

E Environment Committee
Meeting date: May 8, 2012
For the Council Meeting of May 23, 2012

ADVISORY INFORMATION

Date:	April 27, 2012
Subject:	Authorization to Increase Construction Contract Change Order Authority for Blue Lake Plant Solids Improvements, MCES Project No. 801840, Contract No. 09P001
District(s), Member(s):	1, Roxanne Smith; 3, Jennifer Munt; 4, Gary Van Eyll
Policy/Legal Reference:	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 increase the delegated construction contract change order authority of its General Manager, Environmental Services, from \$1,391,135 to \$1,531,135, for the Blue Lake Plant Solids Improvements, MCES Project No. 801840, Contract No. 09P001.

Background

This construction contract includes four anaerobic sludge digesters, methane gas storage and utilization for the sludge dryer and digester heating, and other solids processing improvements. These facilities improve treatment process reliability and recover energy for in-plant uses.

Construction began in August 2009. Commissioning of the digesters and digester gas utilization system is substantially complete. Digester gas is expected to provide 70% to 80% of the sludge drying energy needs.

Rationale

Delegated construction contract change order authority is 5% of the original contract amount (\$27,822,712) or \$1,391,135. In part due to design acceleration to enable MCES to secure \$2,000,000 of grant funds in 2009 under the American Recovery and Reinvestment Act, change orders have reached the delegated amount. There is one remaining change order, estimated at \$100,000, which covers extra construction contractor costs during facility commissioning in 2012. MCES experienced a process upset during startup of the new anaerobic sludge digesters, delaying contractor start up and testing of process equipment. An additional \$40,000 is requested as contingency for other work that may be needed.

Funding

BUDGET INFORMATION					
Annual or Capital	Project No.	Estimated Project Cost	Current Auth.	Unencumbered Funds	Requested Amount
Capital	801840	\$33,200,000	\$36,000,000	\$2,950,000	\$140,000

Known Support/ Opposition

None.