

E Environment Committee
For the Metropolitan Council meeting of May 25, 2011

Item: 2011-132

ADVISORY INFORMATION

Date Prepared: May 11, 2011

Subject: Authorization to Award and Execute a Purchase Order Contract for Metro Plant East Final Settling Tanks Sludge Collection System Equipment; MCES Project No. 805920; Contract No. 10P322

Proposed Action:

That the Metropolitan Council authorizes its Regional Administrator to award and execute a Purchase Order Contract for Metro Plant East Final Settling Tanks Sludge Collection System Equipment; MCES Project No. 805920; Contract No. 10P322, with Polychem Systems in the amount of \$1,664,838.94.

Summary of Committee Discussion / Questions:

In response to questions from committee members, staff confirmed that the manufacturer is domestic. Staff also explained that the plastic chain lasts as long or longer than metal; in addition the plastic chain is lighter and uses less energy to run. In the event replacements are needed, they are readily available and the Council is not locked into one supplier. Staff did not know if the chains are made from recycled material; after the meeting, staff checked and found that they are not.

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



Environment Committee

Business Item: 2011- 132

Meeting date: May 10, 2011

For the Metropolitan Council Meeting of May 25, 2011

ADVISORY INFORMATION

Date:	May 2, 2011
Subject:	Authorization to Award and Execute a Purchase Order Contract for Metro Plant East Final Settling Tanks Sludge Collection System Equipment; MCES Project No. 805920; Contract No. 10P322
District(s), Member(s):	All
Policy/Legal Reference:	Council Policy 3-3, Expenditures
Staff Prepared/Presented:	William Cook, 651-602-1811
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 Purchase Order Contract for Metro Plant East Final Settling Tanks Sludge Collection System Equipment; MCES Project No. 805920; Contract No. 10P322, with Polychem Systems in the amount of \$1,664,838.94.

Background

The Metropolitan (Metro) Treatment Plant has twenty-four (24) Final Settling Tanks, separated into West and East groups containing twelve tanks each. In 2004, the steel chain and wooden flights for sludge collection in the West Final Settling Tanks were replaced with non-metallic (plastic) equipment. Conversion to plastic components in the East Final Settling Tanks was deferred because the existing materials still had useful life remaining. Based on a regular inspection program, collector components have reached the end of their useful service life.

This contract is a Purchase Order for equipment. Metro Maintenance staff will install the equipment one tank at a time, as each tank is drained and cleaned for annual maintenance.

Four firms were pre-qualified to submit bids. Two pre-qualified firms submitted bids April 28, 2011. The bids included the low bid by Polychem Systems of \$1,664,838.94 and a bid by Viking Chains, Inc. of \$1,675,995.00. The engineer's estimate was \$2,000,000.

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 Subcontracting Policy. However, because this equipment purchase order contract offers almost no subcontracting opportunities, no DBE participation goals were established.

It is recommended that the purchase order contract be awarded and executed with Polychem Systems for their low bid of \$1,664,838.94. (Met Council pays the state sales tax amount on this amount directly, raising the total contract cost to about \$1,779,300.)

Rationale

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

Funding

Funding is provided in the 2010 MCES Capital Budget, Project Number 805920.

BUDGET INFORMATION					
Annual or Capital	Project Nos.	Estimated Project Cost	Current Auth.	Unencumbered Funds	Requested Amount
Capital	805920	\$2,500,000	\$3,000,000	\$2,672,000	\$1,779,300

Known Support / Opposition

None.