position/Title

THE VILLAGE OF LOMBARD, ILLINOIS

Accepted this 19th day of May, 2016.

Keith Giagnorio, Village President

Attest:

Sharon Kuderna, Village Clerk

**VILLAGE OF LOMBARD
CONTRACT BOND**

KNOW ALL MEN BY THESE PRESENTS, that we _____, a company organized under the laws of the State of _____ and licensed to do business in the State of Illinois as Principal and _____, a corporation organized and existing under the laws of the State of _____, with authority to do business in the State of Illinois, as Surety, are now held and firmly bound unto the Village of Lombard, State of Illinois in the penal sum of _____ dollars (\$ _____) lawful money of the United States, well and truly to be paid unto said Village for the payment of which we bind ourselves, our successors and assigns, jointly, severally, and firmly by these presents.

THE CONDITION OF THE FOREGOING OBLIGATION IS SUCH that whereas the said Principal has entered into a written contract with the Village of Lombard, acting through the President and Board of Trustees of said Village, dated May 19, 2016, for the construction of the work designated:

Roosevelt Road Water Main Lining, West Phase

in Lombard, Illinois, which contract is hereby referred to and made a part hereof as if written herein at length, and whereby the said Principal has promised and agreed to perform said work in accordance with the terms of said contract, and has promised to pay all sums of money due for any labor, materials, apparatus, fixtures or machinery furnished to such Principal for the purpose of performing such work, and has further agreed to guaranty and maintain said work for a one (1) year period following final payment to such Principal, and has further agreed to pay all direct and indirect damages to any person, firm, company, or corporation suffered or sustained on account of the performance of such work during the time thereof and until such work is completed and accepted; and has further agreed that this bond shall inure to the benefit of any person, firm, company or corporation from whom any such labor, materials, apparatus, fixtures or machinery was so furnished and that suit may be maintained on such bond by any such person, firm, company or corporation for the recovery of any such money.

NOW, THEREFORE, if the said Principal shall well and truly perform said work in accordance with the terms of said contract and shall pay all sums of money due or to become due for any labor, materials, apparatus, fixtures or machinery furnished to him for the purpose of constructing such work and shall commence and complete the work within the time prescribed in said contract, and shall pay and discharge all damages, direct and indirect, that may be suffered or sustained on account of such work during the time of the performance thereof and until the said work shall have been accepted, and shall hold the Village of Lombard and its officers, agents and employees, harmless on account of any such damages, and shall in all respects fully and faithfully comply with all the provisions, conditions, and requirements of said contract, then upon the final payment by the Village to said Principal under said contract, the amount of this bond shall be reduced to ten percent (10%) of the amount set forth on the first page hereof for a period of one (1) year; otherwise to remain in full force and effect.

NOW, THEREFORE, if the said Principal shall well and truly perform said guaranty and maintenance work in accordance with the terms of said contract for said one (1) year period after final payment and shall pay all sums of money due or to become due for any labor, materials, apparatus, fixtures or machinery furnished to him for the purpose of performing such guaranty and maintenance work and shall commence and complete the guaranty and maintenance work within the time prescribed in said contract, and shall pay and discharge all damages, direct and indirect, that may be suffered or sustained on account of such guaranty and maintenance work during the time of the performance thereof and until the said guaranty and maintenance work shall have been accepted, and shall hold the Village of Lombard and its officers, agents and employees, harmless on account of any such damages, and shall in all respects fully and faithfully comply with all the provisions, conditions, and requirements of said contract, then this obligation to be void; otherwise to remain in full force and effect.

APPROVED this 19th day of
May, 2016.

IN WITNESS WHEREOF, We have duly
executed the foregoing Obligation this
_____ day of _____, 2016.

VILLAGE OF LOMBARD

PRINCIPAL:

BY: _____
Village President

BY: _____

ATTEST:

Village Clerk

ATTEST:

SURETY: _____

BY: _____
(Title)

BY: _____
Attorney in Fact

BY: _____

(SEAL)

VILLAGE OF LOMBARD CONTRACTOR'S CERTIFICATION

_____, having been first duly sworn depose and states as follows:
(Officer or Owner of Company)

_____, having submitted a proposal for:
(Name of Company)

Roosevelt Road Water Main Lining, West Phase to the Village of Lombard, hereby certifies that said Contractor:

- 1. has a written sexual harassment policy in place in full compliance with 775 ILCS 5/2-105(A) (4).
- 2. is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, or if it is:
 - a. it is contesting its liability for the tax or the amount of tax in accordance with procedures established by the appropriate revenue Act; or
 - b. it has entered into an agreement with the Department of Revenue for payment of all taxes due and is currently in compliance with that agreement.

3. is in full compliance with the Federal Highway Administration Rules on Controlled Substances and Alcohol Use and Testing, 49 CFR Parts 40 and 382 and that _____
(Name of employee/driver or "all employee drivers")
is/are currently participating in a drug and alcohol testing program pursuant to the aforementioned rules.

4A. has in place a written program which meets or exceeds the program requirements of the Substance Abuse Prevention on Public Works Projects Act (Public Act 95-0635), and has provided a written copy thereof to the Village of Lombard.

4B. has in place a collective bargaining agreement which deals with the subject matter of the Substance Abuse Prevention on Public Works Projects Act (Public Act 95-0635).

(Cross out either 4A or 4B, depending upon which certification is correct.)

By: _____
Authorized Agent of Contractor

Subscribed and sworn to
before me this _____
day of _____, 2016.

Notary Public