#### **Committee Report**

Environment Committee

## For the Metropolitan Council meeting of January 23, 2008

### ADVISORY INFORMATION Date Prepared: January 15, 2008

Subject: Authorization to Award and Execute a Contract for Construction of the Elko New Market Interceptor – Scott/Dakota Gravity Segment, Project No. 801613, Contract 07P087

### Proposed Action:

That the Metropolitan Council authorize its Regional Administrator to award and execute a contract for construction of the Elko New Market Interceptor – Scott/Dakota Gravity Segment, Project No. 801613, Contract 07P087, with S. M. Hentges and Sons for their low bid of \$11,832,173.

### Summary of Committee Discussion / Questions:

Motion to accept proposed action was made, seconded, and passed unanimously.

Item: 2008 - 12

**Business Item** 

Item: 2008 - 12

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Environment Committee

Meeting date: January 8, 2008

For the Metropolitan Council Meeting of January 23, 2008

### ADVISORY INFORMATION

Date:	December 17, 2007			
Subject:	Authorization to Award and Execute a Contract for Construction of the Elko New Market Interceptor – Scott/Dakota Gravity Segment, Project No. 801613, Contract 07P087			
District(s), Member(s):	District 4, Craig Peterson (incoming); District 16, Brian McDaniel			
Policy/Legal Reference:	Procurement Policy			
Staff Prepared/Presented:	: James Roth 651-602-1123; Bryce Pickart 651-602-1091			
Division/Department:	MCES c/o William Moore, 651-602-1162			

## **Proposed Action**

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# Background

The Elko New Market Interceptor is to provide metropolitan sewer service to the City of Elko New Market. The existing Elko New Market wastewater treatment plant is expected to reach its design capacity in 2010. The Elko New Market Interceptor will remove the plant from service and provide treatment for Elko New Market wastewater at the Empire Wastewater Treatment Plant. The elimination of the Elko New Market plant will end treated wastewater discharges to the Vermillion River.

This contract is the second of four construction contracts to implement the 10-mile interceptor from the City of Elko New Market to the MCES Interceptor in Lakeville. There are four construction contracts for this interceptor, three interceptor pipe projects and one lift station project. The first phase pipe project consisted of two miles of new pipe construction and was constructed in 2006 as part of a construction cooperation agreement with Scott County for improvements to Scott County Highway No. 2. This project is for construction of four miles of pipe from County Road 2 to the intersection of Dodd Road and 235<sup>th</sup> Street in Eureka Township. The remaining four miles of pipe and lift station are currently under design. Construction bids for these projects are to be received later in 2008. The entire interceptor is to be constructed and ready for service by the end of 2010.

Thirteen (13) bids, ranging from \$11,832,173 to \$23,096,392, were received and opened on December 12, 2007. The low bid was about eighteen percent lower than the engineer's estimate of \$14,376,660. There were no goals for minority business or women-owned business participation in this contract.

# Rationale

Construction contracts exceeding \$1,000,000 require Council authorization.

# Funding

Funding is provided in the 2008 MCES Capital Budget, Project Number 801613.

BUDGET INFORMATION							
Annual or Capital	Project No	Year Project Approved	Estimated Project Cost	Current Auth.	Unencumbered Funds	Requested Amount	
Capital	801613	2007	\$13,666,000	\$17,000,000	\$17,000,000	\$11,832,173	

# **Known Support / Opposition**

Supported by the City of Elko New Market; no known opposition.