

NOTICE OF A SPECIAL JOINT MEETING
OF THE PUBLIC WORKS COMMITTEE AND PUBLIC SAFETY COMMITTEE

Notice is hereby given that a special meeting of the Public Works and Public Safety Committees of the Village of Tinley Park, Cook and Will Counties, Illinois, will begin at 7:15 p.m. on Tuesday, August 8, 2017, in Council Chambers at the Village Hall of Tinley Park, 16250 S. Oak Park Avenue, Tinley Park, Illinois.

1. OPEN THE MEETING.
2. DISCUSS THE CONSTRUCTION MANAGEMENT SERVICES FOR FIRE STATION NUMBER 2.
3. RECEIVE COMMENTS FROM THE PUBLIC.

ADJOURNMENT

KRISTIN A. THIRION
VILLAGE CLERK

MEMORANDUM



To: Public Works and Public Safety Committee's

Cc: Dave Niemeyer

From: Pat Carr, Interim Asst. Village Manager

Date: August 2, 2017

Re: Fire Station 2 Final Comparison

An RFQ was issued on December 23, 2016 for a construction management services for the construction of fire station #2. This company would act as the primary agent of the Village, acting as the construction manager to ensure the coordination of all activities, from the Village's standpoint, required to properly execute the scope of work contained within the contract documents. There were sixteen (16) companies that responded to the advertised RFQ. Eight (8) companies were interviewed and three (3) finalists were selected. Intern Hannah Lipman followed up with the three finalists, Wegman, Graefen, and Leopardo, regarding final estimated costs and estimated timelines. Hannah contacted several references for each firm and heard only positive things.

Wegman has proposed an estimated total overall cost of \$3,414,362. This includes staffing, general requirements, fees, and construction. Without the cost of construction, the total comes to \$564,362. They have provided a 22 month timeline. Conversations were held with two references for Wegman. One reference from the Oswego Fire Department talked highly of Wegman and their ability to work well with the architect and all other project members. They completed three stations for Oswego sticking to budget and timeline as closely as possible, and Oswego was very happy with the results. Another individual that Hannah spoke with is a retired Aurora Fire Chief. He spoke very highly of Wegman, stating he was very relieved with how great the management team was because it was the first project of that size he had been overseeing. He appreciated the open communication and frequent meetings that were held. Wegman solved any problems that came up and stuck to the timeline very well.

Leopardo has proposed an estimated total overall cost of \$3,400,000 with an 18 month timeline. This estimated cost includes staffing, general requirements, fees, and construction. Without the cost of construction, the estimated total cost is \$600,000. Hannah spoke with the old Police Chief from Hanover Park, who worked closely with Leopardo's management team while they

completed the Police Headquarters for Hanover Park. This individual recommended Leopardo at the highest level, stating Leopardo did a fantastic job and saved money in various ways.

Graefen foresees an 18 month timeline as long as no challenges arise. They have provided us with a total estimated cost of \$3,036,673. The total cost, without construction, is \$424,173. Graefen informed us that they have worked with Public Safety for the Peotone Fire District. When I inquired about the performance and payment bond percent Graefen provided (0%), I was informed this percent will be provided in the bid packages and there will not be an additional fee from Graefen as CM if hired. Hannah spoke with two references for Graefen, who only had positive things to say about Mr. Jeff Graefen and his team. One reference appreciated Mr. Graefen's local knowledge and relationship with local tradesmen and his ability to save money. The other insisted he couldn't be happier with the work Graefen performed and he now utilizes Graefen for every project he can. This individual talked highly of Mr. Graefen's common sense approach.

Please see the attached responses to questions and comparison table.

WEGMAN:

All numbers are an Estimate based on the assumption that the new station will be 9,500 square feet at a cost of \$300 per square foot, for a total construction cost of \$2,850,000.00

-Can you confirm your cost proposal is an estimate, not final? **YES this is an Estimate based on the Assumption of Construction Cost that the new station will be 9,500 square feet at a cost of \$300 per square foot for a total Construction Cost of 2,850,000.00.**

- Are the proposed staffing costs caps or estimates? **Proposed staffing costs are Estimates based on the assumptions we made for each phase of the project.**

-Is the construction manager at risk fee, liability insurance, and payment and performance bond rate included in the proposed staffing costs/general requirements, or are they extra? **No, the construction manager at risk fee, liability insurance, and payment and performance bond rate are NOT included in the proposed staffing costs/general requirements.**

-Please provide us with a total estimated cost that includes proposed staffing costs, general requirements, construction manager at risk fee, liability insurance, and payment and performance bond rate costs.

