



METRO Blue Line Light Rail Extension

Request for Industry Feedback Summary Report

01/07/2025

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1 Introduction

The Metropolitan Council (the “Council”) has been evaluating packaging and procurement approaches for building the METRO Blue Line Extension Light Rail Transit Project (the “Project”). As part of this process, the Council released a Request for Industry Feedback (“RFIF”) to the rail and construction industry on August 15, 2024. Additionally, the Council held an industry day with interested parties on October 23, 2024 and one-on-one meetings with interested firms on October 24-25, 2024. The Council received significant feedback from industry as part of this process that has informed the Council’s decision on the contract packages and procurement methods it intends to use. This document summarizes the feedback received and outlines the Council’s anticipated next steps as the Project moves toward procurement.

2 Background

The Project will extend the existing Blue Line from Target Field Station northwest to Brooklyn Park and connect communities in the corridor. The Project is 13.4-miles long, connecting downtown Minneapolis to the communities of North Minneapolis, Robbinsdale, Crystal, and Brooklyn Park. The Project is a critical connection in the highly traveled northwest area of the Twin Cities and includes connections to Minneapolis-Saint Paul International Airport and the Mall of America.

The Council has evaluated contract packaging and procurement methods that increase the likelihood of meeting the Council’s goals specified in the Blue Line Extension RFIF. Considering the Project’s size and complexity, the Council evaluated procurement methodologies that it has not previously used on projects of this nature with the aim of attracting qualified firms that possess the expertise necessary to perform the work while offering a competitive price.

2.1 Procurement Methods Considered

The RFIF requested feedback on two primary procurement strategies: (1) low-bid design-bid-build and (2) best value design-bid-build. The traditional low-bid design-bid-build procurement would award a package to the lowest responsible and responsive bidder, with price being the only factor in the selection process. The best value design-bid-build procurement would evaluate price in addition to other technical factors, including past project experience, key personnel, approach to the work, quality, and other items relating to the firm’s qualifications to perform the work included in a package. The evaluation criteria are under development and will be communicated to industry as the procurement advances.

2.2 Contract Packages Considered

The RFIF requested feedback on three potential packaging strategies, the key elements of which are described in Table 1 below:

Table 1 – Contract Packaging Elements

Package Strategy	Scope Description
A	Single package for civil, stations, and track. Park and ride together as a single package. Standalone packages for systems, station finishes, operations and maintenance (“OMF”) facility, and vehicles.
B	Separating the Minneapolis portion of the Project from the other geographic areas and combining civil, stations, and embedded track for the Minneapolis segment. Combine civil stations and ballasted track in the remaining segments. Single systems package for

	the entire alignment. Separate packages for station finishes, park and ride facilities, OMF, and vehicles.
C	All civil, track, station, and systems work in a single package. Combined package for park and ride facilities. Standalone packages for station finishes, OMF, and vehicles.

A more detailed description of the potential packages is included in the RFIF.

3 Summary of Feedback

The Council received eight (8) written responses to the RFIF and held one-on-one meetings with seven (7) contractor firms. The attendance list for the industry day is available on the Council’s website.

The Council received helpful feedback from a variety of interested parties, including civil contractors, electrical contractors, track and systems contractors, and rail vehicle manufacturers. Below is a summary of the feedback received:

