



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Recommend the Award of Option Year Two Extension to Contract 15-122, Excavation and Underground Utility Repairs

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:
Approve the Award of Option Year Two Extension to Contract 15-122, Excavation and Underground Utility Repairs, to Western Utility LLC, for an amount not to exceed \$116,953.

BOARD/COMMISSION REVIEW:
N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
10/18/2014	I 7	Original Award
10/20/2015	I 4	Option Year One Award

DEPARTMENT: Department of Public Utilities – Water (DPU-W)
Finance Department

SUBMITTED BY: Jim Holzapfel, Director, DPU-Water
Rachel Mayer, Finance Director

BACKGROUND:
On October 18, 2014, City Council awarded Contract 15-122, Excavation and Underground Utility Repairs for a one-year period, expiring December 31, 2015, with consideration for two additional years, renewable each year. The City exercised the first option year to renew the contract with Western Utility LLC.

The Department of Public Utilities-Water utilizes this bid for contractor services to excavate and repair underground water and wastewater utility infrastructure. It contains unit pricing for various types of labor and equipment commonly used in underground construction.

15-122, 2016 Excavation and Underground Utility Repairs
November 1, 2016
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DISCUSSION:

DPU-W plans and prioritizes the activities of its repair and excavation crews to optimize productivity, safety and customer service. In order to control staffing costs, contractors are utilized on an as-needed basis to respond to fluctuations in the overall workload. The use of outside contractors maintains system reliability as well as reduces the need to hire full time staff to address spikes in work load and allows the Utility to simultaneously respond to emergency repairs at multiple locations.

Western Utility has performed satisfactorily during the last two years and has agreed to extend the contract for the 2017 option year with no increase in unit prices.

Staff recommends the extension of Contract 15-122 for the final option year remaining. The term of the contract will be from January 1, 2017 to December 31, 2017.

FISCAL IMPACT:

CIP #: WU04, WWU06

WU04 - Water Distribution System - Rehabilitation/Replacements

The project provides for replacement or rehabilitation of water mains in areas experiencing frequent main breaks, corrosion or hydraulic deficiencies and replacement of failed or inoperable hydrants and valves. The project is coordinated with the Road Improvement Program and also provides for replacement of older Lead (Pb) water service lines, which do not meet U.S. Environmental Protection Agency safe drinking standards.

WWU06 - Sanitary Sewer System Rehab/Replacement

The project consists of investigation and rehabilitation of deteriorated sanitary interceptor, trunk, mainline and service lateral sewers in through trenchless technology. The focus of work is in areas with known groundwater infiltration.

Excavation and Underground Utility Repair is expensed to the Capital Improvement Program line below. The budget amount shown reflects the CY2017 programmed total. Contract 15-122 relates to CIP WU04 and WWU06, which are both included in the CY2017 budget. CIP WU04 is budgeted for \$1,050,000 and WWU06 is budgeted for \$3,632,500. The contract extension falls within the budgeted amount for CY2017.

Account Number	Fund Description	Total Budget Amount
430-3490-537.70-89	Water & Wastewater Fund	\$8,852,500

This bid will be used on an as-needed basis, and will draw funding from multiple sources. Based upon prior years' experience, the account noted above is projected as the likely source of funding. Services procured under this bid will be used to support other contracted and in-house work.

15-122, 2016 Excavation and Underground Utility Repairs

November 1, 2016

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RECOMMENDATION:

Approve the Award of Option Year Two Extension to Contract 15-122, Excavation and Underground Utility Repairs, to Western Utility LLC, for an amount not to exceed \$116,953.

ATTACHMENTS:

1. Prior Awards



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Recommend the Award of Option Year One Extension to Contract 15-122, Excavation and Underground Utility Repairs

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:
Approve the Award of Option Year One Extension to Contract 15-122, Excavation and Underground Utility Repairs, to Western Utility LLC, for an amount not to exceed \$116,953.

