

# **E** Environment Committee

For the Metropolitan Council meeting of March 30, 2011

## **ADVISORY INFORMATION**

Date Prepared: March 22, 2011

Subject: Authorization to Award and Execute Construction Contract 10P052-A for Metropolitan Wastewater Treatment Plant Primary Settling Tanks Sludge Collection System Improvements, Biofilter Access Addition, and Liquid Waste Receiving Tunnel Access; MCES Projects No. 805920, 805942 & 805951

### **Proposed Action:**

That the Metropolitan Council authorizes its Regional Administrator to award and execute a Construction Contract for Metro Plant Primary Settling Tanks Sludge Collection System Improvements, Biofilter Access Addition & Liquid Waste Receiving Tunnel Access; MCES Projects No. 805920, 805942 & 805951, Contract No. 10P052-A, with Rice Lake Construction Group in the amount of \$3,071,600.

### **Summary of Committee Discussion / Questions:**

Council Member Schreiber asked about the terms of PFA loans. Staff responded that they are 20-year loans negotiated annually; the interest rate for the current loan is 1.8%.

Council Member Melander asked how the committee is informed when projects are advertised for bidding. Staff indicated that the committee approves the annual capital program which includes project schedules and expenditures.

Council Member Doan asked what the WBE participation is for this contract, and what the overall track record over the last five years is for MBE/WBE participation. Staff explained that this contract includes .4% WBE and 1.4% MBE participation. Staff will research participation over the last five years and report back to the committee.

Motion to approve proposed action was made and seconded. Placed on Council Consent Agenda.



# Environment Committee

Business Item: 2011-74

Meeting date: March 22, 2011

For the Metropolitan Council Meeting of March 30, 2011

## ADVISORY INFORMATION

Date:	March 7, 2011
Subject:	Authorization to Award and Execute Construction Contract 10P052-A for Metropolitan Wastewater Treatment Plant Primary Settling Tanks Sludge Collection System Improvements, Biofilter Access Addition, and Liquid Waste Receiving Tunnel Access; MCES Projects No. 805920, 805942 & 805951
District(s), Member(s):	All
Policy/Legal Reference:	Council Policy 3-3, Expenditures
Staff Prepared/Presented:	Bryce Pickart 651-602-1091
Division/Department:	MCES c/o William G. Moore 651-602-1162

### Proposed Action

That the Metropolitan Council authorizes its Regional Administrator to award and execute a Construction Contract for Metro Plant Primary Settling Tanks Sludge Collection System Improvements, Biofilter Access Addition & Liquid Waste Receiving Tunnel Access; MCES Projects No. 805920, 805942 & 805951, Contract No. 10P052-A, with Rice Lake Construction Group in the amount of \$3,071,600.

### Background

The Metropolitan (Metro) Wastewater Treatment Plant has eight rectangular primary settling tanks which use a system of electric motors, sprockets, and wooden scraper boards attached to rotating metal chains to scrape settled sludge and to float scum to areas where it is collected and removed. The sludge collection equipment systems began service in 1977 and are near the end of their useful life. The sludge collection system for the 8 Primary Settling Final Tanks will be replaced with cast iron chains and fiberglass scrapers.

Two other small projects were included in this contract. The biofilter that treats odorous air from the primary settling tanks needs cleanout accesses added to allow jet cleaning of the perforated air distribution pipes. In the liquid waste receiving drywell, a ramp, stairway and doors into the plant maintenance tunnel network are designed to allow interior, drive-in cart access, to improve maintenance efficiency.

Three bids were received on February 10, 2011. Bids ranged from the low bid by Rice Lake Contracting Group of \$3,071,600 to a high bid \$3,441,183. The engineer's estimate was \$4,067,500.

This project is funded in part by a loan from the Minnesota Public Facilities Authority's state revolving loan fund, which is supported in part by a grant from the U.S. Environmental Protection Agency (USEPA). This program encourages recipients to award construction contracts (or subcontracts) to Minority and Women Business Enterprises (MBE and WBE), which is collectively identified as the Disadvantaged Business Enterprise (DBE) Subcontracting Policy.

Goals established for MCES are MBE participation of 5%, and WBE participation of 10%. These goals cover a wide range of construction types, each having a variable presence of local MBE or WBE firms. If bidders do not meet these numeric goals, they must demonstrate good faith efforts to solicit subcontract bids from local, qualified DBE firms.

The Council's Office of Diversity and Equal Opportunity reviewed the three bidders' goal commitment documents and good faith efforts to comply with the policy. Their review noted that 97% of the bid's value was for the sludge collection system replacement, of which about 40% is for the equipment, and the remaining 60% for labor. The general contractors who submitted bids all employed union millwrights and pipefitters, but at this time no local MBE or WBE firms promote themselves as having those qualifications.

Therefore, the DBE review concentrated on the remaining 3% of the construction work (Project Nos. 805942 & 805951), which included more subcontracting opportunities for DBE firms. Here, both Rice Lake Construction Group and the second low bidder, Gridor Construction, passed the DBE numerical goal and good faith efforts.

It is recommended that the bid be awarded to Rice Lake Construction Group for their low responsive, responsible bid of \$3,071,600.

**Rationale**

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

**Funding**

Funding is provided in the 2011 MCES Capital Budget, Project Numbers 805910, 805942 & 805951.

<b>BUDGET INFORMATION</b>					
Annual or Capital	Project Nos.	Estimated Project Cost	Current Auth.	Unencumbered Funds	Requested Amount
Capital	805910/42/51	\$3,675,000	\$4,815,000	\$4,590,000	\$3,071,600

**Known Support / Opposition**

None.