

**OFFICE OF THE CITY MANAGER
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**150 WEST JEFFERSON STREET
JOLIET, ILLINOIS 60432-4158**

DATE: FEBRUARY 5, 2019

TO: MAYOR AND CITY COUNCIL

FROM: MARTIN J. SHANAHAN, JR., INTERIM CITY MANAGER

SUBJECT: REQUEST FOR AUTHORIZATION TO AWARD A CONTRACT FOR THE EASTSIDE WASTEWATER TREATMENT PLANT PHOSPHORUS REMOVAL PROJECT

BACKGROUND:

The City of Joliet owns and operates the Eastside WWTP. The NPDES permit issued for the Eastside WWTP on October 1, 2016 includes a 1.0 mg/L limit for phosphorus. Nutrients such as phosphorus end up in Illinois' waterways from Wastewater Treatment Plants and run-off from farm fields. Excessive amounts of nutrients cause hypoxic (low oxygen) conditions which cannot support aquatic life. To address this issue, the IEPA has identified new permit conditions and phosphorus limits that will be enforced beginning on April 1, 2021. Failure to meet this limit will result in fines due to NPDES permit violations. In order to meet this new limit, significant capital upgrades are needed for biological phosphorus removal. In addition, the project includes improvements to the sludge handling system due to increased sludge production generated by the phosphorus removal process. The project also includes construction of a new administration building and conversion of the existing administration building to a process control building in order to provide adequate locker rooms and training facilities, meet requirements for a certified water/wastewater laboratory, and improve site security. The City intends to fund design and construction of these upgrades with a low interest loan from the IEPA's Water Pollution Control Loan Program.

The Administration has submitted a loan application to the Illinois Environmental Protection Agency (IEPA) Water Pollution Control Loan Program. The City's loan request is for engineering and construction of the project. In the IEPA loan process, the City is required to advertise, receive bids, and submit a recommendation of award to the IEPA. The award of contract to the low, responsive, responsible bidder is subject to IEPA review and final approval. The final approval of the award of contract and loan amount will be determined after the IEPA's review of the bids and the City's supporting documents for engineering cost. The City is also required to submit to the IEPA a Notice of Applicant's Intent of Award or a certified copy of board minutes authorizing the intent to award the contracts.

An invitation to bid for the project was advertised in the Joliet Herald-News on Monday, December 10, 2018 and Monday, December 17, 2018. The Public Service Committee will review this matter.

CONCLUSION:

On Tuesday, January 29, 2019, at 2:00 p.m., five (5) sealed bids were received for the Eastside WWTP Phosphorus Removal Project. The bid summary is as follows:

| <u>CONTRACTOR</u> | <u>BID AMOUNT</u> |
|--|--------------------------|
| Williams Brothers Construction, Inc., Peoria, IL | \$18,780,000.00 |
| Joseph J. Henderson & Son, Inc., Gurnee, IL | \$19,391,000.00 |
| IHC Construction, Elgin, IL | \$19,583,063.63 |
| Vissering Construction, Co. Streator, IL | \$19,687,000.00 |
| Allan Mack & Sons, Inc., Orland Park, IL | \$22,230,000.00 |
| Engineer's Estimate | \$18,000,000.00 |

The low bid from Williams Brothers Construction, Inc., in the amount of \$18,780,000.00, is 4% above the engineer's estimate. Williams Brothers Construction, Inc. has previously completed similar work for the City and we are confident they will successfully complete this project. Funds will be charged to the IEPA Loan Fund / Eastside Phosphorus Removal (Org 51180000, Object 557200, \$18,780,000.00).

Included with this Contract Award is a Professional Services Agreement for resident engineering services, for an amount not to exceed \$770,840.00, on behalf of V3 Companies of Illinois. This project will require specialized inspection services that are better suited to the City's consulting engineer.

Section 2-438 of the City of Joliet Code of Ordinance states that purchases over \$25,000.00 may be awarded without written specifications under certain circumstances. Two (2) of these circumstances apply:

- (f) Purchases when authorized by a concurring vote of two-thirds (2/3) of the Mayor and City Council;
- (g) Purchases of professional services.

Funds will be charged to the IEPA Loan Fund / Eastside WWTP Phosphorus Removal (Org 51180000, Object 557200, \$770,840.00).

Also included with this Contract Award is Amendment No. 3 to the Professional Services Agreement with Donohue & Associates for an amount not to exceed \$597,269.00 for construction administration services. On September 5, 2017, the Mayor and City Council awarded a Professional Services Agreement, in the amount of \$483,021.00, to Donohue & Associates, Inc. for engineering design related to phosphorus removal at the Eastside WWTP. Subsequently, the City Council has approved Amendment No. 1, an increase of \$159,961.00, and Amendment No. 2, an increase of \$87,243.00. During construction Donohue & Associates will be needed to review submittals, respond to contractor requests for information, attend monthly meetings, review pay requests, attend system start-up and prepare an Operation & Maintenance Manual for the Eastside WWTP.

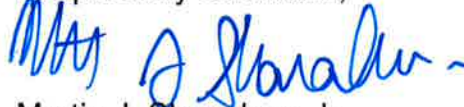
Funds will be charged to the IEPA Loan Fund / Eastside WWTP Phosphorus Removal (Org 51180000, Object 557200, \$597,269.00).

RECOMMENDATION:

Based on the above, it is recommended that the Mayor and City Council take the following actions:

1. Award subject to IEPA approval the Contract for the Eastside Phosphorus Removal Project, in the amount of \$18,780,000.00, on behalf of Williams Brothers Construction Inc.
2. Approve the Professional Services Agreement for resident engineering services for the Eastside WWTP Phosphorus Removal Project, in the amount of \$770,840.00, on behalf of V3 Companies of Illinois.
3. Approve Amendment No. 3 to the Professional Services Agreement for construction administration services for the Eastside WWTP Phosphorus Removal Project, in the amount of \$597,269.00, on behalf of Donohue & Associates, Inc.

Respectfully submitted,

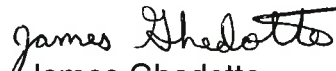


Martin J. Shanahan, Jr.
Interim City Manager

CONCURRENCES:



Allison M.W. Swisher
Director of Public Utilities



James Ghedotte
Director of Finance



Margaret E. McEvilly
Purchasing/Contracts Administrator