


VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda
Bids and Proposals

TO : President and Village Board of Trustees
FROM : Scott Neihaus, Village Manager
DATE : January 17, 2025 Agenda Date February 6, 2025
TITLE : Waiver of Bids - North Ave Standpipe Perpetual Warranty & Maintenance Agreement Year 5
SUBMITTED BY: Brian Jack, Utilities Superintendent 

RESULTS:

Date Bids Were Published _____ Bidding Closed _____
Total Number of Bids Received _____
Total Number of Bidders Meeting Specifications _____
Bid Security Required _____ Yes _____ No
Performance Bond Required _____ Yes _____ No
Were Any Bids Withdrawn _____ Yes _____ No
Explanation:
Waiver of Bids Requested? _____ X _____ Yes _____ No
If yes, explain: Purchase is directly from manufacturer.
Award Recommended to Lowest _____ X _____ Yes _____ No
Responsible Bidder?
If no, explain:

FISCAL IMPACT:

Engineer's estimate/budget estimate: \$265,003.00 Amount of Award: \$265,003.00
Water/Sewer Capital Reserve Fund: 520.790.715.75420 Proj: WA 26 04 Construction

BACKGROUND/RECOMMENDATION:

The Board approved the addition of SOW 4 for the North Avenue Standpipe Rehabilitation to the Master Services Agreement for the Village's water storage facilities on October 1, 2020 for inspections and full tank rehabilitiaton. This agenda item will approve payment for year 5 of the perpetual warranty and maintenance agreement established for the North Aveneu Stand Pipe for exterior painting and interior maintenance work.

Has Recommended Bidder Worked for Village Previously X Yes _____ No
If yes, was quality of work acceptable X Yes _____ No



REVIEW (as needed):

Village Attorney XX _____ Date _____
Finance Director XX _____ Date _____
Village Manager XX _____ Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 4:30 pm, Wednesday, prior to the Board Agenda distribution.



MEMORANDUM

To: Scott Niehaus, Village Manager
From: Brian Jack, Utilities Superintendent 
Through: Carl Goldsmith, Director of Public Works 
Date: January 17, 2025
Subject: North Ave Standpipe Perpetual Warranty & Maintenance Agreement Year 5 – WA 26 04

Background

The North Avenue Standpipe was last painted in 2011 after the new roof was installed and interior of the tank was partially rehabbed under that project. The tank was originally built in 1955 and has been maintained throughout its years in service. The tank holds 1.6 million gallons (MG) of water and is one of the main sources of water for both fire suppression and consumption on the north side of Lombard. Typically, steel water tanks are painted every 12-15 years in accordance with American Water Works Association (AWWA) standards and are budgeted for in the Capital Improvement Plan as a lump sum expenditure.

In 2020, the Village added the North Avenue Standpipe into the Master Service Agreement (MSA) with Utility Service Company, Inc. of Atlanta Georgia as Scope of Work #4 (SOW 4). This is in addition to SOW 1 (Highland Avenue Elevated Storage Tank, SOW 2 and 3 (Civic Center North and South Underground Reservoirs). Utilizing an organized service program approach to tank rehabilitation, the maintenance and lining of the all of the Village's water storage facilities would be through scheduled professional maintenance.

Discussion

Each year staff will present the Board of Trustees with an update and memo to approve each annual payment. The agreement and payments are subject to available funding and may be terminated at any time by the Village. The pricing matrix for North Avenue was created using a 15-year schedule. The cumulative cost for the project is the total for all 12 years plus 3 years' worth of inspection services (see attachment for Scope of Work and 18-year pricing matrix schedule). Note: expenditures over the 18-year span will include inspections, then the initial upfront tank rehabilitation in 2024 and a second full rehabilitation in 2038, thus two full tank renovations over the life of this agreement.

The USC pricing matrix for steel elevated tanks is 15 years. Since there will be three years of inspection added to the beginning of this service agreement, years 16-18 the annual fee shall be adjusted to reflect cost of service at that time. The adjustment of the annual fee shall be limited to a maximum cap of 5% annually in which the average range over the past 20 years has been from 3.0-3.5%. In year's 16 through 18, the Village will receive a letter from USC informing them of the adjust and amount due. The Village will budget accordingly during CIP discussions.

A perpetual warranty for the full 15 years is also included in the costs which begins in 2024 after the initial rehabilitation is completed.

The annual fees for the SOW 4 North Avenue Standpipe Rehabilitation is as follows:

CONTRACT YEAR	Village Operating Budget	Village Capital Budget	Utility Service Company, Inc - Combined Expenditures
1 – 3; 2021-2023	\$2,500 each year		\$7,500
4 - 2024		\$265,003	\$265,003
5 - 2025		\$265,003	\$265,003
6 - 2026		\$265,003	\$265,003
7 - 2027		\$48,220	\$48,220
8 - 2028		\$49,927	\$49,927
9 - 2029		\$51,694	\$51,694
10 - 2030		\$53,524	\$53,524
11 - 2031		\$55,419	\$55,419
12 - 2032		\$57,381	\$57,381
13 - 2033		\$59,412	\$59,412
14 - 2034		\$61,515	\$61,515
15 - 2035		\$63,693	\$63,693
16 – 2036		TBD	
17 – 2037		TBD	
18 - 2038		TBD	
Total	\$7,500.00	\$1,295,794.00	\$1,303,294.00

Recommendation

Staff requests the Board of Trustees approve the fifth-year contract amount of \$265,003.00 for the North Ave Standpipe Rehabilitation Project WA 26 04 as submitted by Utility Service Company, Inc. of Atlanta, GA at the February 6, 2025, meeting.