

Memorandum



To: Mark Gaffino, Village President & Board of Trustees
Cc: Steven Bosco, Village Administrator
From: Brandon Tonarelli, Assistant Public Works Director / Village Engineer
Date: February 22, 2024
Re: Award Bid for Lovedale Lane, Offutt Lane, Clearwater Drive, & Fox River Crossing Water Main Improvement Project

At the May 17, 2021 Village Board meeting the Board passed a resolution in support of a grant application for Kane County Community Development funding (CDF). This grant application was prepared to supplement the cost of the water main improvements to Lovedale Lane, Offutt Lane, Clearwater Drive, & the Fox River Crossing. The Village was a successful applicant and has been awarded \$634,037 towards the final constructed improvements.

The scope of the project includes the lining of the aged water main, replacement of water valves, fire hydrants, and restoration. To line the water main, an above grade temporary water service system is put in place by the contractor as they need to excavate access pits for televising, cleaning and then lining the water main.

The structural lining of the water main has the same expected life expectancy as a brand new ductile iron water main and is approved by the Illinois Environmental Protection Agency. Lining of the water main was chosen for this project due to the cost of permitting and constructing a water main under the Fox River which would require cofferdams in the river, shallow bedrock on Offutt, Clearwater, and part of Lovedale which significantly increases the excavation cost, and the water main crossing under IL 31 which would have required boring underneath the roadway. The estimated cost for completing the entire project by traditional open cut construction would have exceeded \$3,000,000.

On February 22, 2024, one sealed bid was received for the Lovedale Lane, Offutt Lane, Clearwater Drive, & Fox River Crossing Water Main Improvement Project. A summary of the bid is below.

COMPANY	AS CALCULATED BID AMOUNT
FER-PAL Construction USA LLC	\$1,598,787.00

FER-PAL Construction USA LLC (Elgin, IL) was the low bidder in the amount of \$1,598,787.00.

There are a limited number of companies that perform this type of work due to the proprietary technologies and water main quality pipelining material. All three companies were informed of the upcoming bid. Village staff contacted the two other water main quality cured-in-place pipelining contractors that perform work in Illinois to get feedback on why they chose not to bid on the Village's project. Feedback from one of the contractors indicated that their lining technology and abilities does not allow for a high success rate with reinstating water services on 6" and 8" diameter water mains (which this project has) requiring them to potentially require excavations at many of the water service connections and pricing that into their cost. Due to their company not being competitive on cost due to this aspect of the project, they chose not to bid.

The fiscal year budget has \$297,000 budgeted in the capital fund and \$972,070 budgeted in the water fund (\$1,269,070 total). Though the total project is more expensive than originally budgeted, the revenue from the grant funds were not included in the budget. Once the Village receives the \$634,037 grant fund reimbursement the net project cost to the Village is \$964,750 which is below the budgeted amount.

Village staff designed the improvement project and will be performing the construction inspection and administration of this project in house.

FER-PAL Construction USA LLC has successfully completed water main lining projects for other municipalities in Chicagoland area that includes Elgin, Niles, Warrenville, Naperville, and Lombard. Village staff is recommending the award of the bid to FER-PAL Construction USA LLC in the amount of \$1,598,787.00.