



## Legislation Text

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**File #:** 2013-0741, **Version:** 1

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### Title/Name/Summary

LaGrange Road Enhancements - Construction Management Proposal

### History

The Village of Orland Park is currently finalizing its aesthetic enhancements of the LaGrange Road corridor from 179th to 131<sup>st</sup> Streets. The project includes brick paver sidewalks, irrigation, monuments, columns, decorative fencing, various plantings and decorative median walls. The Village continues to coordinate the design and approval of this work with IDOT. The enhancements were not included in IDOT's contract and will be contracted independently through the Village. This in itself is a major project challenge given the risk of having another contractor performing work within IDOT's work zone. There is standard language in the project specifications that IDOT's contractor needs to coordinate and cooperate with Village contractors. As we know, IDOT's main goal is to complete LaGrange Road and, if for some reason the Village's contractor is not in a position to perform work when IDOT allows, there is potential for delays and claims.

The Village Board approved a contract with V3 Companies in July of 2013, to administer the Village's aesthetic enhancements contract. This includes coordinating with IDOT, inspecting the contractors' work, answering requests for information, and recommending payment for the contractor. As part of V3's company structure, they do provide alternate construction delivery methods. The At-Risk Construction Management (CM) delivery system combines construction management with general contracting. The CM acts as the owner's agent during all pre-construction activities including program development, cost estimating, scheduling, and bid solicitation. Depending on the contract payment structure (Lump Sum, GMP, Cost-Plus Fee), the CM's fiduciary responsibility may shift at the start of construction. However, if the construction contract is defined as a cost of construction plus a CM fee, the CM remains as an agent for the owner while simultaneously being responsible for directing the work on site.

The LaGrange Road corridor project is a high profile local and regional project. The Village has invested significant resources to deliver a project that is above and beyond the typical IDOT bricks and mortar project. The ability to coordinate and construct the enhancements within the same time

frame as IDOT's project schedule with the quality the Village expects is critical to the success of this project. The cost-plus-fee delivery method has the ability to deliver this project with these expectations and is the recommended delivery method.

As part of the Village's FY 2014 budget, \$3,500,000 has been budgeted for portions of the LaGrange Road aesthetic enhancements. Attached is the scope of work and budget summary for the construction management and construction of the enhancements. V3 will assemble specific trade bid packages which will be publicly bid and opened. The Village will approve the bid packages which will be billed against the not-to-exceed Construction Management Contract with V3 for \$3,500,000. The enhancement work anticipated for this year is along the east side of LaGrange Road. This work is based on the construction phasing of IDOT's LaGrange Road project.

As part of the Village's annual capital budget, funds have been allocated for the next three years for the enhancements. V3 and Village staff will continue to monitor the progress of the LaGrange Road reconstruction and develop a detailed scope based on the anticipated enhancement work to be done. This scope and fee will be brought to the Committee and Village Board for approval.

On December 16, 2013, this item was reviewed by the Development Services & Planning Committee, recommended for approval and referred to the Village Board of Trustees for consideration.

#### Financial Impact

Funds for this contract, in the amount of \$3,500,000, are included in the Village's FY 2014 budget.

#### Recommended Action/Motion

I move to approve entering into a contract with V3 Companies of Woodridge, Illinois in the amount not to exceed \$3,500,000 for the construction and construction management of the LaGrange Road Enhancements by utilizing the Construction Manager At-Risk delivery method.

