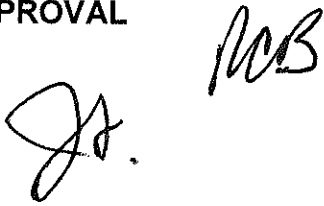


DATE: February 18, 2015

REQUEST FOR BOARD ACTION

AGENDA SECTION Engineering Committee	ORIGINATING DEPARTMENT Facilities Construction																														
ITEM A Resolution Awarding a Contract for the Rehabilitation of Coating Systems and Fall Protection Systems for Tank Sites No. 2 and No. 4 West (Contract SS-6/15) Resolution No. R-3-15	APPROVAL 																														
Account Number: 01-60-7707.01: \$3,106,980.00																															
<p>At the April 17, 2014 meeting, the Board approved a Management Budget for Fiscal Year 2014-2015 which included Standpipe Painting as well as R-13-14, a resolution directing advertisement for bids on a contract for the rehabilitation of coating systems and fall protection systems for Tank Sites No. 2 and No. 4 West, Contract SS-6.</p>																															
<p>The Commission solicited sealed bids by direct notification to potential bidders, by placing the advertisement for bids in several construction trade plan rooms, by posting the advertisement for bids on the Commission's web site, and as required by state statute, the Commission advertised for bids on two separate occasions in the Chicago Tribune. Sealed bids were received until 1:00 p.m., local time, February 4, 2015, at which time all bids received were publicly opened and read aloud.</p>																															
<p>Eight (8) bids were received and are as tabulated below including the base bid, unit price extensions and alternate work:</p>																															
<table border="0"> <thead> <tr> <th></th> <th>Bidder</th> <th>Bid</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>V&T Painting, LLC</td> <td>\$1,956,050.00</td> </tr> <tr> <td>2</td> <td>Civil Coatings and Construction, Inc.</td> <td>\$2,461,093.00</td> </tr> <tr> <td>3</td> <td>ERA Valdivia Contractors, Inc.</td> <td>\$3,106,980.00</td> </tr> <tr> <td>4</td> <td>Tecorp, Inc.</td> <td>\$3,382,153.00</td> </tr> </tbody> </table>		Bidder	Bid	1	V&T Painting, LLC	\$1,956,050.00	2	Civil Coatings and Construction, Inc.	\$2,461,093.00	3	ERA Valdivia Contractors, Inc.	\$3,106,980.00	4	Tecorp, Inc.	\$3,382,153.00	<table border="0"> <thead> <tr> <th></th> <th>Bidder</th> <th>Bid</th> </tr> </thead> <tbody> <tr> <td>5</td> <td>Maxcor Incorporated</td> <td>\$3,820,300.00</td> </tr> <tr> <td>6</td> <td>Worldwide Industries Corp.</td> <td>\$4,682,300.00</td> </tr> <tr> <td>7</td> <td>Classic Protective Coatings</td> <td>\$4,975,650.00</td> </tr> <tr> <td>8</td> <td>Horizon Brothers Painting</td> <td>\$6,367,900.00</td> </tr> </tbody> </table>		Bidder	Bid	5	Maxcor Incorporated	\$3,820,300.00	6	Worldwide Industries Corp.	\$4,682,300.00	7	Classic Protective Coatings	\$4,975,650.00	8	Horizon Brothers Painting	\$6,367,900.00
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<p>Of the eight (8) proposals received, the proposal of Era-Valdivia Contractors, Inc. was the lowest responsible bid at a Contract Price of \$3,106,980.00. The Engineer's 2013 estimate for this work was \$2,004,000.00.</p>																															
<p>Upon investigation by Staff, there were several reasons as to the differential between the estimate and the range of bids received; a primary reason may be the changes in the specified coating systems; the estimate contained a more common paint system where the specifications were modified to add a more durable system which fights mold</p>																															

Resolution No. R-3-15

AGENDA SECTION	Engineering Committee	ORIGINATING DEPARTMENT	Facilities Construction
ITEM	<p>A Resolution Awarding a Contract for the Rehabilitation of Coating Systems and Fall Protection Systems for Tank Sites No. 2 and No. 4 West (Contract SS-6/15)</p> <p>Resolution No. R-3-15</p>	APPROVAL	
<p>common to our tank sites. Although the specified system is more costly, it is anticipated the coatings will last an additional five years or more; another primary reason is having two tanks painted within the same contract period and thereby possibly increasing the labor costs by adding manpower and equipment for longer periods of the day to complete the contract on time. Additionally, costs associated with Fall Protection and provisions for a tank water temperature monitoring system were not part of the original Engineer's estimate.</p>			
<p>For additional information, two identical volume standpipes were recently bid for the City of Evanston using the identical coating system. The average bid received for the Evanston project was \$3,206,000.00 which is in line with the bids received for the subject Commission standpipes in the SS-6/15 Contract under consideration here.</p>			
<p>In addition, subsequent to Staff's and Engineer's determination of Era Valdivia being lowest responsible bidder, and in discussions with Era Valdivia regarding Addendum #1 which was not received by Era Valdivia, Staff believes Era Valdivia is amenable to future negotiation to lower costs to the Commission.</p>			
MOTION: To approve Resolution No. R-3-15.			

**TIC
TANK
INDUSTRY
CONSULTANTS
INC.**

7740 West New York Street
Indianapolis, Indiana 46214
317 / 271-3100 - Phone
317 / 271-3300 - FAX

Plainfield, Illinois
815 / 556-8335

Pittsburgh, Pennsylvania
412 / 262-1586

El Paso, Texas
915 / 790-0790

Houston, Texas
281 / 367-3511

February 18, 2015

Mr. Chris Bostick
DuPage Water Commission
600 East Butterfield Road
Elmhurst, Illinois 60126-4642

RE: Repairing and Repainting the Interior and Exterior of One 7,500,000 Gallon Steel Standpipe, "Standpipe #2," and One 5,000,000 Gallon Steel Standpipe, "Standpipe #4 - West;" TIC 14.083.H789.002 & 005

Dear Mr. Bostick:

I have reviewed the bid information forwarded by DuPage Water Commission.

