Disadvantaged Business Enterprise and Workforce Advisory Committee

Aug 15, 2019
Today’s Topics

• SWLRT Project Update
• DBE Report and Activities
• Workforce Report and Activities
• Retainage
• Change Orders
Action Items

• Update on LCP tracker
• Workforce by zip code
Zip Code Data

• Captures workforce from Jan 1 – July 31, 2019
• Represents 167 workers; approximately 98% data set
• Hours represent first phase of construction:
  ▪ Mobilization
  ▪ Site clearing
  ▪ Work zones
  ▪ Traffic control
Workforce By Zip Code: Statewide

Date Range: Jan 1 – July 31, 2019
Workforce By Zip Code: Metro

Date Range: Jan 1 – July 31, 2019
Total Hours Worked by Zip Code: Statewide

Date Range: Jan 1 – July 31, 2019
Total Hours Worked by Zip Code: Metro

Date Range: Jan 1 – July 31, 2019
Discussion

- Committee feedback:
  - Frequency of report out
  - Other workforce information
SWLRT Project Update
SouthWest Station in Eden Prairie
Building Demo in Minnetonka
Louisiana Trail Bridge Demo in St. Louis Park
WPA Wall Restoration in Minneapolis
Glenwood Bridge Demo in Minneapolis
DBE Achievement Report
# DBE Achievement: Professional Services

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Contract Description</th>
<th>Contracts</th>
<th>$ DBE Goal</th>
<th>Billings to Date</th>
<th>$ DBE to Date</th>
<th>% DBE to Date</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>AECOM</td>
<td>Advanced Design</td>
<td>$119,654,545</td>
<td>$22,782,225</td>
<td>$108,092,286</td>
<td>$20,938,454</td>
<td>19.37%</td>
<td>6/30/19</td>
</tr>
<tr>
<td>HNTB</td>
<td>Peer Review</td>
<td>$3,006,044</td>
<td>$511,027</td>
<td>$2,856,053</td>
<td>$379,942</td>
<td>13.30%</td>
<td>4/30/19</td>
</tr>
<tr>
<td>Merjent</td>
<td>Phase III Arch. Rec.</td>
<td>$1,320,141</td>
<td>$224,424</td>
<td>$1,227,548</td>
<td>$228,331</td>
<td>18.60%</td>
<td>5/31/19</td>
</tr>
<tr>
<td>SEH</td>
<td>Monitoring Cont. Matl.</td>
<td>$2,145,606</td>
<td>$321,841</td>
<td>$51,638</td>
<td>$0</td>
<td>0.00%</td>
<td>6/30/19</td>
</tr>
<tr>
<td>17% Goal</td>
<td>Closed</td>
<td>$43,550,039</td>
<td>$7,351,986</td>
<td>$40,301,148</td>
<td>$7,335,976</td>
<td>18.20%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contracts</th>
<th>$ DBE Goal</th>
<th>Billings to Date</th>
<th>$ DBE to Date</th>
<th>% DBE to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>DBE Totals to Date* (18.38% Goal)</td>
<td>$170,126,013</td>
<td>$31,276,935</td>
<td>$152,935,924</td>
<td>$28,991,616</td>
</tr>
</tbody>
</table>

*Totals include active and closed out contracts with DBE requirements
# DBE Achievement: Construction

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Contract Description</th>
<th>Contracts</th>
<th>$ DBE Goal</th>
<th>Billings to Date</th>
<th>$ DBE to Date</th>
<th>% DBE to Date</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>LMJV</td>
<td>Civil</td>
<td>$799,514,338</td>
<td>$127,922,294</td>
<td>$53,218,272</td>
<td>$4,911,226</td>
<td>9.23%</td>
<td>6/30/19</td>
</tr>
<tr>
<td>16% Goal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Veit</td>
<td>OMF Demo</td>
<td>$440,078</td>
<td>$74,813</td>
<td>$399,225</td>
<td>$74,610</td>
<td>18.69%</td>
<td>5/31/19</td>
</tr>
<tr>
<td>17% Goal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Braun Int.</td>
<td>QMS</td>
<td>$36,003,364</td>
<td>$5,400,505</td>
<td>$639,482</td>
<td>$10,381</td>
<td>1.62%</td>
<td>5/31/19</td>
</tr>
<tr>
<td>15% Goal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>DBE Totals to Date</strong></th>
<th></th>
<th><strong>Contracts</strong></th>
<th><strong>$ DBE Goal</strong></th>
<th><strong>Billings to Date</strong></th>
<th><strong>$ DBE to Date</strong></th>
<th><strong>% DBE to Date</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>(15.96% Goal)</td>
<td></td>
<td><strong>$835,957,780</strong></td>
<td><strong>$133,397,612</strong></td>
<td><strong>$54,256,979</strong></td>
<td><strong>$4,996,216</strong></td>
<td><strong>9.21%</strong></td>
</tr>
</tbody>
</table>
## DBE Achievement: Project Totals

<table>
<thead>
<tr>
<th>Service</th>
<th>Contracts</th>
<th>$ DBE Goal</th>
<th>Billings to Date</th>
<th>$ DBE to Date</th>
<th>% DBE to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Services*</td>
<td>$170,126,013</td>
<td>$31,276,935</td>
<td>$152,935,924</td>
<td>$28,991,616</td>
<td>18.96%</td>
</tr>
<tr>
<td>18.38% Goal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>$835,957,780</td>
<td>$133,397,612</td>
<td>$54,256,979</td>
<td>$4,996,216</td>
<td>9.21%</td>
</tr>
<tr>
<td>15.96% Goal</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### DBE Totals to Date
(16.37% Goal)