BOARD/COMMISSION REVIEW:
N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
11/18/2014	I 7	Original Award

DEPARTMENT: Department of Public Utilities - Water
Finance Department

SUBMITTED BY: James Holzapfel, Director DPU-W
Rachel Mayer, Finance Director

FISCAL IMPACT:
CIP #: WU04, WWU06

Budgeted Accounts:	Budgeted Amounts
430-3913-537.40-34	2016 CY Budget Item \$50,000
430-3490-537.70-89	2016 CY Project Budget WU04 \$1,300,000
430-3490-537.70-89	2016 CY Project Budget WWU06 \$4,567,000

This bid will be used on an as-needed basis, and will draw funding from multiple sources. Based upon prior years' experience, the two CIP projects noted above are projected as likely sources of

funding. Services procured under this bid will be used to support other contracted and in-house work performed under these and/or other CIP water projects.

BACKGROUND:

The Department of Public Utilities-Water will utilize this bid for contractor services to excavate and repair underground water and wastewater utility infrastructure. It contains unit pricing for various types of labor and equipment commonly used in underground construction.

DPU-W carefully plans and prioritizes the activities of its repair and excavation crews to optimize productivity, safety and customer service. In order to control staffing costs, contractors are utilized on an as-needed basis to respond to fluctuations in the overall workload. This limits the potential for interruption of the scheduled work of in-house crews, thus eliminating costly and inconvenient rescheduling that affects both the customer and the department. Based on previous years' experience, it is anticipated that a significant portion of the work assigned to this contractor will be located in areas where the water and sewer mains are buried too deep to be safely excavated by in-house crews using city-owned equipment.

DISCUSSION

Western Utility LLC has performed satisfactorily during the initial contract period, and has offered to extend the contract for the 2016 option year with no increase in unit prices. There is one option year remaining for this contract.

RECOMMENDATION:

Approve the Award of Option Year One Extension to Contract 15-122, Excavation and Underground Utility Repairs, to Western Utility LLC, for an amount not to exceed \$116,953.

ATTACHMENTS:

1. Original Award
2. CIP Pages

PRIOR ACTION



Naperville

CITY COUNCIL AGENDA ITEM

SUBJECT: Recommend the Award of Bid 15-122, Excavation and Underground Utility Repairs

TYPE OF VOTE: Simple Majority

ACTION REQUESTED:
Approve the Award of Bid 15-122, Excavation and Underground Utility Repairs to Western Utility LLC, for an amount not to exceed \$116,953.

BOARD/COMMISSION REVIEW:
N/A

COUNCIL ACTION PREVIOUSLY TAKEN:

Date	Item No.	Action
N/A		

DEPARTMENT: Department of Public Utilities - Water
Procurement Services Team

SUBMITTED BY: Michael Bevis, Chief Procurement Officer

FISCAL IMPACT:
CIP #: EU12 Budgeted Accounts and Amounts: 430-3490-537.70-89
\$675,000 (FY 2015) Blanket PO
430-3913-537.40-34
\$ 60,000.00 (FY 2015)

BACKGROUND:
The Department of Public Utilities-Water will utilize this bid for contractor services to excavate and repair underground water and wastewater utility infrastructure. It contains unit pricing for various types of labor and equipment commonly used in underground construction.

15-122, Excavation/Underground Utilities
 November 18, 2014
 Page 2 of 2

DPU–W carefully plans and prioritizes the activities of its repair and excavation crews to optimize productivity, safety and customer service. In order to control costs and reduce potential for injuries, contractors are utilized on an as-needed basis to respond to fluctuations in the overall workload. This limits the potential for interruption of the scheduled work of in-house crews, thus eliminating costly and inconvenient rescheduling that affects to the customer. Based on previous years’ experience, it is anticipated that a significant portion of the work assigned to this contractor will be located in areas where the water and sewer mains are buried too deep to be safely excavated by in-house crews using city-owned equipment.

