

Transportation Committee

Meeting date: March 26, 2018

For the Metropolitan Council meeting of April 11th, 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
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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 (ECCB Level)	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.

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 Deputy Project Director level is proposed to increase to \$250,000 to align with the Executive Change Control Board (ECCB) approval level. The ECCB, proposed to consist of Hennepin County and Metropolitan Council members, reviews and approves all change orders of \$250,000 or more.

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.