

T Transportation Committee

Meeting Date: August 23, 2010

Metropolitan Council Meeting: August 25, 2010

ADVISORY INFORMATION

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| Date: | August 11, 2010 |
| Subject: | Central Corridor Light Rail Transit: Civil West Construction |
| Districts/ Member(s): | All |
| Policy/Legal Reference: | Metropolitan Council Procedure 3-3c (Requires Council Approval over \$1 million) |
| Staff Prepared/Presented: | Brian J. Lamb, General Manager, 612-349-7510 Mark W. Fuhrmann, Deputy Gen Mgr, 651-602-1942 Rich Rovang, CCLRT Project Director, 651-602-1941 |
| Division/Department: | Metro Transit / Central Corridor Project Office |

Proposed Action/Motion

Authorize the Regional Administrator to:

- Award and execute a contract with the lowest responsive and responsible bidder, Ames Construction/C.S. McCrossan (joint venture), for the Central Corridor Light Rail Transit (CCLRT) Civil West Construction in Minneapolis, Minnesota at a cost of \$113,804,000.
- Issue a Limited Notice to Proceed in an amount of \$10,000,000.

Award of this contract and issuance of a Limited Notice to Proceed are contingent upon the receipt of a Letter of No Prejudice (LONP) from the Federal Transit Administration (FTA) expected prior to the end of August.

Background

As part of the CCLRT Project, the Civil West contract scope in Minneapolis includes four stations and three miles of double track. The Civil West contract generally includes underground public utilities, drainage, street lighting, light rail track, bridge and retaining wall structures, light rail stations, adjustments to areaways (below-ground building spaces), underground communications, signal, and traction power ducts, pull boxes, above and below-grade traffic signal facilities, catenary pole foundations, sidewalk, and roadway pavements.

Bids were received from five of the six pre-qualified firms. The bids were opened on August 9, 2010 and ranged from \$113,804,000 to \$130,756,150. The low bid includes \$112.8 million of CCLRT project expense (including up to \$3.6 million in sales tax). This

compares with the Civil West CCLRT project budget of \$117 million. The low bid also includes \$1 million of stakeholder requested betterments.

The contract will be awarded based on the base bid and the betterments the stakeholders indicated they will reimburse the Council. The award includes:

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| Project Expense | \$109,225,400 |
| Sales Tax | \$3,600,000 |
| Betterments: | |
| City of Minneapolis | \$402,600 |
| Hennepin County | \$80,400 |
| University of Minnesota | \$495,600 |
| Total Bid | \$113,804,000 |

Rationale

This is the second major construction contract for the CCLRT Project. It includes work necessary for systems testing by the summer of 2013 in order to maintain the revenue service date in 2014 and avoid construction delay and cost escalation impacts. The Central Corridor Project Office (CCPO) is seeking to complete a portion of this work under a LONP from the FTA.

The Disadvantaged Business Enterprise (DBE) goal was 15% which was applied to both the base bid and the betterments. The lowest responsive and responsible bidder, Ames Construction/C.S. McCrossan, has met the goal based on participation and good faith efforts.

The execution of a construction contract in excess of \$1,000,000 requires Council approval.

Funding

Sufficient funding commitment from local sources is available to award the construction contract under the LONP and to issue a Limited Notice to Proceed. In addition, the LONP ensures the eligibility of these expenditures for Federal funding reimbursement upon execution of the Full Funding Grant Agreement (FFGA) expected in the late 2010. The full Notice to Proceed will not be granted until authorized by the Council upon execution of the FFGA.

The Betterment Bid Items of \$978,600 will be reimbursed to Met Council by the Stakeholders under approved master funding agreements.

Known Support/Opposition

FTA and local funding partners have been consulted and support the Civil West construction package, the contract award under the Letter of No Prejudice and issuance of a Limited Notice to Proceed.