*** Note estimated cost is based on the assumption of construction cost that the new station will be 9,500 square feet at a cost of \$300 per square foot for a total construction cost of \$2,850,000.00.**

Staffing Costs= \$272,412.00

General Requirements= Surveying: \$10,000 + Testing: \$10,00 + Construction Signs: \$1,200 + General Conditions Fee of 4.5% of Construction Cost = \$128,250 **Total: \$149,450.00**

Construction Manager At Risk Fee= 3% of Construction Cost= \$85,500.00

Liability Insurance= 1% of Construction Cost= \$28,500.00

Payment and Performance Bond Rate= 1% of Construction Cost= \$28,500.00

TOTAL: \$564,362.00

-Please provide an estimated timeline...how many hours, how many weeks/months for the project?

Preconstruction Phase= Estimated 64 hours of planning meetings during a 13 weeks/3 months

Preconstruction Phase duration

Design Completion Phase= Estimated 200 hours during a 26 weeks/6 months Design Completion Phase duration

Construction Phase= Estimated 3,252 hours (Note only charging for Dan Peterson hours because other staff hours rate are included in 4.5% general conditions fee) during a 52 weeks/12 months Construction Phase duration. This could change based on the size and complexity of the building.

Post Construction Phase= Estimated 40 hours during a 4 weeks/1 month Post Construction Phase duration.

LEOPARDO:

-Can you confirm your cost proposal is an estimate, not final? Are the proposed staffing costs caps or estimates? In the cover note on our proposal we note that for the Preconstruction and Design Completion Phases, we are comfortable proposing these as lump sum costs but would be willing to do them on an hourly basis if preferred by the Village so the work can be customized by the Village as needed. Also noted in the cover note, for the Construction Phase, the monthly staffing costs are lump sum costs per month of construction. The final design and logistics of the project will determine the final construction schedule at time of setting the GMP and the general conditions would be that monthly cost times the number of months in the schedule. We have anticipated that the project will be 7 months in our proposal.

-Is the construction manager at risk fee, liability insurance, and payment and performance bond rate included in the proposed staffing costs/general requirements, or are they extra? No, these are calculated on the cost of work at the percentages noted.

-Please provide us with a total estimated cost that includes proposed staffing costs, general requirements, construction manager at risk fee, liability insurance, and payment and performance bond rate costs. Since the CM fee, insurance and bond are a function of the construction cost, you need to estimate cost for the building construction. This will vary depending on final design chosen by the Village, existing site constraints and development needs, logistics, and timing of execution. If you use \$2.8M for the cost of the trade work as a starting point, the total estimated cost (including the estimated trade costs), would be \$3.4M.

-Please provide an estimated timeline...how many hours, how many weeks/months for the project? Timeline with hours per week and number of month for each phase is noted in our proposal. Total timeline is 18 months from start of preconstruction phase to completion or the post construction phase.

Please note about general requirements: general requirements are estimated... typically a scope is developed and then put to bid

-Surveying – we would develop a scope for this with the scope of the project and bid this trade for best competitive pricing for the Village and treat as a trade line item, since scope is not currently defined we would propose a placeholder allowance of \$15,000

-Testing – assuming you mean 3rd party testing which is often held outside the construction project, we would develop a scope for this with the scope of the project and bid this trade for best competitive pricing for the Village and treat as a trade line item, since scope is not currently defined we would

propose a placeholder allowance of \$30,000 (could be more or less depending on soils issues and geotechnical information available)

-Final Cleaning/glass and mirrors- we would develop a scope for this with the scope of the project and bid this trade for best competitive pricing for the Village and treat as a trade line item, since scope is not currently defined we would propose a placeholder allowance of \$6,000

-Tools/equipment – no additional costs beyond what is included in proposal

-Safety/Perimeter protection – we would develop a scope for this with the scope of the project and bid this work with the appropriate trade for best competitive pricing for the Village and include in the appropriate trade's contract, safety inspections included in our projected staffing costs already

-Temp Utilities – typically we see municipalities carry the cost of utility consumption outside of the construction budget as they often have existing advantageous franchise agreements, the temp utility setup would be competitively bid with the appropriate trade

-Construction Signs – if the Village would like a project sign \$1,500

-Street Clean- we would develop a scope for this with the scope of the project and bid this work with the appropriate trade for best competitive pricing for the Village and in the appropriate trade's contract (excavation sub)

