

## Transportation Committee

Meeting date: June 25, 2018

For the Metropolitan Council meeting of July 11, 2018

**Subject:** METRO Green Line and Blue Line LRT Extensions - Delegation of Construction Change Order Authority

**District(s), Member(s):** All

**Policy/Legal Reference:** Council Policy – Expenditures 3-3

**Staff Prepared/Presented:** Brian J. Lamb, General Manager, 612-349-7510  
 Mark W. Fuhrmann, Deputy General Manager, 612-373-3810  
 Jim Alexander, SWLRT Project Director, 612-373-3880  
 Dan Soler, BLRT Project Director, 612-373-5371  
 Joan Hollick, SWLRT Deputy Project Director, 612-373-3820  
 MarySue Abel, BLRT Deputy Project Director, 651-373-5376

**Division/Department:** Metro Transit/ METRO Green Line and Blue Line Extensions Project Offices

### Proposed Action

That the Metropolitan Council authorize modifications to Metropolitan Council Procedure 3-3C Delegation of Procurement and Contract Authority, by delegating the approval of construction contract change orders for the Green Line Extension and Blue Line Extension Light Rail Transit Projects as shown below in the “(Proposed)” column, for those change orders that do not exceed \$2.5 million each and do not exceed a cumulative expenditure amount of 10% of the construction contract value, without Council approval.

Authorized Individual or Entity	(Current) Maximum Approval/Execution Authority for Central Corridor LRT	(Proposed) Maximum Approval/Execution Authority for Green and Blue Line Extensions
Metropolitan Council	over \$2,500,000	over \$2,500,000
Metropolitan Council Regional Administrator	up to \$2,500,000	up to \$2,500,000
General Manager	up to \$1,000,000	up to \$1,000,000
Program Director	N/A	up to \$500,000
Project Director	up to \$350,000	up to \$350,000
Deputy Project Director	up to \$200,000	up to \$250,000
Assistant Project Director	up to \$100,000	N/A
Director of Construction	N/A	up to \$100,000
Assistant Director of Construction	N/A	up to \$50,000
Construction Manager	up to \$50,000	up to \$20,000
Assistant Construction Manager	up to \$20,000	N/A
Council Authorized Representative	up to \$3,000	up to \$10,000

## **Background**

Council Procedure 3-3C: Expenditures Section II.2.E. authorizes senior managers or their delegate to “Approve construction contract change orders such that the cumulative change order amount does not exceed 10% of the originally-approved contract amount. Construction change orders that exceed this limit must be authorized by staff with sufficient signature authority.” Section II.3 of the procedure was updated with special authorizations for approval of construction contract change orders for Hiawatha and Central Corridor Light Rail projects. Specifically, for Central Corridor, the Council delegation of authority is as shown in the “(Current)” column of the table above.

Staff are requesting that the Council approve updates to these delegations of change order authority for the Green Line Extension and Blue Line Extension Light Rail Transit Projects to reflect updated position titles and maximum authority levels.

Staff will provide quarterly updates on change orders to the Transportation Committee.

## **Rationale**

The process described above is designed to ensure the Metropolitan Council’s oversight of the process and use of funds, while also ensuring that construction managers can make expedient and responsive decisions in the field.

The Project Director level is proposed to remain unchanged at \$350,000, which aligns with the Executive Change Control Board (ECCB) approval level. The ECCB reviews and approves all change orders of \$350,000 or more. Full execution of a change order of \$350,000 or greater will require both ECCB approval and the corresponding Council or Council official approval. ECCB voting representatives include members from Hennepin County, Hennepin County Regional Railroad Authority and the Metropolitan Council.

## **Thrive Lens Analysis**

Construction of the Green Line and Blue Line Extensions will increase the region’s prosperity as it will provide better access to jobs.

## **Funding**

No funding is required for this change.

## **Known Support / Opposition**

No known opposition.