



Legislation Text

File #: 2019-0807, **Version:** 1

Title

Fairway Estates Stage 4 Drainage and Water Main Improvements GMP - Proposal

History

Fairway Estates subdivision was developed in phases starting in the late 1950s through the early 1970's. The water mains were installed using cast iron pipes (current standard is a ductile iron pipe with a polyvinyl wrap). Over the 50+ years of service, the water mains have corroded on the exterior of the pipe and have caused numerous breaks. Public Works is systematically replacing and/or lining these older cast iron pipes throughout the village. In addition, the Fairway Estates subdivision area homes are prime candidates for remodeling, building additions and upgrades which will require larger water service sizes. This area is best suited for water main replacement instead of lining, allowing the opportunity to increase pipe diameter to improve flow characteristics and upgrade water services.

Christopher B. Burke Engineering, Ltd. (CBBEL) was approved to initiate phase 1 engineering for the Fairway Estates (Maycliff South Stage 2) Storm Water Improvement Project in November 2014. In August 2017 the Board approved a Guaranteed Maximum Price (GMP) with Burke, LLC of Rosemont, Illinois for the storm water piping and first phase of water main replacement. In 2018 the Board once again approved a GMP utilizing Burke, LLC for Fairway Stage 2 water main replacement with additional storm improvements. Burke, LLC, working with their underground contractor was able to hold their pricing by continuing the work through the winter months. This was an unconventional approach for the village as these projects have always been performed during the regular construction season during early summer and fall months. We discovered many benefits to performing these projects during the winter. We received fewer noise and dust complaints, the contractor assisted with snow removal efforts, concrete and asphalt restorations were completed early before other construction projects started within the village and spring weather assisted with trench settling and sod establishment. In December, 2018 the Board approved Fairway Stage 3 water main replacement and storm improvements that were completed in early March, 2019.

To expedite the project in the Fairway Stage 4 Water Main improvement area and take advantage of current pricing, the GMP (design/build) delivery method is once again recommended. The traditional design/bid/build option would require significant water main engineering delaying construction and adding to the cost. Burke, LLC and their subcontractors have become familiar with village standards and expectations. The underground contractor for the water main replacement project has committed to once again holding their price if work is able to begin as early as February 1, 2020, providing an expected savings.

The engineers estimated the cost of going out to bid would be \$4,011,000.00 with no cost-sharing to the village. Utilizing GMP pricing would result in a cost saving's of \$522,000.

Similar to previous water and sewer utility projects, roadway improvements are not a part of the proposed GMP. Roadway improvements will be part of the Neighborhood Road Improvement

Program.

Village staff requested that Burke, LLC of Rosemont, Illinois provide a proposal to consider the GMP option. The proposal is attached and reflects a cost of \$3,489,000.00 (\$3,389,000.00 plus \$100,000.00 for owners' allowance) for the delivery of the project and will include shared savings with the village if the project is completed under budget. If the project comes in over budget, Burke, LLC would be obligated to cover the additional cost, with one exception: if the soils are determined to be contaminated, a change order would be negotiated. Included as part of this proposal are provisions for adding road drainage and backyard drainage improvements.

On December 2, 2019, this item was reviewed by the Committee of the Whole and recommended for approval and referred to the Village Board of Trustees for consideration.

Financial Impact

Funding for this work will be available in the Water Fund Capital Budget accounts 031-6002-470500 (2020) and 031-6007-470500 (2020) for this project.

Recommended Action/Motion

I move to approve waiving the bid process;

And

Approve accepting the proposal from Burke, LLC of Rosemont, Illinois for the Fairway Estates Stage 4 Drainage and Water Main Improvement Project with a Guaranteed Maximum Price (GMP) of \$3,489,000.00.