

**T** Transportation Committee  
Meeting date: February 22, 2010  
Metropolitan Council Meeting: February 24, 2010

**ADVISORY INFORMATION**

<b>Date:</b>	February 15, 2010
<b>Subject:</b>	Ragstock Building Demolition – Contingency Authorization
<b>District(s), Member(s):</b>	District 7, Annette Meeks
<b>Policy/Legal Reference:</b>	Council Policy 3-3, Expenditures Policy
<b>Staff Prepared/Presented:</b>	Brian Lamb, General Manager, 612-349-7510; Tom Thorstenson, Director, Engineering & Facilities, 612-349-7689; Claudius Toussaint, Project Manager, 612-349-7770
<b>Division/Department:</b>	Metro Transit / Engineering & Facilities

**Proposed Action**

Authorize the Regional Administrator to increase the Contract Price from a cumulative amount of \$50,000 to a new cumulative amount of \$100,000, for the demolition of the Ragstock building, contract number 08P156.

**Background**

On September 29, 2009, Council executed a contract for the demolition of the Ragstock building at a cost of \$464,462.49. The Council’s estimate for the work was \$844,000. The contract is underway and the scope requires demolition and disposal of the building and mitigation of contaminants. Much of the work involves removal of underground materials of unknown origin.

Anticipating the potential for discovering unknown amounts of contaminated materials, 49 borings were taken at various locations around the site, including 32 borings within the building. Additionally, the contract includes unit rates and estimated quantities for removal of contaminated materials that will be used to adjust the final price based on actual quantities encountered.

To date staff has identified potential changes estimated at about \$50,000, with more excavation yet to be started. The cumulative amount of total change orders may approach \$100,000 depending on quantities of contaminated materials actually encountered.

**Rationale**

Council Policy 3-3, Section I. B. 3, authorizes the Regional Administrator to increase the Contract Price a cumulative amount of \$50,000 where the Contract Price is less than or equal to \$1,000,000. The Regional Administrator may increase the Contract Price to a higher amount as delegated by the Council.

Minnesota Pollution Control Agency regulations require the mitigation of all disturbed contaminates. In order to complete the demolition project, discovery of additional contaminated materials is likely. As a result, contract changes may approach \$100,000. Authorizing an increase to the Contract Price now will allow the contractor to complete the work while currently underway.

**Funding**

This contract is funded by local RTC funds, and sufficient funds are available should the changes approach \$100,000.

**Known Support / Opposition**

There is no known support or opposition to this action.