

Memorandum



To: Mark Gaffino, Village President & Board of Trustees
Cc: Steven Bosco, Village Administrator
From: Brandon Tonarelli, Village Engineer
Date: July 28, 2021
Re: Reject Water Tower Construction Bids

On Tuesday July 27, 2021, a bid opening was conducted for the 750,000 gallon water tower construction project. Only one bid was received for this project, and it was more than \$1,000,000 over the Engineer's Estimate. Rempe-Sharpe Engineering evaluated the bid and determined that the bid did not comply with the USDOL apprenticeship program requirements. It is the Engineer's recommendation to reject all bids and re-bid the project.



REMPE-SHARPE
& Associates, Inc.

Principals

J. Bibby P.E. S.E.
D. Watson P.E.

CONSULTING ENGINEERS

324 West State Street
Geneva, Illinois 60134
Phone: 630/232-0827 – Fax: 630/232-1629

July 27, 2021

Village of North Aurora
25 East State Street
North Aurora, IL 60542

Attn: John Laskowski

Re: Central Water Tower 750 MG

File: NA-598

Dear Mr. Laskowski,

In accordance with the Advertisement for Bids, the Village of North Aurora opened bids for the Central Water Tower 750 MG Project on Tuesday, July 27, 2021. Prior to bidding, the project was advertised in the Daily Herald on Friday, June 25, 2021 and sent the Advertisement to three (3) tank contractors' contractor's and three (3) construction news journals.

The project consists of the construction of a new three- quarter (0.75) million-gallon elevated water storage reservoir with an elevation of 161' to overflow, valves, piping, and appurtenances along with related site work in accordance with the Contract Documents.

Four (4) tank contractors purchased plans and specifications for the project. Bids were submitted by one (1) contractor. The bids were as follows:

<u>BIDDER</u>	<u>BASE BID</u>	<u>Alternate Bid</u>
CB&I Storage Solutions Plainfield, IL	\$3,900,000.00	No Bid
Engineer's Estimate	\$2,780,000.00	\$2,800,000.00

The Contractor did not provide a bid for the Alternate Option. The base bid is a steel Waterspheriod, the style of tower similar to the existing three elevated water towers located in the Village. The Alternate Option is for a composite tower. A composite tower has a poured in place PCC pedestal with a steel water storage tank

The attached Bid Tabulation gives an itemized cost for the bid. The only bidder, CB&I Storage Solutions', base bid was \$1,120,000.00, or 40% higher than the Engineer's Estimate. The Engineer's estimate in early 2020 before the pandemic was \$1,900,000.00. Due to the ever-increasing cost of plate steel, the Engineer raised the Estimate by 45% at the beginning of the summer. The reason the bid is still 40% higher than the estimate is that the price of plate steel keeps on rising and the contractor requested additional time to complete their foundation design for estimating purposes.

The Contractor presently does not have a qualified Apprenticeship or Training Program certified by the USDOL, see attachment. Therefore, the contractor does not meet the Village of North Aurora's required Bidding Documents to complete this project. Based on that, the Engineer recommends to **Reject All Bids.**

Please let the Engineer know how the Village would like to proceed. If there are any questions, please feel free to contact the undersigned.

Very truly yours,

REMPE-SHARPE AND ASSOCIATES, INC.

BY:

A handwritten signature in black ink, appearing to read "D.A. Watson", written over a horizontal line.

Daniel A. Watson, P.E.

Enclosure

C.C. Steve Bosco, Village of North Aurora
Bill Hannah, Village of North Aurora
Paul Young, Village of North Aurora
Brandon Tonarelli, Village of North Aurora