The bid from V & T Painting, LLC. may be considered nonresponsive as Section 10 Bidder's Obligations of the Proposal was not signed. It was also noted that the unit price per man-hour of \$5.00 listed for items D. and F. of the proposal did not appear feasible for the scope of work, and the references provided did not include a tank of similar size to the tanks of this project.

The bid from Civil Coatings and Construction, Inc. may be considered nonresponsive as no references were provided for water tanks of similar size to the tanks of this project as required in the bidding documents. Three references for bridge cleaning and painting were the only references submitted in the proposal. On February 16, 2015, you, Chris Bostick, and I had a conference call with John Tsahas of Civil Coatings and Construction, Inc. In this call John admitted that he did not believe they could complete the project on time for the \$2,391,543 price bid and that their bid did not account for all repair items. He stated they did not have experience on tanks of similar size, and they did not have experience with the interior coating system specified and the equipment required for applying this type of coating.

The bid from Era Valdivia Contractors, Inc. with a Base Bid of \$3,052,000 was reviewed. References provided which were contacted were positive including a reference for work on two 5,000,000 gallon water storage tanks in Skokie, Illinois which was of similar scope utilizing coatings similar to those specified for this project. It was noted that Era Valdivia Contractors marked in the proposal that no addenda was received. Prior to award it is recommended Era Valdivia Contractors recognize Addendum 1 for the project which clarified that work may be performed concurrently, working on both tanks at the same time.

I have reviewed information available and provided in the proposal. If Addendum 1 is recognized by Era Valdivia Contractors, I see no reason not to award the project to Era Valdivia Contractors, Inc.

An Employee-Owned Company

The estimated costs listed in the 2013 reports for the tank rehabilitations totaled \$2,004,000. Items which may have resulted in the bids higher than this estimate include:

- ◆ The 2013 estimate was based on a two-coat epoxy system for the interior coating. The interior coating system specified after discussions with Owner was a more expensive zinc primer and 100% solids high build epoxy system. Estimated additional cost of approximately \$230,000 total for both tanks for this coating system based on estimated square footage of tanks and bids recently received.
- ◆ The 2013 estimate was based on an epoxy/polyurethane system for the exterior coating. The exterior coating system specified after discussions with Owner was a more expensive zinc primer, polyurethane intermediate, and fluorourethane finish coat for longer color and gloss retention. Estimated additional cost of approximately \$200,000 total for both tanks for this coating system based on estimated square footage of tanks and bids recently received.
- ◆ The subcontracting of the fall protection to a fall protection specialist required in the specifications was not included in the 2013 estimate.
- ◆ The performance of work on both tanks within 150 days likely increased bid pricing due to the number of personnel and the equipment that would be required to complete both projects. The 2013 estimates were not based on both tanks being done at the same time; the estimates in these reports focused on each tank individually and did not consider work on another tank. Working on both tanks at the same time may have some reduction in costs for mobilization of equipment but may also have additional costs based on Contractor's schedule and their availability of personnel and equipment to staff work on both tanks. Assuming 10 hour workdays seven days a week, Contractor's overtime may be approximately 636 hours. Assuming 10 workers at approximately \$100 per hour provides an estimate of approximately \$636,000.
- ◆ The requirement for times of work Monday through Friday and responsibility of Contractor for overtime for observation of work along with the time for completion likely increased bid pricing. Assuming 636 hours at approximately \$100 per hour, estimate for additional observation fees would be approximately \$63,600.

The above estimate costs are for general comparison only. For general information, another project in northeastern Illinois which included tanks of similar size, one 7,500,000 gallon tank and one 5,000,000 gallon tank, also recently bid and had an average bid price of approximately \$3,206,000.

Please call if you have questions or comments.

Sincerely,

Tank Industry Consultants



Patrick J. Brown, P.E.
Project Engineer

DUPAGE WATER COMMISSION

RESOLUTION NO. R-3-15

A RESOLUTION AWARDING A CONTRACT
FOR THE REHABILITATION OF COATING SYSTEMS AND FALL PROTECTION
SYSTEMS FOR TANK SITES NO. 2 AND NO. 4 WEST
(Contract SS-6/15)

WHEREAS, sealed bids for Contract SS-6/15: Contract for the Rehabilitation of Coating Systems and Fall Protection Systems for Tank Sites No. 2 and No. 4 West were received on February 4, 2015; and

WHEREAS, the DuPage Water Commission has reviewed the proposals received and determined that the proposal of Era-Valdivia Contractors, Inc. was the lowest responsible bid;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: The foregoing recitals are incorporated herein as findings of the DuPage Water Commission.

SECTION TWO: The DuPage Water Commission hereby awards Contract SS-6/15: Contract for the Rehabilitation of Coating Systems and Fall Protection Systems for Tank Sites No. 2 and No. 4 West to Era-Valdivia Contractors, Inc., in the amount of \$3,106,980.00 as set forth in its Bidder's Proposal, conditioned upon the receipt of all contractually required documentation and such other additional information that may be requested by the General Manager of the Commission in accordance with the Bid Package that is acceptable to the DuPage Water Commission.

SECTION THREE: This Resolution shall be in full force and effect from and after its adoption.

AYES:

NAYS:

ABSENT:

ADOPTED THIS ___ DAY OF _____, 2015.

Chairman

ATTEST:

Clerk