<table>
<thead>
<tr>
<th>Contracts</th>
<th>$ DBE Goal</th>
<th>Billings to Date</th>
<th>$ DBE to Date</th>
<th>% DBE to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,006,083,793</td>
<td>$164,674,547</td>
<td>$207,192,903</td>
<td>$33,987,832</td>
<td>16.40%</td>
</tr>
</tbody>
</table>

*Totals include active and closed out contracts with DBE requirements*
Lunda/CS McCrossan Joint Venture: Update on DBE Activities
# Post-Bid DBE Additions

<table>
<thead>
<tr>
<th>DBE</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Big G Tech Support</td>
<td>$2,697,466.00</td>
</tr>
<tr>
<td>Boys Water Products</td>
<td>$540,000.00</td>
</tr>
<tr>
<td>Courtland</td>
<td>$36,379.00</td>
</tr>
<tr>
<td>Gestra</td>
<td>$659,526.00</td>
</tr>
<tr>
<td>HHA</td>
<td>$187,000.00</td>
</tr>
<tr>
<td>IMO Consulting Group</td>
<td>$5,010,000.00</td>
</tr>
<tr>
<td>M&amp;J Trucking</td>
<td>$40,000.00</td>
</tr>
<tr>
<td>Pete's Sewer &amp; Water</td>
<td>$114,600.00</td>
</tr>
<tr>
<td>Pine Waterproofing</td>
<td>$465,051.00</td>
</tr>
<tr>
<td>Rock On Trucking</td>
<td>$40,000.00</td>
</tr>
<tr>
<td>AmTec Designs</td>
<td>$5,215,455.99</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$15,005,477.99</strong></td>
</tr>
</tbody>
</table>
Recent Changes in DBE Participation

• Council removed flagging services from the LMJV contract. Work was being performed by a DBE firm. May result in a reduction of DBE dollars but should not affect overall commitment. This is not final yet.

• Added approximately $130,000 in scope to HHA Contract.
Workforce Participation Report
Workforce Participation Totals*

- June 2019: 6,443 hrs.
- Civil Construction Total: 13,570 hrs

*based on MDHR Workforce Report for June 2019
Workforce Participation Totals*

- June 2019: 6,443 hrs.
- Civil Construction Total: 13,570

*based on MDHR Workforce Report for June 2019
Lunda/CS McCrossan Joint Venture: Update on Workforce Activities
LMJV Workforce Activities

• 4 more Work Plans submitted since our last meeting to MDHR
• Currently working with 4 other companies to finalize their Work Plans and have sent over
• Will be sending sub contractors who have received letters and have not responded over to MDHR
Retainage
What Is Retainage

• Retainage is a portion of the agreed upon contract price withheld until the work is substantially complete to assure that contractor or subcontractor will satisfy its obligations and complete the construction project.

• According to 0700 Article 14.2.3, retainage is 5% of each progress payment, until release or reduction is authorized.

• Made changes since Central Corridor contract to include language allowing the release of retainage.
Prompt Payment and Retainage

“Prompt Payment to Subcontractors. The CONTRACTOR agrees to pay Subcontractors within ten (10) calendar days of the CONTRACTOR’s receipt of payment from the COUNCIL for undisputed services provided by the Subcontractor. In addition, the CONTRACTOR agrees to pay Subcontractors all undisputed retainage payments within ten (10) calendar days of the CONTRACTOR’s receipt of the Subcontractor’s final undisputed invoice regardless of whether CONTRACTOR has received any retainage payment from the COUNCIL. The CONTRACTOR shall not postpone or delay any undisputed payments.”

Source: 0700 Article Section 14.13
Process to Release Retainage

• Subcontractors need to be aware of the language in 0700 Article 14.13
• Work with LMJV to make a contract case for release of retainage
• LMJV will work with the Council to ensure both Council and LMJV concur with decision to release retainage
Change Order Process
What Is a Change Order

- A change order is work that is added or deleted from the original scope of work of a contract, however, depending on the magnitude of the change, it may or may not alter the original contract amount and/or completion date.
Two General Types of Change Orders

• Change Order between Council and LMJV
  - Contractor or SPO can request a change order due to unforeseen field conditions
  - SPO can request a change order due to need to change design
  - Requires Council internal approvals

• Change Order between LMJV and Subs
  - LMJV may initiate a change order with a specific sub
  - Council is not involved with change orders between contractor and sub
Met Council Change Order Process Overview

Contractor or SPO initiates Change Order Request

Project Controls and Construction Staff ask:
- Does it have merit?
- Is it project eligible?
- Does it have a funding source?

Estimate cost and issue request for pricing from contractor

Evaluate cost and negotiate price with contractor

Route for approval, signature in e-Builder

Project Control staff assemble final package

Issue Change Order to contractor to implement

Further analysis via e-Builder
LMJV Change Order Process

- Council Issues a Change to LMJV.
- LMJV reaches out to subs for scope and pricing of Change.
- Council and LMJV agree to scope and pricing
- Council and LMJV execute the change and the Contractor is authorized to begin work.
- LMJV Issues a change order to Subcontractors subcontract with LMJV.
- Subcontractor executes change order and is authorized to perform work.
Closing

• **Next Meeting Date:** September 19, 2019
  - Agenda topics for the next agenda
  - Actions items for the next meeting
• **Adjourn**
Stay Updated!

Online:  
SWLRT.org

Twitter:  
@SouthwestLRT

Facebook:  
@MetropolitanCouncil

Instagram:  
@southwest_lrt