

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

Proposed Board Action

24-ECCB-003

Item Description:

Approval of Amendment No. 5 to the TCWR Services Agreement for Flagging Services resulting in the use of project contingency funds in the amount of \$4,250,000.00.

Resolution:

BE IT RESOLVED that Contract Amendment No. 5 to the Twin Cities & Western Railroad (TCWR) Agreement for freight rail flagging services (Contract No. 19M152), resulting in the use of \$4,250,000.00 of Project Contingency is APPROVED.

Background:

The Council acquired the Kenilworth Corridor and Bass Lake Spur freight corridors from the Hennepin County Regional Railroad Authority and Canadian Pacific, respectively, for the METRO Green Line Extension Project (Project). TCWR operates freight rail service over these corridors. Construction of the Project requires freight rail flaggers whose purpose is to notify construction workers of approaching freight trains. The Council initially issued an emergency declaration in June 2019 to execute a bridge contract with TCWR to provide flagging services in the short term. This allowed the Council to negotiate a long-term flagging agreement with TCWR for the duration of Project construction.

It was originally anticipated that the term of the agreement would expire in December 2023. In Spring 2022, the Council recognized an approximately 34-month delay to the Project's civil construction contract. As a result, the TCWR Services Agreement needs to be amended to increase the not-to-exceed value to cover flagging costs over the longer construction duration. The Agreement requires TCWR to provide fulltime flaggers dedicated to Project construction through civil substantial completion and provides that the Council will reimburse TCWR a flat hourly rate based on actual costs.

Through agreements and authorization from the Surface Transportation Board, TCWR is the sole freight rail operator of the Kenilworth Corridor and Bass Lake Spur. TCWR's performance of flagging services in the corridors aligns with industry standard practices due to its familiarity with the geographic area, knowledge of freight operations through the corridor, established flagging protocols, familiarity with the railroad's operating rules, and direct line of communication with freight operators. These factors ensure safety by protecting contractor workers within fouling distance of the freight track.

Amendment No. 5 seeks to add \$4,250,000.00 to the contract amount.

This resolution approves the use of \$4,250,000.00 in contingency for Amendment No. 5 to the TCWR Agreement for freight rail flagging services.