-Temp Roof and floor protection- we would develop a scope for this with the scope of the project and bid this work with the appropriate trade for best competitive pricing for the Village and include in the appropriate trade's contract (flooring subs and roofing sub)

GRAEFEN:

-Can you confirm your cost proposal is an estimate, not final? Are the proposed staffing costs caps or estimates? **This is an estimate as the spreadsheet that was supplied requested estimated hours.**

-Is the construction manager at risk fee, liability insurance, and payment and performance bond rate included in the proposed staffing costs/general requirements, or are they extra? **They are included as well as listed in the spreadsheet as such and they are not extra cost.**

-Please provide us with a total estimated cost that includes proposed staffing costs, general requirements, construction manager at risk fee, liability insurance, and payment and performance bond rate costs. **These costs are provided in the spreadsheet. Our hope is the cost we provided will be reduced as some cost that were requested in the spreadsheet may not apply as these cost may be driven by the owner and architect. For example, if there is only one design iteration that should lend itself to save money and if there are multiple designs that will increase the amount of hours required.**

-Please provide an estimated timeline...how many hours, how many weeks/months for the project? **This will be driven by the owner's decision making process, if the owner and design team has a committee(s) that is very efficient it will lend itself to less required hours.**

-Below is a table I have created with the information we have. Please make sure it is correct and fill in where necessary. **Yes, and the performance bond will be included as they will be effectively required under each bid package. Relative to the timeline, this will be hard for any contractor to give an exact timeline without the design being completed to date as well as having permits in hand as those items will drive the start date and subsequent schedule. In conclusion, this is the type and size of project we specialize in and if selected we will streamline and run this project very efficiently.**

Thank you for the consideration.

Additional Asked Questions:

Graefen is a finalist along with two other firms. One firm has provided us an estimated 18 month timeline, the other an estimated 22 month timeline.. I know you stated below that it depends on design and the owner's decision making/team, but are you able to provide a rough estimate at this time? **We feel that the timeline would be approximately 18 months assuming that the project does not have any unforeseen challenges such as permitting delays, multiple design revisions or approval delays**

You responded that the construction manager at risk fee, liability insurance, and payment and performance bond rate are not extra costs and are included in the spreadsheet. Can you confirm that the total estimated cost for proposed staffing, general requirements, construction mgr at risk fee %,

liability insur %, and payment and performance bond rate, at this time, is \$408,030? (373,530 + 34,500)
The CM fee is 4.5% of total project cost as this will be determined after bidding to determine that calculation as expressed in a percent basis in lieu of a numerical rate. The \$34,500 general requirements in which some (many) of those cost will be included in the engineering design, excavation and a few other bid packages and those will likely be less than the \$34,500 budget. (HAS SINCE BEEN REVISED, SEE COST COMPARISON TABLE)

Additional note from Jeff Graefen:

I wanted to add one more note. If the decision is a function of cost we can certainly negotiate our cost. Also, in addition to our cost the larger cost will be the sub-contractors cost, we have a very competitive advantage over other firms for two main reason. We specialize in this size projects and have forged relationship with sub-contractors performing the work for this type and size project and will attract them to bid. Secondly, we are from this area and will attract local sub-contractors from this area hence being more competitively priced with excellent quality.

Fire Station 2 Cost Comparison

Firm	Proposed Staffing Costs (all phases)	General Requirements	Construction Manager (CM) at Risk Fee %	Liability Insurance %	Payment & Performance Bond Rate	Total Estimated Cost (construction not included)	Estimated Cost of Construction	Total Estimated Cost (construction included)	Estimated Timeline
Graefen	\$293,110	\$13,500	4.5% (\$117,563)	5%	0%	\$424,173	\$2,612,500 (\$275 per sq ft)	\$3,036,673	18 months
Leopardo	\$390,237	\$52,500	3%	1%	1%	\$600,00	\$2,800,000	\$3,400,000	18 months Preconstruction: 13 wks Design: 30 wks Construction: 7 months Post Construction: 1 month
Wegman	\$272,412	\$149,450	3% (\$85,500)	1% (\$28,500)	1% (\$28,500)	\$564,362	\$2,850,000 (\$300 per sq ft for 9,500 sq ft)	\$3,414,362	22 months Preconstruction: 3 months Design: 6 months Construction: 12 months Post Construction: 1 month

**COMMENTS FROM
THE PUBLIC**

ADJOURNMENT