

E Environment Committee

Meeting date: June 9, 2009

For the Metropolitan Council Meeting of June 10, 2009

ADVISORY INFORMATION

Date:	May 27, 2009
Subject:	Authorization to Award and Execute Construction Contract for Blue Lake WWTP Phase 1 Liquids Improvements, Project No. 801830, Contract No. 08P035
District(s), Member(s):	District #1, Roger Scherer; #3, Robert McFarlin; #4, Craig Peterson
Policy/Legal Reference:	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 award and execute a construction contract for the Blue Lake WWTP Phase 1 Liquids Improvements Project No. 801830, Contract No. 08P035, to Knutson Construction Services for their low bid of \$43,051,000.

Background

This construction contract is the third of five major construction contracts that comprise the Blue Lake Plant Improvements project. The first two contracts, site preparation and biological phosphorus removal retrofit, have been completed. The fourth contract, anaerobic sludge digesters, has been advertised for bids. The fifth contract, plant expansion, has been deferred for 3 to 5 years, due to the growth slowdown.

The Phase 1 Liquids Improvements includes rehabilitation of electrical and mechanical equipment and systems throughout the liquid treatment portion of the plant, plus construction of a liquid waste receiving station for septage haulers and one additional biological treatment aeration tank.

Nine (9) bids, ranging from \$43,051,000 to \$61,162,000, were received and opened on May 12, 2009. The engineer's estimate was \$75,000,000, including 15% contingencies. Knutson Construction Services submitted the lowest bid at \$43,051,000. Knutson has successfully completed similar projects for MCES.

The project is funded by PFA loan, and has disadvantaged business participation goals of 3.5% Minority-Owned Business Enterprise (MBE) and 11.5% Women-Owned Business Enterprise (WBE). Knutson Construction Services has proposed 1.1% MBE and 5.1% WBE participation. The Office of Diversity and Equal Opportunity has found that Knutson Construction Services 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.

Annual or Capital	Project No	Estimated Project Cost	Current Authorization	Unencumbered Funds	Requested Amount
Capital	801830	\$49,000,000	\$85,000,000	\$84,900,000	\$43,051,000

Known Support / Opposition

No known opposition.