

# Committee of the Whole Meeting

March 1, 2023











## **Today's topics**

- Systems construction claims resolution agreement process and framework
  - Background: Systems Construction
  - Agreement framework
  - Schedule
- Council action



# **Systems Construction**

Jim Alexander Green Line Extension Project Director

## **Systems Contract Overview**

- Contract Awarded: Sept 18, 2019
- Contractor: Aldridge-Parsons, a Joint Venture
- Initial Contract Value: \$194,411,000
- Change Orders: \$14,064,985.63\*
  - Includes Storage for \$ 8,779,867.59





#### Aldridge:

 Engaged in utility, transportation and commercial/industrial projects across the US with an emphasis on electrical and communications systems

#### Parsons Corporation:

- Technology-focused contractor engaged in defense, intelligence, security and infrastructure engineering
- Experienced in systems integration and project planning

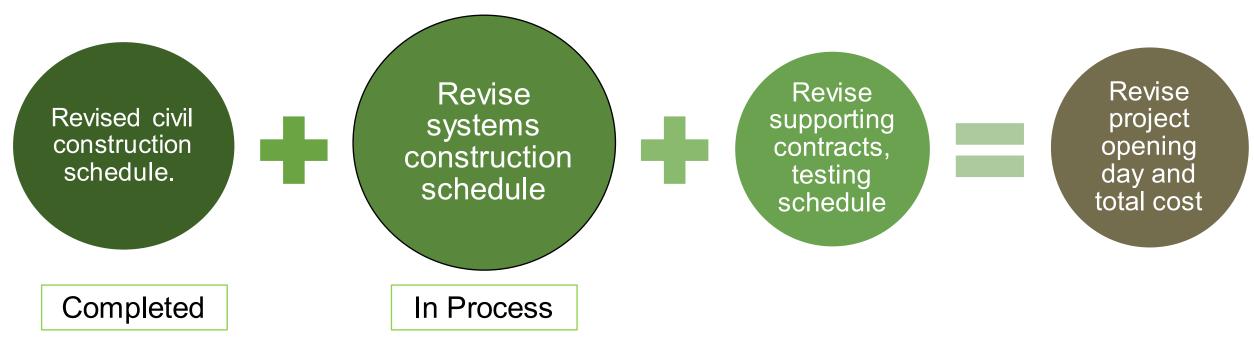
<sup>\*</sup>Executed change orders as of February 1, 2023

## **Systems Contract Scope**

- 20 traction power substations
  - Design, fabricate, install
- Overhead contact system
  - Poles, hangers, cabling
- Tunnel facilities
  - Ventilation, fire suppression, lighting
- Communications
  - Network, voice, paging, cameras
- Wayside signaling system
  - Signals, interlockings, crossings
- Testing and Integration



#### Revised project schedule and cost process: Current step



Estimated cost is included in the \$2.7B budget estimate announced in January 2022

# Systems Construction Claims Resolution Agreement Framework

Dan Abelson Associate General Counsel

#### Systems agreement framework: overview

- Key principles in agreement framework
  - Establishes an Alternative Dispute Resolution (ADR) process
    - More robust than existing process in contract
    - Ensures disputes are resolved quickly
    - Ensures costs are vetted and documented by nationally-recognized experts to verify costs and assist in settlement negotiation
    - Helps constrain costs and schedule
    - Evaluative mediation process and mediator's expertise will aid in dispute resolution
    - Avoids potential litigation by using binding arbitration for any matters not resolved in mediation
  - Settlement payments are made via change order
    - ECCB and Council approve payments, if required
  - Establishes a new Systems construction schedule

## Systems agreement framework: schedule

- Approximately 28 months will be added to the Systems construction schedule\*
- Establishes a completion date for Systems construction
- Realigns the sequence for which construction segments are accepted from the civil contractor and turned over to the Systems contractor
- Realigns the sequence for which construction segments are accepted from the Systems contractor and turned over to the Council to prepare for revenue operations
  - Avoids delay by accepting segments of the project from the civil contractor as they are completed
  - Allows much of the systems work and testing on other segments of the project to be completed while the Kenilworth LRT tunnel is completed

<sup>\*</sup>Does not include impacts to civil construction that occurred after Jan 1, 2022

#### **Business** item

 That the Metropolitan Council authorize the Regional Administrator to negotiate and execute a change order to Contract Number 17P000 with Aldridge-Parsons, a Joint Venture (APJV), to add the 00810 Supplemental Conditions for Re-Baselined Systems Schedule Cost Claims Resolution.

# Thank You

#### **MORE INFORMATION**

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