

Committee Report

Environment Committee



Committee Meeting Date: December 12, 2023

For the Metropolitan Council: January 10, 2024

Business Item: 2023-299

Contract 19P187A Metropolitan WWTP Solids Renewal and Improvements – Increase of Contract Value

Proposed Action

That the Metropolitan Council authorizes an increase in the contract value for Contract 19P187A Metropolitan WWTP Solids Renewal and Improvements, project numbers 805947 and 808920, from \$19,303,100 to \$21,363,047.

Summary of Environment Committee Discussion/Questions

Please insert a summary of the discussion using the normal text style.

- CM Wulff asked: Did we do the design in-house or was it contracted out?
- Staff responded: It was contracted out.
- CM Wulff asked: Shouldn't the contractor have been aware of the waiver?
- Staff responded: The Metropolitan Council, Environmental Services (MCES), is ultimately responsible for obtaining the waiver from the Environmental Protection Agency (EPA), not the consultant or contractor. We completed the Lessons Learned from the American Iron and Steel (AIS) compliance to be better prepared in the future.
- CM Lindstrom asked: Are there other Lessons Learned beyond the AIS compliance to ensure we are complying with other types of federal or states regulations?
- Staff responded: The Lessons Learned process helps set us up for the understanding to make sure we are set up for all the new regulations as they're coming in.

Motion by CM Wulff, seconded by CM Osman. Motion carried.

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District(s), Member(s):	District 13, Council Member Chai Lee
Policy/Legal Reference:	Policy 14-2, Expenditures for the Procurement of Goods, Services and Real Estate Policy
Staff Prepared/Presented:	Craig Edlund, Asst General Manager, Treatment Services, 651-602-8383
Division/Department:	MCES c/o Leisa Thompson, 651-602-8101

Proposed Action

That the Metropolitan Council authorizes an increase in the contract value for Contract 19P187A Metropolitan WWTP Solids Renewal and Improvements, project numbers 805947 and 808920, from \$19,303,100 to \$21,363,047.

Background

This project provided for construction, renewal, and improvements of the following at the Metropolitan Wastewater Treatment Plant:

1. Fluid Bed Incinerator Air Distribution Renewal
2. Baghouse Rehabilitation
3. Waste Heat Boiler Tube Replacement
4. Scrubber Modifications
5. Cake Feed Piping Modifications
6. Sludge Loadout & Landfill and Other Miscellaneous Improvements

Due to complexities of the scope of work and the requirements of the American Iron and Steel act (AIS) the project experienced several change orders to address field redesign along with a long delay and subsequent contractor delay claim which was resolved through mediation. These change orders and the mediated claims resolution exceed the original contract value by \$2,059,947 (approximately 10.7%).

Rationale

Council Policy 14-2 requires Council authorization before increasing the price of a construction contract more than 10%.

Thrive Lens Analysis

This action supports the Thrive outcome of stewardship as the work supports efforts to maintain the region's wastewater treatment system.

Funding

Funding will be provided from the 2023 MCES Authorized Capital Program.

Small Business Inclusion

The Office of Equity and Equal Opportunity established a 4.0% Disadvantaged Business Enterprise (DBE) goal for this contract. The contractor committed to 4.7% DBE participation. OEEO will continue to monitor the project to ensure the DBE requirements are met, inclusive of all amendments and change orders.

