



Environment Committee

For the Metropolitan Council meeting of July 8, 2009

Item: 2009-215

ADVISORY INFORMATION

Date Prepared: June 23, 2009

Subject: Authorization to Award and Execute Construction Contract for Victoria Interceptor Sewer Tunnels, MCES Project No. 802812, Contract No. 08P228

Proposed Action:

That the Metropolitan Council authorizes its Regional Administrator to award and execute a construction contract for the Victoria Interceptor Sewer Tunnels, MCES Project No. 802812, Contract No. 08P228, with Lametti & Sons for their low bid of \$27,353,700, subject to determination of their good faith efforts to meet the disadvantaged business participation goals for this project.

Summary of Committee Discussion / Questions:

Bryce Pickart, Assistant General Manager, informed the committee that Metropolitan Council staff met with the Victoria City Council at a workshop on June 22, and discussed the tunnel project and amendment of the construction cooperation agreement. While the Council has a process in place for project communications and dispute resolution, it is being formalized and more clearly defined for future projects.

Motion to accept proposed action was made, seconded, and passed unanimously.

Note: After the June 23 Environment Committee meeting, the Office of Diversity determined that Lametti & Sons made good faith efforts to meet the disadvantaged business participation goals.

E Environment Committee

Meeting date: June 23, 2009

For the Metropolitan Council Meeting of July 8, 2009

ADVISORY INFORMATION

Date: June 18, 2009
Subject: Authorization to Award and Execute Construction Contract for Victoria Interceptor Sewer Tunnels, MCES Project No. 802812, Contract No. 08P228
District(s), Member(s): District #4, Craig Peterson
Policy/Legal Reference: Council Policy 3-3, Expenditures
Staff Prepared/Presented: Bryce J. Pickart 651-602-1091
Division/Department: MCES c/o William G. Moore 651-602-1162

Proposed Action

That the Metropolitan Council authorizes its Regional Administrator to award and execute a construction contract for the Victoria Interceptor Sewer Tunnels, MCES Project No. 802812, Contract No. 08P228, with Lametti & Sons for their low bid of \$27,353,700, subject to determination of their good faith efforts to meet the disadvantaged business participation goals for this project.

Background

The Victoria Interceptor Sewer Tunnels is the second of four construction contracts which will expand interceptor capacity in the Victoria-Waconia area and will increase system reliability by eliminating two lift stations with a deep gravity sewer system.

The first contract, the Smithtown Road Interceptor Improvements, has been completed. This contract replaced the channel between Lakes Minnetonka and Virginia, and constructed a larger sewer below the new channel, which is the key to changing to a gravity flow system. This contract's construction challenges included deep, open cut construction in an area with limited space, close proximity to homes, numerous utilities, and poor soils.

The second contract includes construction of approximately 8,000 LF of 72-inch diameter sewer along Rolling Acres Road, STH 7, and Smithtown Road. Construction will use the two-pass tunneling method, whereby a tunnel boring machine of 8 ft. to 10 ft. diameter removes the soil, while the overlying soil is supported by ribs and lagging installed as the tunnel boring machine progresses. When the tunnel bore has been completed, the 72-inch sewer will be installed inside it, and the annular space will be grouted.

Four bids, ranging from \$27,353,700 to \$35,538,000, were received and opened on June 12, 2009. The engineer's estimate was \$34,000,000. Lametti & Sons submitted the lowest bid at \$27,353,700. Lametti has successfully completed similar projects for MCES.

The project is funded by PFA loan and ARRA (economic stimulus) funds, and has disadvantaged business participation goals of 3.5% Minority-Owned Business Enterprise (MBE) and 11.5% Women-Owned Business Enterprise (WBE). Lametti has proposed 1.1% MBE and 0.2% WBE participation. The Office of Diversity and Equal Opportunity is reviewing documentation to determine whether Lametti has made good faith efforts to achieve the MBE/WBE participation goals.

Rationale

Construction contract awards exceeding \$1,000,000 require Metropolitan Council authorization.

Funding

Funding is provided in the 2009 MCES Capital Budget and Authorized Capital Program.

Annual or Capital	Project No.	Estimated Project Cost	Current Authorization	Unencumbered Funds	Requested Amount
Capital	802812	\$32,000,000	\$38,500,000	\$37,900,000	\$27,353,700

Known Support / Opposition

None.