



Environment Committee

Item: 2011-291

For the Metropolitan Council meeting of November 9, 2011

ADVISORY INFORMATION

Date Prepared: October 28, 2011

Subject: Authorization to Award and Execute a Purchase Order for MWWTP
Baghouse Covers Fabrication and Procurement; MCES Project No.
805945, Contract No. 11P122

Proposed Action:

That the Metropolitan Council authorizes its Regional Administrator to execute a Purchase Order for MWWTP Baghouse Covers Fabrication and Procurement; MCES Project No. 805945, Contract No. 11P122, with SPE-Amerex in the amount of \$992,950.59.

Summary of Committee Discussion / Questions:

The actual and anticipated speed of corrosion, and the causes of corrosion were discussed. Motion to approve proposed action was made, seconded, and passed unanimously.

E Environment Committee

Meeting date: **October 25, 2011**

For the Metropolitan Council Meeting of November 9, 2011

ADVISORY INFORMATION

Date:	October 14, 2011
Subject:	Authorization to Award and Execute a Purchase Order for MWWTP Baghouse Covers Fabrication and Procurement; MCES Project No. 805945, Contract No. 11P122
District(s), Member(s):	All
Policy/Legal Reference:	Council Policy 3-3 Expenditures – Procurement of Goods and Services Over \$250,000
Staff Prepared/Presented:	Bill 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 execute a Purchase Order for MWWTP Baghouse Covers Fabrication and Procurement; MCES Project No. 805945, Contract No. 11P122, with SPE-Amerex in the amount of \$992,950.59.

Background

The Metropolitan Wastewater Treatment Plant (MWWTP) has three fluid bed reactors (FBRs) with air pollution control trains for flue gas treatment and heat recovery. Particulates are removed from the incinerator flue gas by baghouse filters. The baghouse covers are prone to chronic blow tube failures due to acid gas corrosion at localized areas at cooler temperatures. The baghouses operate at around 350 deg. F, which is near the dew point for sulfuric acid. Each baghouse has three covered compartments, for a total of nine covers needed. The covers measure 11'-3" x 11'-9" and are carbon steel.

This purchase order is for nine replacement baghouse covers, plus one spare, with improved corrosion resistance. The construction material will be a stainless steel alloy (AL-6XN or 254 SMO), which is intrinsically more corrosion resistant. The insulation will be relocated from the inside of the cover to the outside to maintain hot temperatures. Maintenance staff will install the equipment as the FBRs are taken out of service for maintenance.

A formal advertised Invitation for Bids was issued August 29, 2011. There were six plan holders of record. Two bids were received September 29, 2011. The bids included the low bid by SPE-Amerex of \$992,950.59 and a bid by DCI, Inc. of \$1,434,350.00. The engineer's estimate was \$1,555,375.00.

It is recommended that the purchase order be awarded to SPE-Amerex for their low bid of \$992,950.59. The Metropolitan Council pays state sales tax on this amount directly, raising the total purchase order amount to \$1,057,492.38.

Rationale

Goods Procurement Contracts exceeding \$250,000 in value require Metropolitan Council authorization.

Funding

Funding is provided in the 2011 MCES Capital Budget, Project Number 805945.

BUDGET INFORMATION					
Annual or Capital	Project Nos.	Estimated Project Cost	Current Auth.	Unencumbered Funds	Requested Amount
Capital	805945	\$5,300,000	\$5,300,000	\$5,100,000	\$1,057,492

Known Support / Opposition

None.