

MEMORANDUM

DATE: January 14, 2010

TO: Trustee Thomas J. Staunton
Chair - Public Works Committee

FROM: Scott R. Niehaus
Village Manager

SUBJECT: Contract with Malcolm Pirnie, Inc. for Engineering Due Diligence

At the September 22, 2009 Village Board meeting, the Village authorized a professional services agreement with Malcolm Pirnie, Inc. for engineering review of the Oak Lawn water system capital plan. This contract falls under an Intergovernmental Agreement between the Villages of Tinley Park, Mokena, New Lenox, Oak Forest and Orland Park, as we collectively research and negotiate our approach to contract renewal for water from the Village of Oak Lawn. This contract with Malcolm Pirnie was separated into two phases at separate costs of \$10,000, with a total contract amount not to exceed \$20,000.

At this time, Malcolm Pirnie has completed their assigned task to the satisfaction of the group and has submitted a proposal for additional scope of work as requested by the group. This proposal will not exceed \$24,460 and will be administered in two phases as follows:

Phase 1 - Cost Benefit/Risk Assessment

Fee Estimate

An assessment of the risks and benefits will be conducted for four alternatives to the proposed redundancy option presented in the Oak Lawn Master Plan. This analysis will develop a methodology to review and assess the risks associated with four different alternatives that consider various levels of redundancy, one of which will be the no action alternative, the other will be full redundancy. For example, the cost benefit and risk associated with installing smaller diameter transmission lines with and without additional storage will be evaluated. The results will be presented to the 5-member communities during the regularly scheduled status meeting.

\$9,960

Phase 2 - Supplemental Supply

The feasibility and approximate cost to connect to a supplemental water will be evaluated to confirm whether this is a viable long term alternative. This task will determine (within the limits of the hard copy master plan) the most feasible connection point, costs to connect, potential limitations within the City's system to provide the required supply, and benefits of supplying all the water from the City or a portion of the water. Results will be presented to the 5-member communities during the regularly scheduled status meeting.

\$9,680

Phase 3 - Mayor's Meeting and Other Misc Meetings

Malcolm Pirnie will provide a full summary of results to date and provide a status update at the Mayor's meeting (involving Mayors of the 5 member communities) scheduled for January and February 2010. The task assumes 2 meetings with the Mayor and preparation of a brief PowerPoint presentation to assist in the presentation and review of the data. This task also includes additional meetings/conference calls up to the total remaining cost identified in the fee estimate. \$5,020

TOTAL ESTIMATE \$24,660

Per our Intergovernmental Agreement (IGA), the Village of Tinley Park will administer all contracts. In accordance with Section I, C of the Intergovernmental Agreement, additional professional services beyond those supplied by WRB, LLC, may be contracted by Tinley Park with the written approval of all participating communities. This expense would be shared on a prorated basis per the formula in the IGA. As of this date, the Village has received authorization from all group members. As such, I am bringing this contract with Malcolm Pirnie to your attention and request consideration to place it on an upcoming Village Board agenda for January 19, 2010.

SRN:jc

Table 1. Estimate of Fees

Task	Staff and Hourly Rates						Expenses	Total Hours	Fee Estimate
	PM	Lead Planner	Financial Consultant	Project Engineers	Admin.				
	\$230	\$200	\$160	\$150	\$90				
Cost Benefit/ Risk Assessment	8	6	4	40	2		\$100	60	\$9,960
Supplemental Supply Option	12	6	4	32	2		\$100	56	\$9,680
Meetings	8	2	0	16	2		\$200	28	\$5,020
Total Labor	28	14	8	88	6			144	\$24,260
Total Estimate									\$24,660