3.1 Procurement Methods

- Most firms favored a procurement method that considered factors other than price, including a best value approach that considered approach and qualifications. While a majority of responding firms did not prefer low-bid design-bid-build, some firms were in favor of traditional low-bid.
- The specialized nature of critical components of the work, such as track and systems, warrants a procurement method like best value that evaluates and takes into account the qualifications of potential bidders.
- Include a process as part of a best value approach that allows proposers to submit innovations and other alternative concepts, or provide input on constructability and construction risks, prior to the submission of proposals.
- The Council must demonstrate a willingness to engage with and incorporate feedback from contractors if such feedback is requested during procurement. For example, the Council should be prepared to make design changes if it would result in a better design. The concern is that the Council would disregard feedback, which would disincentivize proposers from engaging fully in the process.
- Consider alternative delivery methods that include early contractor involvement in the project and facilitate a more collaborative approach between the Council and their contractor partner, including Construction Manager at Risk (CMAR), Construction Manager/General Contractor (CM/GC), or progressive design-build.
- If the Council uses a best value procurement, the evaluation criteria must clearly specify what the Council would consider to be the best value approach so that proposers can understand how best to respond to the request for proposals.
- If the Council elects to solicit feedback from proposers during a best value procurement, a stipend would be helpful to offset some of the costs to proposers of participating in the process.
- The Council should be willing to assess its existing contractual terms and conditions to ensure an equitable risk allocation between the Council and the contractor. Potential contract risks to consider include cash flow, escalation, market standard bonding requirements, limits on liquidated damages, limits of liability, third-party delay risk, and ROW delay.

3.2 Packaging

- Most firms generally favored larger contract packages, including a package that combined civil, track, stations, and systems work into a single package. The rationale is that this would reduce the interfaces between packages, thereby reducing the risk of one package causing delays to other work and the risk of inconsistencies between the work. This structure would also reduce the burden on the Council of having to manage multiple contractors.
- There is the potential that a package consisting of civil, track, stations, and systems could overshadow the unique considerations of the qualifications of the systems contractor. A best value procurement should give consideration to the systems contractor proposed by the general contractor to perform this work.
- Including track and systems with civil works could present some risks to civil contractors having to manage these specialties due to a potential lack of familiarity with rail technology.
- There is little value to separating the Minneapolis portion of the work due to the potential interface risk and the risk of having different approaches to the same types of work between the packages. Nevertheless, there was some recognition that separating the traffic and utility work unique to Minneapolis through an early works package could mitigate some schedule risks.
- There was mixed feedback on whether to include systems with a larger civil, stations, and track package or to separate systems into its own package, with some contractors favoring the inclusion of systems with the civil, stations, and track work and others favoring systems as a separate package or bundled with track. The rationale for the suggestion to have systems as a separate package is that systems is highly specialized work that warrants specific consideration of the contractors that would perform this scope.
- There was a general consensus that track work should be included with civil work; however, some systems contractors favored bundling track with systems.
- Bonding capacity did not appear to be a significant constraint, though there was caution to align bonding requirements with current market conditions and requirements.
- Early works packages such as utility clearing, adjacent roadway, and early material procurement would mitigate risks and facilitate on-time completion of the Project.

4 Next Steps

Based on the Council's consideration of the issues above, as well as the feedback provided by industry, the Council anticipates the following:

- The Council will break down the Project into the following packages:

Table 2 – Proposed Contract Packages

Package	Scope
A	Multiple contracts for early works packages, which may include utility clearing, adjacent roadways, and early materials procurement
B	All civil, track, stations, and systems work
C	Park and ride facilities
D	Operations and maintenance facility
E	Light Rail Vehicles

- The Council anticipates the following procurement approaches for each package:

Table 3 – Proposed Procurement Methods

Package	Procurement Method
A	Low bid
B	Best value
C	Low bid
D	Low bid or CMAR
E	Best value

For package B, the Council is evaluating whether to include processes during the procurement that would solicit feedback from proposers on the Council’s design, including design alternatives, constructability, third-party engagement, site inspections, inclusion of DBEs and development of local workforce, and other potential engagement. The details of the approach will be provided in future communications to industry and specified in the relevant procurement documents.

Additionally, the Council is evaluating the following for the best value procurements, which will be specified in the relevant procurement documents:

- A one-step (Request For Proposals (RFP) only) or a two-step Request For Qualifications (RFQ) and Request for Proposals (RFP) process;
- The weighting of technical and price components;
- The technical evaluation criteria and relative weighting.

As to the RFIF responses regarding the Council assessing its contract terms, the Council already is reviewing and updating its construction contracts to meet current industry standards. The Council will take the RFIF Responders’ comments into consideration as part of that review.

The Council is developing a procurement schedule that it will release as soon as it is available.