



Environment Committee

Meeting date: June 8, 2010

For the Metropolitan Council meeting of June 23, 2010

Business Item

Item: 2010-219

ADVISORY INFORMATION

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| Date: | June 2, 2010 |
| Subject: | Authorization to Award and Execute Construction Contract for Metro Plant Aeration Tank Nos. 9-12 Air Diffuser Equipment, MCES Project No. 805941, Contract No. 09P173A |
| 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 award and execute a construction contract for Metro Plant Aeration Tank Nos. 9-12 Air Diffuser Equipment, MCES Project No. 805941, Contract No. 09P173A, to Magney Construction in the amount of \$1,001,635.

Background

The Metro Plant has 16 aeration tanks, which are used for biological treatment to remove organics, phosphorus, and ammonia nitrogen. Aeration tank nos. 9-12 were the first tanks to be retrofitted for biological phosphorus removal in the 1990's. The mechanical mixers and membrane aeration diffusers have reached the end of their useful life.

Contract documents have been prepared for equipment replacement. The Bid Proposal form provided for separate bids for mixers and diffusers, as well as a combined bid for mixers and diffusers.

Five bids were received on May 13, 2010. Diffuser bids ranged from \$1,001,635 to \$1,504,142. Mixer bids ranged from \$420,000 to \$567,000. Combined bids ranged from \$1,525,635 to \$1,921,000. The best value to the Council is to award the contracts to the individual lowest bidders separately for diffusers and mixers. Rice Lake Construction submitted the lowest bid for mixers, and is being awarded that contract. This business item recommends award of the diffuser contract to Magney Construction for their low responsive, responsible bid of \$1,001,635.

This contract has women-owned business and minority-owned business participation goals of 11.5% and 3.5%, respectively. There are limited subcontracting opportunities on this contract, because: (1) much of the cost is for materials; (2) nearly all of the labor is for diffuser installation; and (3) prime contractors were prequalified, with a requirement that they self-perform at least 30% of the labor on the contract. Consequently, the Office of Diversity has accepted the bid proposal from Magney Construction, which contains no woman-owned nor minority-owned business participation.

Rationale

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

Funding

Funding is provided in the 2010 Capital program, Project No. 805941.

| BUDGET INFORMATION | | | | | |
|---------------------------|-------------|------------------------|-----------------------|--------------------|------------------|
| Annual or Capital | Project No. | Estimated Project Cost | Current Authorization | Unencumbered Funds | Requested Amount |
| Capital | 805941 | \$1,730,000 | \$2,300,000 | \$1,800,000 | \$1,001,635 |

Known Support/Opposition

None.