DISCUSSION:

Advertisement Date:	9/8/14	Notices Sent:	198
Opening Date:	9/23/14	Planholders:	14
		Bids Received:	1

BID TABULATION

The following bid was received:

<i>Engineer’s Estimate</i>	<i>\$86,784.50</i>
Western Utility LLC	\$116,953.00

This bid was originally advertised as Bid 15-102, which did not receive any responses from vendors. Staff contacted the vendors listed as plan holders for Bid 15-102 to understand why they did not bid. The majority of vendors stated that they had been too busy to respond, but they would reconsider if the City rebid the project. One vendor responded to the Re-Bid #15-122. The engineer’s estimate was calculated using 110% of the unit pricing of the previous (expiring) Contract 12-091 with Dienst Sewer & Water Inc., which had held this contract since 2010. They have since gone out of business and therefore did not submit a bid.

RECOMMENDATION:

Approve the Award of Bid 15-122, Excavation and Underground Utility Repairs to Western Utility LLC, for an amount not to exceed \$116,953.

ATTACHMENTS:

1. N/A

Project Number: WU04
Department Name: Water/ Wastewater
Project Purpose: This project supports the delivery of municipal services that are reliable and responsive to the needs of the citizens by updating essential utility infrastructure.

Project Title: Water Distrib. System - Rehabilitation/Replacements
CIP Status: Annual
Category Code: LR
Sector: Various
Criteria: Infrastructure Replacement/Renewal
WF Number: TBD

Project Narrative:

This project provides for the replacement or rehabilitation of water mains in areas that have experienced frequent main breaks, corrosion or hydraulic deficiencies. It also provides for the replacement of hydrants & valves that have failed or are inoperable. This project has been coordinated with the City's Road Improvement Program. In addition, this project provides for the replacement of older Lead (Pb) water service lines that do not meet U.S. Environmental Protection Agency safe drinking standards. The main project planned for CY16 include the rehab/replacement of deteriorated water mains located along East Ogden Avenue from Columbia to Vest.

External Funding Sources Available

None

Projected Timetable

Engineering and construction ongoing throughout the 5-year CIP as water main rehabilitation/replacements are scheduled.

Impact on Operating Budget

No new personnel; Nominal impact on operations & maintenance budget. The water service line replacement program does not significantly affect ongoing maintenance costs.

Project Budget Impact Summary

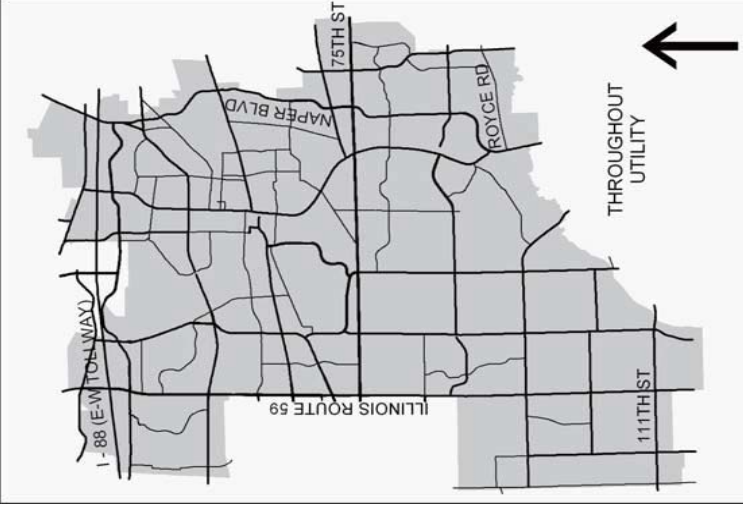
	2016	2017	2018	2019	2020	Total CIP
Impact Detail	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0
Prior Year(s) Impact						0
Total Project Impact						0

