


**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 Niehaus, Village Manager  
DATE : August 30, 2021 Agenda Date September 2, 2021  
TITLE : Waiver of Bids - Dahme Mechanical Industries, Inc.  
Civic Center Reservoir Pipe Support and Ladder Improvements  
SUBMITTED BY: Brian Jack, Utilities Superintendent 

**RESULTS:**

Date Bids Were Published \_\_\_\_\_ Bidding Closed \_\_\_\_\_

Total Number of Bids Received \_\_\_\_\_

Total Number of Bidders Meeting Specifications \_\_\_\_\_

Bid Security Required \_\_\_\_\_ Yes \_\_\_\_\_ No

Performance Bond Required \_\_\_\_\_ Yes \_\_\_\_\_ No

Were Any Bids Withdrawn \_\_\_\_\_ Yes \_\_\_\_\_ No

Explanation:

Waiver of Bids Requested? \_\_\_\_\_ X Yes \_\_\_\_\_ No

If yes, explain:

Award Recommended to Lowest \_\_\_\_\_ Yes \_\_\_\_\_ No

Responsible Bidder?

If no, explain:

**FISCAL IMPACT:**

Engineer's estimate/budget estimate \$75,000

Amount of Award \$78,880 Water/Sewer Capital Res Fund (520.790.715.75620 WA 18 03)

**BACKGROUND/RECOMMENDATION:**

Requesting a waiver of bids as for pipe and ladder improvements for the central reservoir rehabilitation as a specialized sole source vendor for this work. Waive bids and award a contract for these improvements/repairs for amount not to exceed \$78,880 in FY 2021.

Has Recommended Bidder Worked for Village Previously X Yes \_\_\_ No

If yes, was quality of work acceptable X Yes \_\_\_ 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.**



## MEMORANDUM

**To:** Scott Niehaus, Village Manager  
**From:** Brian M. Jack, Utilities Superintendent  
**Through:** Carl S. Goldsmith, Director of Public Works  
**Date:** August 23, 2021  
**Subject:** **Waiver of Bids - Dahme Mechanical Industries, Inc.**  
Civic Center Pipe Support and Ladder Improvements

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### **Background**

The Civic Center Reservoir Facility located at 1030 South Stewart Avenue was constructed in 1981. The underground concrete water tanks have had various repairs performed on the concrete throughout its 39-year service life. Each reservoir holds 1.5 million gallons (MG) of water and is the main source of water for both fire suppression and consumption on the north side of Lombard.

In 2019, the Village entered into a Master Service Agreement (MSA) with Utility Service Company, Inc. (USC) of Atlanta Georgia. The MSA created a Scope of Work (SOW) for the initial Highland Elevated Tank rehabilitation, SOW Number 1. The Highland Tank was rehabilitated in 2020 under a similar contract with no issues to report. The MSA allows for the addition of other Village assets/reservoirs and storage tanks when their rehabilitation is due. In 2020, staff worked with USC to develop a rehabilitation plan for the Civic Center Reservoirs. Civic Center North Reservoir is SOW 2 and Civic Center South Reservoir is SOW 3. Utilizing an organized service program approach to tank rehabilitation, the maintenance and lining of the two reservoirs would be through scheduled professional maintenance. The contract for Civic Center reservoir rehabilitation was Board approved on October 1, 2020.

As with the Highland Elevated Tank SOW, this model flattens budgetary expenditures over 20 years, shift maintenance accountability to the contractor, and provide a perpetual warranty on each reservoir. Any repairs identified in the future will be handled by the contractor at no additional cost to the Village. The traditional model only allows for a one-year warranty. Any repairs identified after the one-year warranty using the traditional model would be the Village's responsibility and involve various contractors and engineering firms and multiple points of contact.

### **Discussion**

Each 1.5-million-gallon reservoir at had a preliminary maintenance inspection performed in 2016 by Dixon Engineering, Inc. The purpose of each inspection was to determine the condition of the coatings and structure and to evaluate the reservoirs for compliance with current sanitation guidelines, safety and security regulations and guidelines in accordance with AWWA, OSHA,

and related state and federal agencies. The Civic Center Reservoirs have not been fully rehabilitated since original construction and the original concrete is in direct contact with the potable water while inside each tank. Evidenced by the reports, there was spalling, cracking, exposed rebar noted and other safety deficiencies that must be addressed to preserve the life of each 1.5-million-gallon concrete reservoir. These costs were all factored into the contract and pricing matrix agreed to by both parties in 2020.

