

Committee Report

Transportation Committee



Committee Meeting Date: March 27, 2023

For the Metropolitan Council: April 12, 2023

Business Item: 2023-69

METRO Green Line Extension Civil Construction Cumulative Change Order Authority Increase, Contract 15P307A

Proposed Action

That the Metropolitan Council (Council) authorize an additional 3.49% (\$27.9 million) to the 29.82% (\$238.5 million) cumulative change order authority for Contract 15P307A with Lunda McCrossan Joint Venture, resulting in 33.31% (\$266.4 million) cumulative change order authority.

Summary of Transportation Committee Discussion/Questions

Metro Transit Green Line Extension Project Director Jim Alexander presented this item.

Cameron asked in the contracting process if there is a ceiling that triggers a competitive bidding process for change order requests. Jody Jacoby, Director of Procurement, responded that each change order is looked at individually. Procurement looks to project staff on these unique change order items. Jim stated that as an example staff did look to see if the corridor protection barrier could be done by another contractor instead of a change order with LMJV, the Civil construction contractor. Due to the confinement of the work site, and the fact that the work itself was integral to the LMJV contract work, it wasn't feasible for another contractor to come in and do the work. We are always looking for options to reduce costs.

Cameron asked about unforeseen conditions. Are those actual conditions or were they used as examples, such as the piling or tunnel impediment. Jim provided an example of an unforeseen condition where the actual level of the groundwater table encountered by the contractor differed from what was included in the bid documents. For the tunnel work, the impediment was an unforeseen condition.

Cameron asked if there is an allocation set aside for the unforeseen conditions or is additional funding required. If so, why is this additional piece needed. Jim responded we have estimated a \$2.7 billion budget for the overall project. Within that amount there is a contingency amount set aside for change orders. The purpose of the business item is to increase the level of authorization for upcoming change orders on the Civil construction contract.

Chamblis asked for an explanation for the new Council Members on existing change orders for the corridor protection barrier and secant wall. Jim explained the corridor protection barrier was required by BNSF Railroad, which runs along the LRT line in the eastern part of the project. The plans for the wall were approved after bids were received for the Civil construction work and the contract was awarded to LMJV, so the wall was added to the Civil contract as a change order. For the secant wall, due to concerns with settlement to adjacent structures, the support of excavation for the Kenilworth LRT tunnel, which consists of sheet piles, needed to be changed where the tunnel extends alongside the structures. It was determined to use a secant wall which consists of a series of concrete piles. The change order replaced the sheet piles with the secant wall at the adjacent structure location.

Barber mentioned tours will be set up and additional background material will be brought back to

the committee. Carter, Tyronne requested visuals for the future. Jim will provide information on secant work.

Dolkar asked if there is a process in place to inform Hennepin County on change orders and do we need to seek their consent on this item. Jim responded that we have a process in place with Hennepin County to review change orders called the Executive Change Control Board (ECCB) which meets monthly. In addition to reviewing change orders, any change orders that will use more than \$350,000 in contingency requires ECCB approval. The ECCB includes three Hennepin County Commissioners and the Council Chair and one Council Member. This business item applies only to Council's procurement procedures. It does not apply to ECCB.

Cameron asked what parts of the project is LMJV responsible for. Jim responded LMJV is responsible for the scope of work shown on slide 2.

Carter, Tyronne asked if the funds requested under the authority are already accounted for or are new funds needed. Jim responded funds required for the additional authority are available in the estimated \$2.7 billion budget.

Item was moved by Morales, seconded by Carter, Tyronne. Motion carried.



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District(s), Member(s):	All
Policy/Legal Reference:	FM 14-1 Procurement Policy, FM 14-2 Expenditures for the Procurement of Goods, Services, and Real Estate Policy
Staff Prepared/Presented:	Lesley Kandaras, Interim General Manager, 612-349-7513 Nick Thompson, Deputy GM Capital Programs, 651-602-1754 Jim Alexander, Project Director, 612-373-3880 Joan Hollick, Deputy Project Director, 612-373-3820, Nat Gorham, Asst. Dir, Project Controls and Contracts, 612-373-3889
Division/Department:	Metro Transit / Green Line Extension Project Office

Proposed Action

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Background

The METRO Green Line Extension Project is seeking to increase the change order authority to continue to execute change orders on the Civil Construction Contract 15P307A with Lunda McCrossan Joint Venture (LMJV). FM 14-1 authorizes contract amendments greater than 10% be supported by a sole source approval and FM 14-2 authorizes the Regional Administrator to amend contracts and increase contract prices as delegated by the Metropolitan Council. Council Procurement Procedure 14-1a Section 2.1.2.23 provides 10% cumulative change order authority on construction contracts without further authorization by the Council.