Funding Source Summary

	2016	2017	2018	2019	2020	Total Source
Funding Source	1,300,000	1,625,000	955,000	625,001	850,000	5,355,001
Water Utility	1,300,000	1,625,000	955,000	625,001	850,000	5,355,001
Subtotal	1,300,000	1,625,000	955,000	625,001	850,000	5,355,001
Prior Year(s) Expenditures						3,886,521
Total All Sources						9,241,521

Project Cost Summary

Expense Category	Prior Year(s) Expenditures	2015 Budget	2015 Year-to-Date	2016	2017	2018	2019	2020	Total CIP
Benefits	46,500	0	25,503	0	0	0	0	0	0
Construction	2,511,423	500,000	921,704	1,300,000	1,625,000	955,000	625,001	850,000	5,355,001
Salaries	142,231	0	71,830	0	0	0	0	0	0
Services	46,148	0	15,975	0	0	0	0	0	0
Supplies	56,427	0	48,780	0	0	0	0	0	0
Subtotal	2,802,728	500,000	1,083,793	1,300,000	1,625,000	955,000	625,001	850,000	5,355,001
Prior Year(s) Expenditures									3,886,521
Total Project Cost									9,241,521



Project Number: WWU06
Department Name: Water/ Wastewater
Project Title: Sanitary Sewer System Rehab/Replacement-Interceptors/Trunk Sewers/Mainlines & Services
CIP Status: Annual
Category Code: A
Sector: Various
Criteria: New Development, Infrastructure Replacement/Renewal, Reliability Improvements/Upgrades
WF Number: TBD

Project Narrative:

This project consists of ongoing investigation and rehabilitation of deteriorated sanitary interceptor, trunk, mainline and service lateral sewers in areas known to have significant groundwater infiltration using a trenchless technology process on a system-wide basis. The budget increase in CY17 and CY18 relates to the needed rehabilitation/replacement of the large sanitary interceptor sewer running through Springbrook Prairie Forest Preserve. Recent televising and cleaning revealed considerable deterioration along the 1.5 mile stretch of the 42-inch sanitary sewer. This interceptor sewer was installed in the early/mid-1970s and it has never had any rehabilitation work.

External Funding Sources Available

None

Projected Timetable

This project will rehabilitate approximately 15,000 linear feet of main line sewers and 150 sewer service laterals annually.

Impact on Operating Budget

No significant impact on the operating budget is anticipated in the immediate future, although there will be reductions in wastewater treatment expenses due to the ongoing elimination of active groundwater leaks.

Project Budget Impact Summary

	2016	2017	2018	2019	2020	Total CIP
Impact Detail	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0
	Prior Year(s) Impact					0
	Total Project Impact					0

Funding Source Summary

	2016	2017	2018	2019	2020	Total Source
Funding Source	4,567,000	3,743,000	3,265,000	3,225,000	3,075,000	17,875,001
Water Utility	4,567,000	3,743,000	3,265,000	3,225,000	3,075,000	17,875,001
Subtotal	4,567,000	3,743,000	3,265,000	3,225,000	3,075,000	17,875,001
	Prior Year(s) Expenditures					9,396,283
	Total All Sources					27,271,284

Project Cost Summary

Expense Category	Prior Year(s) Expenditures	2015 Budget	2015 Year-to-Date	2016	2017	2018	2019	2020	Total CIP
Benefits	139,544	0	63,239	0	0	0	0	0	0
Construction	5,601,543	2,600,000	2,938,605	4,567,000	3,743,000	3,265,000	3,225,000	3,075,000	17,875,001
Salaries	284,362	0	109,083	0	0	0	0	0	0
Services	63,772	0	83,315	0	0	0	0	0	0
Supplies	64,144	0	48,676	0	0	0	0	0	0
Subtotal	6,153,365	2,600,000	3,242,918	4,567,000	3,743,000	3,265,000	3,225,000	3,075,000	17,875,001
	Prior Year(s) Expenditures								9,396,283
	Total Project Cost								27,271,284

