

Environment Committee

For the Metropolitan Council meeting of May 12, 2021

Subject: Metropolitan Council Mechanical Pipefitting Services Rejection of Bids, Contract 20P225

Proposed Action

That the Metropolitan Council authorize its Regional Administrator to reject all bids for mechanical pipefitting services for all MCES locations, Contract 20P225 and resolicit bids for this contract.

Summary of Committee Discussion/Questions

Committee Member Zeran asked if there is pipe welding in the scope of work and if it could be the task bid to a small MCUB. Staff stated yes, this is possible. Discussions will occur between Environmental Services, Office of Equal Opportunity and Procurement to best meet objectives. Committee Member Zeran agreed asking minorities to do the work is the point.

Committee Member Sterner asked if the lowest responsible bidder met any part of the MCUB requirement. Have evaluations been done to determine if there are MCUB contractors in the area to do the work. Staff stated the lowest bidder did not have a good faith effort on meeting the objective. It is difficult to find MCUBs for non-construction contracts for this type of work. We will continue having discussions with Procurement and the Office of Equal Opportunity to advance equity in our business and achieve success with obtaining competitive non-construction contracts.

Laura Vedder from Procurement clarified the only responsible and responsive bidder did meet the goal of 8% on this project.

Committee Member Zeran inquired if the Mechanical Contractors Association had been contacted. Staff stated they have been in contact with the local pipefitter union and they are not familiar with the Mechanical Contractors Association. Committee Member Zeran stated "to me, you talk to the Union about workforce development and for MCUB you talk to the contractor's association". Chair Lindstrom recommended the contact information be provided. The Recording Secretary has added it as an addendum post meeting below. Committee Member Zeran also stated workforce development is not the same as MCUB.

Dan White stated we would like to have discussions with the Office of Equal Opportunity related to contractors hiring & apprenticeship programs and diversity in hiring. This could fit with that effort. Contractors seem ready to engage this as an option; it provides good living wage jobs for people in the community.

The proposed action was approved and forwarded to the Council for final approval.

ADDENDUM Post Meeting:

Committee Member Zeran provided contact information for the Minnesota Mechanical Contractors Association:
10590 Wayzata Blvd, Ste 100
Minneapolis, MN 55305
Phone: 651-645-2121

Contact: Gary Thaden
Email: gthaden@gmail.com

Gary requested an email outlining any concerns and will follow up.

Environment Committee

Meeting date: April 27, 2021

For the Metropolitan Council meeting of May 12, 2021

Subject: Metropolitan Council Mechanical Pipefitting Services Rejection of Bids, Contract 20P225

District(s), Member(s): All

Policy/Legal Reference: Policy 3-3 Expenditures

Staff Prepared/Presented: John Tierney, 651-247-2076; Dan White, 651-602-8299

Division/Department: MCES c/o Leisa Thompson, 651-651-8101

Proposed Action

That the Metropolitan Council authorize its Regional Administrator to reject all bids for mechanical pipefitting services for all MCES locations, Contract 20P225 and resolicit bids for this contract.

Background

This contract provides mechanical pipefitting services for all MCES locations. The Council wastewater treatment plants and regional maintenance facilities have many long lengths of piping that convey many types of liquids, steam and pressure vessels, and other equipment that requires special licensure for repairs. These systems and equipment must be maintained, repaired and replaced as needed for proper operation, safety and environmental protection.

The anticipated contract value was \$8,000,000 for a term of five years. The bids included labor and material for a one-year average.

Four bids were received on December 22, 2020. Bids ranged from \$2,126,253.80 to \$2,521,401.50. The Metropolitan Council Underutilized Business (MCUB) goal for this contract was 3%. Three of the four bids were determined to be non-responsive and the sole responsive, responsible bidder was 14 percent higher than the lowest bidder.

Rationale

Rejection of bids exceeding \$2,500,000 requires Council authorization.

Thrive Lens Analysis

This action supports the Thrive outcome of stewardship. Public financial resources will be invested efficiently and effectively to maintain MCES piping conveyance systems.

Funding

Funding for this contract is funded with annual operation budgets from each MCES location.

Known Support / Opposition

None.