

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

\_\_\_\_\_ Resolution or Ordinance (Blue) \_\_\_\_\_ *Waiver of First Requested*  
\_\_\_\_\_ Recommendations of Boards, Commissions & Committees (Green)  
  X   Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES  
FROM: David A. Hulseberg, Village Manager  
DATE: March 1, 2011 (B of T) Date: March 3, 2011  
TITLE: North Avenue Standpipe Roof Replacement  
SUBMITTED BY: Carl S. Goldsmith, Director of Public Works *CS*

BACKGROUND/POLICY IMPLICATIONS:

A staff recommendation to the Village President and Board of Trustees to waive the competitive bidding process and negotiate a design-build contract with Chicago Bridge & Iron for the North Avenue Standpipe Roof Replacement.

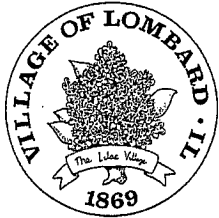
FISCAL IMPACT/FUNDING SOURCE

\$300,000 Water & Sewer Capital Fund

Review (as necessary):

Village Attorney X \_\_\_\_\_ Date \_\_\_\_\_  
Finance Director X \_\_\_\_\_ Date \_\_\_\_\_  
Village Manager X \_\_\_\_\_ Date \_\_\_\_\_

NOTE: Materials must be submitted to, approved by the Village Manager's Office by 12:00 pm, Wednesday, prior to the Agenda Distribution.



## MEMORANDUM

**To:** David A. Hulseberg, Village Manager  
**Through:** Carl S. Goldsmith, Director of Public Works  
**From:** Angela M. Podesta, Utilities Superintendent  
**Date:** February 25, 2011  
**Subject:** North Ave. Standpipe Roof Repair Project  
Design-Build Option

The purpose of this memo is to seek Village Board support to waive competitive bidding for the above captioned project.

### Background

You may recall that the FY 2011 CIP contained funds to complete the exterior tank painting of the North Avenue Standpipe. The standpipe was originally designed and constructed in 1953 by Chicago Bridge & Iron (CB&I) Company, located in Bolingbrook, IL. A contract was awarded to clean and paint the exterior of the North Avenue Standpipe in May, 2010. Significant corrosion was identified in the roof of the standpipe which now requires a complete roof replacement. As a result of the corrosion, staff entered into a second contract for the clean and painting of the interior of the tank, which would be conducted after nominal repairs, were made to the tank structure. Based upon the analysis of the tank, conducted by the Village's contract inspector (TIC), it was determined that the Village should revisit the repairs to the tank structure. The number of deficiencies encountered and the bid price for repairs warranted revising the scope of service under the painting contract.

Rather than repair the holes in the sidewalls of the tank and repairs to the roof structure through the painting contractor, the Village would be better served by contracting for the sidewall repairs and the replacement of the roof structure. As a result of the tank deficiencies, the FY 2012 CIP was amended to include \$500,000 for the tank repair. In order to ensure that the repairs are done in a cost effective and expeditious fashion, staff would recommend that the Village waive the competitive bidding process and award a design-build contract for the North Avenue Tank Renovation Project to Chicago Bridge & Iron.

CB&I will take the original design of the roof, update it to current standards and use their own crews to construct the new roof. Although the Village has not yet obtained a formal proposal from CB&I, based upon discussions with CB&I, staff anticipates the cost of the roof replacement to be between \$300,000 and \$400,000. If a contract is

awarded by the end of March, the tank should be ready for paint and will be put back into service by late Fall. Staff would rebid the painting work and have a contract in place to coincide with the completion of construction.

There are many benefits with the use of the design-build method of project delivery. A brief synopsis of the advantages of design-build versus the traditional design-bid-build method of contracting follows:

### **Singular Responsibility**

- With both design and construction in the hands of the same entity, there is a single point of responsibility for quality, cost and schedule adherence.
- The design-builder is motivated to delivery a successful project by fulfilling multiple parallel objectives including aesthetic and functional quality, budget and schedule for timely completion.
- With design-build, the owner is able to focus on scope/needs definition and timely decision making rather than coordination between the designer and builder.

### **Quality**

- The singularized responsibility inherent in design-build serves as a motivation for quality and proper project performance.
- The Villages requirements and expectations are documented in performance terms, and it the design-build entities responsibility to produce results accordingly.

### **Cost Savings**

- Design and construction personnel, working and communicating as a team, evaluate the alternative materials and methods efficiently and accurately.
- Value engineering and constructability are performed continuously and more efficiently when the designers and contractors work as one team during the entire design and construction process.

### **Time Savings**

- Because design and construction are overlapped, and because bidding periods and redesign are eliminated, total design and construction can be significantly reduced.
- Design-build is ideal for the applications of "Fast Track" construction techniques.
- With design-build, materials/equipment procurement and construction work can begin before the construction documents are fully complete. The resulting times savings translates into lower costs and earlier utilization of the completed facility.

### **Cost Containment**

- Guaranteed construction costs are known far earlier than with other delivery systems. The entity responsible for design and construction is simultaneously estimating construction costs and can accurately conceptualize the completed project.

The Village staff understands the importance of bidding large scale construction contracts; however, given the particular circumstances surrounding the standpipe, staff recommends that the Village award a design-build contract with CB&I. Partnering with CB&I to design and construct the new roof will streamline the process resulting in a cost savings and shorter length of time to complete the job.

The Village of Mount Prospect recently had the roof of their 2,000,000 ground storage tank collapse. Mount Prospect retained TIC (the firm performing the Lombard inspections) to do the inspection, design and bidding. The contract to TIC for the design and bidding was in the amount of \$8,500. Mount Prospect received three (3) bids: one local bidder dropped out, one from a firm in Kentucky and CB&I. The bid received from CB&I included the option of design-build and came in \$100,000 less than the TIC design-bid-build option. As a result, Mount Prospect has engaged CB&I for a design-build contract.

#### **Recommendation**

Staff is requesting approval to proceed with negotiating a contract with CB&I for design/build services for the replacement of the North Avenue Standpipe Roof. This matter would be brought back before the Village Board of Trustees at the March 23, 2011 Village Board meeting as a waiver of competitive bids and award of a contract to Chicago Bridge & Iron of Bolingbrook, Illinois.