

**METRO GREEN LINE EXTENSION - SOUTHWEST LIGHT RAIL TRANSIT PROJECT
EXECUTIVE CHANGE CONTROL BOARD**

Proposed Board Action

23-ECCB-016

Item Description:

Approval of Part One Changer Order 069 with Aldridge – Parsons, a Joint Venture (APJV) in an amount not to exceed \$20,388,680 for claims resolution costs.

Resolution:

BE IT RESOLVED that Changer Order 069, on file with the Project Office, resulting in the use of \$20,388,680 for of Project Contingency is APPROVED.

Background:

On September 18, 2019, the Metropolitan Council awarded a Systems Construction Contract to APJV in the amount of \$194,411,000. APJV is responsible for the manufacture, delivery, installation, and testing of the GLE light rail system components.

On February 17, ECCB approved (2023- 006) Change Order 065 to the Systems Contract with Aldridge-Parsons, a Joint Venture (APJV), to add the 00810 Supplemental Conditions for Re-Baselined Systems Schedule and Cost Claims Resolution to extend the contract time and address claims for costs related to the delay to the systems construction through an alternative dispute resolution (ADR) process which ensures that additional costs associated with the delay are reasonable and supported by data while avoiding the potential for litigation. The Contractor has capped these costs \$64,084,378.51.

The types of cost claims to be resolved through the ADR process relate to the revised schedule including labor and equipment costs for the additional time to perform the work, labor and material escalation, associated subcontractor costs, and impacts to the productivity of the work.

The ADR process includes:

- Step negotiations where the parties resolve disputes directly.
- Evaluative mediation for disputes not resolved in step negotiations. The evaluative mediator works with the parties to resolve the differences. If no resolution is reached, the evaluative mediator will issue an opinion.
- Any issues not resolved in evaluative mediation will go to binding arbitration. The arbitrator will issue a binding award on these disputes.

The Claims Resolution Agreement provides for a single Part 1 change order at the conclusion of step negotiations and a Part 2 change order after the completion of evaluative mediation. Staff recommends the Claims Resolution Agreement be amended to allow for more frequent payment of resolved claims through amended Part 1 change orders to ensure prompt resolution of disputes and payment for resolved disputes. This amendment will not change the total amount that APJV is paid.

The Southwest Project Office is proposing the use of \$20,388,680 in contingency to execute this change order.

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