# **Environment Committee**

Meeting date: December 11, 2012

For the Council Meeting of December 19, 2012

#### **ADVISORY INFORMATION**

Date: December 5, 2012

**Subject:** Authorization to Reject All Bids for Construction of East

Bethel Treated Water Pipeline

District(s), Member(s): District 9, Ed Reynoso

Policy/Legal Reference: MN Statutes 473-504; Policy 3-3, Expenditures

Staff Prepared/Presented: Bryce Pickart 651-602-1091

**Division/Department:** MCES c/o Leisa Thompson 651-602-8101

### **Proposed Action**

That the Metropolitan Council authorizes its Regional Administrator to reject all bids for construction of East Bethel Treated Water Pipeline.

### **Background**

Wastewater service to the City of East Bethel is being provided under the Metropolitan Council's Rural Growth Center policy.

The City and the Council have entered into a construction cooperation and cost sharing agreement for pipelines. The City is the contracting agent for the Council's interceptor sewer to the treatment plant and the treated water pipeline south of Viking Blvd. The Council is the contracting agent for its treated water pipeline and the City's sewer north of Viking Blvd.

Construction bids were received on November 15, 2012. The City cost share, computed in accordance with the above-referenced agreement, exceeds the City's budget for their project. The City and MCES are reviewing ways to reduce the costs for both projects. Consequently, the only viable option regarding the bids already received is to reject all bids.

#### Rationale

Construction contract actions for contract amount exceeding \$1,000,000 requires Metropolitan Council approval.

## **Funding**

None required.

# **Known Support / Opposition**

The City of East Bethel supports this action.