

E Environment Committee

For the Metropolitan Council meeting of August 8, 2007

ADVISORY INFORMATION

Date Prepared: August 1, 2007

Subject: Authorization to Award and Execute a Contract for Construction of Blue Lake WWTP Bio-P Improvements, MCES Project No. 801820

Summary of Committee Discussion:

Council Member Wittsack asked whether staff knew that this project would be funded through the Public Finance Agency (PFA). Staff responded that PFA loan agreements are negotiated annually and include all projects that are on the PFA fundable list. Blue Lake and Seneca plant projects are on that list and will likely be funded. Projects which have low priority rank and have little likelihood of PFA loan financing are funded with general obligation bonds. The 2006 funds were used up in June; \$80,000,000 may be available in the fall, and would be retroactive to July 1st.

Recommendation:

That the Metropolitan Council authorize its Regional Administrator to award and execute a construction contract with Madsen-Johnson Corp. for their lowest responsive, responsible bid of \$7,138,600, for the Blue Lake WWTP Bio-P Improvements, MCES Project No. 801820.



Environment Committee

Meeting date: July 24, 2007

For the Metropolitan Council Meeting of August 8, 2007

ADVISORY INFORMATION

Date:	July 19, 2007
Subject:	Authorization to Award and Execute a Contract for Construction of Blue Lake WWTP Bio-P Improvements, MCES Project No. 801820
District(s), Member(s):	1, Roger Scherer; 3, Mary Hill Smith; 4, Brian Lundquist
Policy/Legal Reference:	Council Policy 3-3, Expenditures
Staff Prepared/Presented:	Bryce Pickart, 651-602-1091
Division/Department:	MCES c/o William G. Moore, 651-602-1162

Proposed Action/Motion

That the Metropolitan Council authorize its Regional Administrator to award and execute a construction contract with Madsen-Johnson Corp. for their lowest responsive, responsible bid of \$7,138,600, for the Blue Lake WWTP Bio-P Improvements, MCES Project No. 801820.

Issue(s)

- Construction contracts exceeding \$1,000,000 require Metropolitan Council authorization.
- Because PFA loans are being used to finance these improvements, 3.5% minority-owned business and 11.5% women-owned business participation goals must be met or good faith efforts demonstrated.

Overview and Funding

This contract will construct modifications to the eight biological treatment aeration tanks to operate reliably to meet the 1 mg/l NPDES Permit limit for phosphorus, while continuing to remove organics and ammonia nitrogen. The contract also includes a new 170 ft. high sludge dryer exhaust stack to disperse the odorous gases.

Sealed bids were received and opened on July 11, 2007. Five bids were received, ranging from \$7,138,600 to \$9,718,000, compared to the engineer's estimate of \$8,628,000. The three lowest bidders were requested to submit documentation of their good faith efforts to achieve the minority-owned and women-owned business (MBE/WBE) participation goals. These three bidders proposed 0% MBE and 0.6%, 0%, and 0.8% WBE participation. The Office of Diversity has determined that Madsen-Johnson Corp. has made good faith efforts to meet the MBE/WBE goals.

This contract has limited subcontracting opportunities for MBE/WBE participation, because the field installation work is mainly piping and air diffuser work in the aeration tanks, plus installation of the dryer stack. Future contracts will have more sub-contracting opportunities.

BUDGET INFORMATION

Annual or Capital	Year Project Approved	Estimated Project Cost	Current Auth.	Unencumbered Funds	Requested Amount
Capital	2007	\$8,000,000	\$9,500,000	\$9,200,000	\$7,138,600