Five years has lapsed since the last inspection in 2016 and the reservoirs were found to have deteriorated at an accelerated pace beyond what was anticipated. Once the north tank was drained and work began in June 2021, the damage and spalling on the ceiling went from 200 sq. ft. of damage to over 1,000 sq. ft. of damage. Utility Service Company is going to complete the additional roof repairs at no additional cost to the Village. However, both interior ladders are beyond repair. Corrosion from the water has deteriorated the ladder and mounts so they are no longer safe to use. The incoming 12” fill pipe for Lake Michigan water inside each reservoir and associated pipe hangers are beyond repair as well, and the pipe is at risk of falling 30 feet to the floor. Special temporary brackets were made to support the pipe until a solution to the problem could be determined.

Due to the complexity of the job, working 30 ft in the air on scaffolding, supply chain issues and material costs due to COVID and the necessity to keep the project on schedule, WTWWP reached out to Dahme Mechanical on behalf of USC. The Village is opting to work directly with Dahme Mechanical and avoid contract changes to the MSA agreement and avoid a 15% contractor markup on the proposed additional work. WTWWP and staff discussed the option of only seeking one price for this work but due to the specific nature of the proposed project and schedule to be maintained. Dahme Mechanical is the most qualified firm to perform this emergency work and has guaranteed pricing, delivery of material, and job completion to keep the reservoir rehabilitation moving along without delay.

**Request for Proposals**

To expedite construction and to minimize construction observation time, the Public Works Department directly solicited proposals from one pre-selected qualified contractor who has successfully worked on previous Village projects/contracts. Documents and a scope of work was sent to one area firm who can perform such work. The one firm submitted a proposal.

The following firm submitted proposal:

CONTRACTOR	CIVIC REHAB REPAIRS
Dahme Mechanical Industries, Inc.	\$78,880.00

**Discussion**

The proposal was checked to ensure that the contractor is meeting the proposed scope and providing the needed and necessary equipment to safely and properly complete the job. The lowest responsible proposal for the items requested is Dahme Mechanical Industries, Inc. of Arlington Heights, IL. The firm has performed numerous valve projects at Civic Center in the

past and was the main mechanical contractor for the Route 53 storm water station in 2017. Dahme Mechanical Industries is considered a reliable, responsive vendor.

**Recommendations**

The Water Treatment and Wastewater Pumping Division requests that we waive the formal bidding process and accept the lowest, responsible proposal for the Civic Center Pipe Support and Ladder Improvements at Civic Center Reservoir Facility to Dahme Mechanical Industries, Inc. of Arlington Heights, IL and authorize an agreement and purchase order in an amount not to exceed \$78,880.00. Sufficient funds for this procurement exist in the current budget under account: CIP # 520.790.715.75620 - WA 18 03.

Please request the Village Manager to sign the attached agreement and return to my attention for processing.



**DAHME MECHANICAL INDUSTRIES, INC.**  
**610 S. ARTHUR AVE.**  
**ARLINGTON HEIGHTS, IL 60005**  
**847-253-0341 FAX 847-253-9501**

August 18, 2021

Village of Lombard  
255 E Wilson Ave.  
Lombard, IL 60148

Attn: Lukas Sharp, Water Treatment & Wastewater Pumping Supervisor

RE: Reservoir Improvements – Support and Ladder Replacements

Luke:

Pursuant to your inquiry regarding the above subject, we are pleased to offer our proposal for your consideration. Dahme Mechanical Industries, Inc. will provide the following scope of work:

- Odle/Village of Lombard provides unrestricted tank access and **wheeled scaffolding with side rails** for our crews to use while onsite
- DMI to remove existing damaged/failed pipe supports and replaces with stainless steel materials more suitable for this application
- Work is assumed to be reasonably “identical” in second tank to work inspected in first tank
- Disinfection is expressly excluded and to be performed and provided by others

**EXCLUSIONS:**

1. **Dahme Mechanical Industries, Inc. shall not be held liable for any job site safety or job site maintenance of any type upon completion of our work.**
2. All agreements contingent upon strikes, accidents or delays beyond our control.
3. All work not included or described above.

All material is guaranteed as listed above and specified above. Any additional items not included in our trade agreements or clearly stated above are expressly excluded. Payment terms are net 100%, due upon completion.

<b>Total price for (2) reservoirs:</b>	<b>\$78,880.00</b>
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Breakdown for **reference only** is as follows:

Labor:	\$30,000.00
Material:	\$35,000.00
Equipment, GCs, etc.:	\$13,880.00

Dahme Mechanical Industries, Inc. standard insurance is included. Any alteration or deviation from above specifications involving extra costs, will be executed only upon written orders, and will become an extra charge over and above the estimate. This proposal may be withdrawn by us if not accepted within 30 days.

Thank you-

Kris Komorn  
Dahme Mechanical Industries, Inc.  
[kkomorn@dahmemechanical.com](mailto:kkomorn@dahmemechanical.com)