

## Other Business

Meeting date: September 20, 2017

For the special Metropolitan Council meeting of September 20, 2017

<b>Subject:</b>	Southwest Light Rail Transit (Green Line Extension) Civil Construction Contract Bid Recommendation
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	MS13.591, MS473.3999; Metropolitan Council Procedure 3-3c
<b>Staff Prepared/Presented:</b>	Mary Bogie, Chief Financial Officer, 651-602-1359 Micky Gutzmann, Director Contracts and Procurement, 651-602-1741 Mark Fuhrmann, Deputy General Manager, 612-373-3810
<b>Division/Department:</b>	Regional Administration / Finance / Contracts and Procurement Metro Transit / Green Line Extension Project Office

### Proposed Action

Authorize the Regional Administrator to:

- 1) Reject all bids received under IFB #15P307 Green Line LRT Extension (“Southwest LRT”) Civil Construction
- 2) Direct the Southwest LRT Project Office, working collaboratively with Hennepin County as our primary funding partner, to clarify and/or modify bid specifications with intent to reduce costs while preserving maximum benefit and prepare to resolicit the Invitation for Bids for civil construction
- 3) Resolicit bids under an Invitation for Bids for the Southwest LRT Civil Construction Contract which may include a bid stipend for bidders determined to be responsive and responsible.

### Background

On February 14, 2017, the Council issued the Invitation for Bids for the Civil Construction Contract using low bid competitive procurement with the bulk of the work being in a “lump sum” item. After several addenda that responded to over 700 technical questions and clarified contract language the Council publicly opened bids on August 15. The Council received four bids ranging in amount from \$796.5 million to \$1.080 billion. All bids exceeded our price expectations.

When the Council acts to reject all bids, Procurement notifies all plan holders of the action and sends individualized letters to each prime that submitted a bid. They will be informed of the next steps and whether the bidder also had responsiveness issues.

Under data privacy laws, only the names of the bidders and the amount of their bids are currently public, all other data in the bidder’s response to the IFB remain not public data throughout the resolicitation of the Civil Construction Contract bids and until completion of the selection process.

### Rationale

Council action is required to reject all bids and resolicit bids. All bids exceeded our price expectations, or had both price and responsiveness concerns.

Consideration to include a bid stipend recognizes the effort and investment of the bidding community in preparing and submitting bid responses.

### **Thrive Lens Analysis**

Equity among bidders; fiduciary responsibility; and a transparent bidding process all fit within the Thrive Lens.

### **Funding**

The Project's \$1.858 billion budget includes funds for the Civil Construction Contract. Eligible project costs will be funded 50% by the Federal Transit Administration and 50% by local funding partners. FTA has capped its participation at \$929 million. Any cost exceeding the overall budget would be the sole responsibility of local funding partners.

### **Known Support / Opposition**

One bidder's representatives addressed the Council at its September 13 meeting.