

T Transportation Committee

Meeting date: April 11, 2011

For Metropolitan Council Meeting: April 27, 2011

ADVISORY INFORMATION

Date:	April 1, 2011
Subject:	Rejection of Bids, Storage Tank Additions, Project 62710
District(s), Member(s)	District 2, Lona Schreiber, 763-424-8081 District 7, Gary L. Cunningham, 612-978-8200
Policy/Legal Reference:	Council Policy 3-3 Expenditures
Staff	Brian J. Lamb, General Manager, 612-349-7510
Prepared/Presented:	Tom Thorstenson, Director, E & F, 612-349-7689 Pat Jones, Asst Director, E & F, 612-349-7606 Joe Edwards, Lead Project Manager, 612-349-7676
Division/Department:	Metro Transit/Engineering & Facilities

Proposed Action

Authorize the Regional Administrator to reject all bids for the construction of Storage Tank Additions at the F. T. Heywood and Nicollet Garages in Minneapolis and the MJ Ruter Garage in Brooklyn Center.

Background

This construction was to replace underground storage tanks with above ground storage at three Metro Transit facilities. The tanks store diesel fuel, motor oil, antifreeze fluid and transmission fluid and are included in a multi-year plan to replace deteriorating underground storage tanks.

Five bids were received and opened publicly on March 3, 2011 ranging in value from \$3,361,000 to \$4,045,000. The engineer's estimate for this work was \$3,516,000. A 15% DBE goal was assigned to this project. The Office of Diversity and Equal Opportunity (ODEO) rejected the lowest bid due to a failure to meet the Disadvantaged Business Enterprise (DBE) goal and a failure to provide evidence of good faith efforts in an attempt to meet the goal. All remaining bids exceeded the engineer's cost estimate and the available funding for this project.

Rationale

The remaining bids exceed the engineer's estimate and award of the next low bid would require additional funding. Staff will review the design and seek modifications to minimize the overall project cost prior to re-bidding the work. The rejection of a construction contract in excess of \$1,000,000 requires Council approval.

Funding

Funding from federal and local sources is available in Project 62710.

Known Support / Opposition

There is no known opposition to the project.