

**E** Environment Committee  
For the Metropolitan Council meeting of December 8, 2010

**ADVISORY INFORMATION**

Date Prepared: November 10, 2010

Subject: Authorization to Reject All Bids for Construction of East Final Settling Tanks Sludge Collection System Improvements, MCES Project No. 805920, Contract No. 09P207A

**Proposed Action:**

That the Metropolitan Council authorizes its Regional Administrator to reject all bids for construction of the East Final Settling Tanks Sludge Collection System Improvements, MCES Project No. 805920, Contract No. 09P207A.

**Summary of Committee Discussion / Questions:**

Council Member Leppik asked how approach to bidding contract can be re-evaluated in relation to W/MBE goals. Staff said there are three options:

- See if a way can be found to create subcontracting opportunities with goals.
- Remove the goals on the basis that goals are not appropriate for this particular project.
- Bid the equipment and perform the installation ourselves.

Leppik asked how the bids compared to the engineer's estimate. Staff said bids are lower than the estimate of \$2.9 million.

Council Member Bowles asked whether the schedule is critical. Staff replied that there is time to re-bid and start work in the spring. Bowles commented that Council actions on the two settling tank projects should be consistent, i.e. reject all bids, and then re-evaluate the goals.

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



## Environment Committee

**Meeting date: November 9, 2010**

**For the Metropolitan Council Meeting of December 8, 2010**

### ADVISORY INFORMATION

|                           |   |
|---------------------------|---|
| Date:                     | November 2, 2010  |
| Subject:                  | Authorization to Reject All Bids for Construction of East Final Settling Tanks Sludge Collection System Improvements, MCES Project No. 805920, Contract No. 09P207A |
| District(s), Member(s):   | All   |
| 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

That the Metropolitan Council authorizes its Regional Administrator to reject all bids for construction of the East Final Settling Tanks Sludge Collection System Improvements, MCES Project No. 805920, Contract No. 09P207A.

### Background

The Metro Plant has 24 rectangular Final Settling Tanks which use a system of electric motors, sprockets, and wooden scraper boards attached to rotating chains to scrape settled sludge and to float scum to areas where it is collected and removed. The underwater components of the 12 West Final Tanks were all replaced with plastic and fiberglass components by 2005. The 12 East Final Tanks still utilize metal chains and wood scrapers that have reached the end of their useful life. Based on the successful performance of non-metallic components in the West Final Tanks, coupled with the objective of standardizing replacement parts, the new sludge collection system for the 12 East Final Tanks was designed with plastic chains and fiberglass scrapers.

Six bids were received on October 12, 2010. Bids ranged from \$2,493,000 to \$2,813,745. This contract has women-owned business and minority-owned business participation goals of 10.0% and 5.0%, respectively.

More than 50% of the contract value is the equipment cost. The remainder of the contract involves removal of existing equipment and installation of the new equipment. Only one of the bidders (the fourth lowest bidder) included any significant WBE/MBE participation, which is based on subcontracting part of the equipment installation and self-performing the remainder. The other bidders took the position that there were no subcontracting opportunities. Under these circumstances, it seems most prudent to reject all bids.

### Rationale

Construction contracts exceeding \$1,000,000 in value require Metropolitan Council authorization to reject all bids.

### Funding

None required at this time.

### Known Support / Opposition

None.