Committee Report

Environment Committee

Committee meeting date: October 27, 2026 **For the Metropolitan Council:** October 28, 2026

Business Item: 2026-196 SW

Metro WRRF EPS Electrical / EPS & WSE2 Buildings Improvements, Contract 26P103

Proposed action

That the Metropolitan Council authorize its Regional Administrator to reject all bids for contract 26P103, for construction of Metro WRRF EPS Electrical / EPS & WSE2 Buildings Improvements, Project Number 808928 and 808936.

Summary of Environment Committee discussion/questions

The presentation covered the proposed rejection of bids for the Metro WRRF EPS Electrical / EPS & WSE2 Buildings Improvements project after the sole bid of $41.76 million exceeded the engineer's estimate by approximately 32%. Council members asked whether rejecting the bid would negatively affect the project and why additional bids were not received. Staff indicated there is no expected negative impacts of rejecting the bid and noted that the number of submissions may have been limited due to market conditions and timing, as several other construction projects are underway. Staff plans to re-bid the work using separate contracts. The project will rehabilitate and upgrade critical infrastructure at the Metropolitan Water Resource Recovery Facility (Metro WRRF).

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

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District(s), member(s): District 12, Council Member Chai Lee

Policy/legal reference: Council Policy FM 14-2 Expenditures for the Procurement of Goods, Services, and Real Estate Policy

Staff prepared/presented: Rene Heflin, Plant Engineering Manager, 651-602-1077

Division/department: MCES c/o Leisa Thompson

Proposed action

That the Metropolitan Council authorize its Regional Administrator to reject all bids for contract 26P103, for construction of Metro WRRF EPS Electrical / EPS & WSE2 Buildings Improvements, Project Number 808928 and 808936.

Background

The project provides for construction of the following at the Metropolitan Water Resource Recovery Facility (WRRF):

- Rehabilitation of the effluent pump station, including pump renewal, concrete repairs, pipe repairs, HVAC improvements, rehabilitation of the building envelope, and replacement of electrical equipment.
- Upgrades for the West Secondary Building, including HVAC replacement, rehabilitation of the building envelope, and fiber optic network replacement.
- Limited demolition of unused structures and decommissioned processes.

One bid was received on September 24, 2026, in the amount of $41,755,500. The low bid far exceeded the engineer's estimate.

Rationale

Rejection of construction bids exceeding $10,000,000 requires Council approval.

Thrive lens analysis

This action supports the Thrive outcome of stewardship. Public financial resources will be invested efficiently and effectively to maintain the region's wastewater treatment system.

Funding

Funding is provided by the Capital Program.

Small business inclusion

There was no Disadvantaged Business Enterprise goal for this contract due to the United States Department of Transportation interim final rule, therefore there are no direct impacts to small business contracting with the proposed action.