

Staff Report

Subject: Approval of Guaranteed Maximum Price (GMP) Proposal – Phase 1 Effingham Regional Water Supply Facilities

Author: Lauren Shuman, Engineering Project Coordinator

Department: Procurement, Engineering

Meeting Date: April 21st, 2026

Item Description: Consideration to approve The Guaranteed Maximum Price (GMP) Proposal from Legacy Water Group, LLC for Phase 1 of the Effingham Regional Water Supply Facilities project

Summary Recommendation: Staff recommends approval of the GMP Proposal in the amount of \$86,770,954.69.

Executive Summary / Background:

Effingham County is advancing Phase 1 of the Effingham Regional Water Supply Facilities project, which includes the construction of significant finished and raw water transmission infrastructure, including pipelines, valves, and associated system components

Legacy Water Group LLC has submitted the Guaranteed Maximum Price (GMP) Proposal based on 96% design drawings. This proposal reflects the details of project scope and cost as design progresses toward completion.

Key updates included:

- Adjustments to quantities based on updated design plans
- Reduction of the endangered species relocation allowance from \$1,000,000 to \$200,000, with the remaining funds reallocated to the Owner's contingency
- Increase in the Owner's contingency allowance to better account for project risks
- Addition of a \$150,000 corrosion protection allowance for pipeline components
- Ongoing coordination with the engineer and owner to identify additional cost savings opportunities

Approval of this GMP revision is necessary to maintain the project schedule, allowing for contract amendment, issuance of Notice to Proceed, and timely mobilization for construction.

Alternatives for Commission to Consider:

1. Approve Legacy's GMP Proposal
2. Do not approve
3. Provide staff with direction.

Recommended Alternative: 1

Other Alternatives: 2, 3

Department Review: Procurement, Engineering

Funding Source: Capital Improvement Budget

Attachments: Guaranteed Maximum Price (GMP) Proposal – Phase 1 Effingham Regional Water Supply Facilities

