

**E Environment Committee  
Meeting date: February 9, 2010**

**For the Metropolitan Council meeting of February 24, 2010**

**ADVISORY INFORMATION**

<b>Date:</b>	January 29, 2010
<b>Subject:</b>	Increase of Delegated Construction Contract Change Order Authority for Metro Plant Tunnel Lighting Improvements, MCES Project No. 805930, Contract No. 08P226
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Policy 3-3, Expenditures
<b>Staff Prepared/Presented:</b>	Bryce Pickart 651-602-1091
<b>Division/Department:</b>	MCES c/o William G. Moore 651-602-1162

**Proposed Action**

That the Metropolitan Council increases the delegated construction contract change order authority of its General Manager, Environmental Services, from \$50,000 to \$93,416 for Metro Plant Tunnel Lighting Improvements, MCES Project No. 805930, Contract No. 08P226.

**Background**

This contract replaces approximately 1,600 lighting fixtures in the Metro Plant tunnel system. The benefits are energy savings (10-year simple payback) and improved lighting.

Record drawings that were used as the basis for construction contract drawings contained inaccuracies, which is not unexpected, because there have been numerous construction projects over the years. Quantity adjustments for unit price bid items have increased the contract amount by \$44,216.

In addition, the construction contractor incurred additional labor costs for tracing the lighting circuits, which were incompletely identified on the contract drawings. The contractor submitted a claim for \$68,320. MCES staff have negotiated a settlement in the amount of \$49,200.

Funding for this project has been provided through PFA from the American Recovery and Reinvestment Act, which included 25% principal forgiveness (i.e. grant) and 75% as low interest loan (2.45% interest rate). In addition, this project will receive an Xcel Energy rebate of approximately \$80,000.

**Rationale**

Delegated change order authority is \$50,000 for contracts with an original amount under \$1,000,000. This contract's original amount is \$556,425.30.

Differing site conditions have led to change order amounts that exceed the delegated amount by \$43,416.

**Funding**

<b>BUDGET INFORMATION</b>					
Annual or Capital	Project No.	Estimated Project Cost	Current Auth.	Unencumbered Funds	Requested Amount
Capital	805930	\$860,000	\$900,000	\$95,000	\$43,416

**Known Support / Opposition**

There is no known opposition.