In April 2021, the Council approved an increase of 10.33% (\$82.6 million) in cumulative change order authority in conjunction with the change order for the Corridor Protection Barrier (Business Item No. 2021-49). In August 2021, the Council approved a second increase of 9.49% (\$75.9 million) in cumulative change order authority in conjunction with change orders for the secant wall, contaminated soils, and grouting (Business Item No. 2021-210).

Pursuant to the authority in FM 14-1 and FM 14-2, staff is requesting that the Council authorize an additional 3.49% cumulative change order authority for the LMJV Contract. This request for an increase in change order authority is for anticipated change orders required through 2023.

The request would result in the following amounts as shown in the table below:

Description	Amount	Change Order Authorization
Contract 15P307A original contract value	\$799,514,338.22	--
Currently authorized cumulative change order Authority	\$238,453,571.96	29.82%
Value of change orders executed as of March 8, 2023	\$236,921,428.94	29.63%
Current remaining authority	\$1,532,142.02	0.19%
Additional change order authority requested	\$27,900,000	3.49%
Requested cumulative change order authority	\$266,353,571.96	33.31%

Rationale

This authorization will allow the Project to continue executing change orders for civil construction activities.

Thrive Lens Analysis

Successful completion of the METRO Green Line Extension will advance the following Thrive MSP 2040 outcomes:

Stewardship: Transit investment provides an opportunity to reinvest and grow the capacity of our communities, with more inclusive development and intentional investment. It encourages businesses to invest in communities, which means access to resources, community amenities, jobs, and other community assets.

Equity: Connections to other METRO lines and countless local bus routes will bring people to jobs, jobs to communities, and returns to communities across the region.

Livability: The METRO Green Line Extension will add 14.5 miles to the existing Line, which connects downtown Minneapolis, downtown Saint Paul, and places in-between. This segment connects Eden Prairie, Minnetonka, Hopkins, and St. Louis Park to both downtown Minneapolis and Saint Paul, and major destinations at the University of Minnesota and the State Capitol.

Prosperity: The METRO Green Line Extension reflects strategic investment in regional infrastructure that will promote economic competitiveness and create prosperity for the region. Despite being under construction, the METRO Green Line Extension has already seen more than \$1.6 billion of investment within a half-mile of the line. Another \$500 million in investment is planned.

Sustainability: As many as 700,000 more people will be living, working, and moving around the Twin Cities region by 2040. As a result, a robust transportation system is needed to provide the region choices and more mobility.

Funding

No Project funds are required at this time. The requested cumulative change order authority is a METRO Green Line Extension Project (61001) eligible cost. Funds are available in Project No. 61001 budget and included in the Council's authorized capital budget.

Small Business Inclusion

The DBE goal established for this Contract is 16%. As of January 31, 2023, LMJV is achieving 21% DBE participation. The established goal applies to the increase in cumulative change order authority.





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Transportation Committee

Monday, March 27, 2023



EDEN PRAIRIE | MINNETONKA | EDINA | HOPKINS | ST. LOUIS PARK | MINNEAPOLIS

Civil Construction Contract 15P307A Overview

- Contract Award: November 15, 2018
- Contractor: Lunda McCrossan Joint Venture
- Initial Contract Value: \$799.5M
- Change Orders: \$236.9M as of March 8, 2023

Scope of Work

- 16 new LRT stations
- 44 significant structures:
 - 29 new bridges: LRT, pedestrian, roadway, freight
 - 7 existing bridges with modifications
 - 6 pedestrian tunnels
 - 2 cut and cover LRT tunnels:
 - Highway 62: 582 feet
 - Kenilworth: 2,236 feet
- 15 at-grade LRT crossings; including 5 shared crossings with freight rail
- 121 retaining walls
- LRT track: 14.5 miles
- 7.8 mi shared LRT & freight rail corridor
- Freight rail reconstruction
- Trail reconstruction

Civil Contract Cumulative Change Order Authorization

Description	Cumulative Change Order Authorization	
Authorization at contract award	\$79,951,433.82	10%
Business Item No. 2021-49 Added \$82.6M (10.33%) Corridor Protection Barrier	\$162,556,338.99	20.33%
Business Item No. 2021-210 Added \$75.9M (9.49%) Secant Wall, Contaminated Soils, Grouting	\$238,453,571.96	29.82%
Business Item No. 2023-69 Request to add \$27.9M (3.49%) 2023 Change Orders	\$266,353,571.96	33.31%

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MORE INFORMATION

Website: greenlineext.org

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Twitter: [@GreenLineExtMN](https://twitter.com/GreenLineExtMN)

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