

SWLRT EXECUTIVE CHANGE CONTROL BOARD

Wednesday, March 30, 2016

9:00 – 10:00 a.m.

SWLRT Project Office, Conference Room A
6465 Wayzata Boulevard, Suite 500, St. Louis Park, MN 55426

Meeting Minutes

Voting Representatives Present: Adam Duinick, Peter McLaughlin, Nancy Schouweiler, Lisa Weik

Non-Voting Representatives Present: Jason Gadd, Jenifer Hager, Scott McBride, Terry Schneider, Nancy Tyra-Lukens, John Doan

Opening Remarks

Chair Duinick opened the meeting at 9:00 a.m. and welcomed those in attendance.

Approval of January 15, 2016 Minutes

Commissioner McLaughlin made a motion to approve the minutes of the January 15, 2016 meeting. Commissioner Schouweiler seconded the motion. Meeting minutes were approved unanimously.

Review Civil Cost Estimate at 90% Design

Mr. Craig Lamothe, SWLRT Project Director, gave an overview of the 90% Civil Cost Estimate.

Mr. Lamothe said we reviewed the 60% cost estimate for the entire project at the January meeting, which included the 60% design cost estimate to include scope elements approved at the January meeting. The 60% design cost estimate is \$1.791B with those items included.

Mr. Lamothe discussed updated funding sources as shown on slide 6. The project office is seeking \$135M from the state legislature to fully fund the state's commitment to the project. Current funding includes \$14.9M of "Other" needing to be committed.

Mr. Lamothe discussed the 60% estimate vs. the 90% estimate as shown on slides 7 and 8. The 90% estimate is basically building upon the established 60% estimate and is based on more detail, updated drawings and quantities. Mr. Lamothe noted that the 90% estimate update is based on updated Civil plans only. Cost estimates for the Systems and OMF elements will be updated upon completion of the 90% plans for these packages.

Mr. Lamothe said that at 90% civil design we are forecasting a 23% overall contingency, which is down 1% from 60% Design, as shown on slide 11. It includes allocated and unallocated contingency. Chair Duinick asked what the contingency would be at 100% plan completion. Mr. Mark Fuhrmann responded that using Central Corridor as an example, what Federal Transit Administration (FTA) expected upon Entry to Engineering is 20%.

Mr. Lamothe discussed guideway and track as shown on slide 12. Between 60% design and 90% design, the base cost was adjusted up slightly but the allocated contingency was decreased by 1%. Overall, there was a \$2M reduction including allocated contingency.

Mr. Lamothe discussed stations as shown on slide 13. The cost was adjusted up \$5M from the base cost, primarily due to some additional costs at SouthWest Station. However, contingency for this line item can be reduced by approximately 11%. Overall, stations are \$3M over the 60% design.

Mr. Lamothe discussed site work and special conditions as shown on slide 15. At 60% design it was at \$174M with 16% contingency and at 90% it is at 10% contingency. Some additional costs are included as a result of information we didn't have at the 60% design level. The element increased by \$2M to \$176M overall including the remaining 10% contingency.

Chair Duininck asked about overall utility design and relocation. Mr. Lamothe responded compared to Central Corridor, SWLRT has far fewer utilities to deal with. Both public and private utilities need to be relocated and the project office is working closely with all the entities; many are doing survey work on their own. Mr. Lamothe said we have been working to decrease from potential conflict points to real conflict points with the utilities.

Commissioner McLaughlin said he calculates \$476M is still at the 60% cost level plus soft costs, so we're at 75% design? Mr. Fuhrmann said that as they reported in January, the 30% to 60% is really the big leap in design detail. The 60% to 90% is not as big of a leap. We expect a lesser variability than the cost adjustments for the 30% to 60%. Commissioner McLaughlin asked if the volatile elements are the vehicles and Right of Way. Mr. Fuhrmann said there is market risk there. We had an RFP issued last fall and proposals were due on March 1. We received 1 proposal and that proposal is from our current incumbent car builder, Siemens, who built the Type 2 we use for the Green Line. We have begun the evaluation of the technical proposal and the price proposal has not been opened. Commissioner McLaughlin asked if it is a negotiable number. Mr. Fuhrmann said, yes, it is a best value procurement under Met Council procurement guidelines. We believe there is some room for negotiation.

Mayor Schneider asked if other than the Right of Way, the allocated portion of the contingency is reduced and we're just having better unallocated contingency remaining. Mr. Lamothe, said, yes the allocated contingency is anticipated to go down as we advance the design.

Mr. Lamothe discussed the major milestones as shown in slide 19. In the late May timeframe, SPO will be at 90% design for the Systems and OMF. SPO is in the final stages of the legal review for the FEIS. In January, we had been anticipating an April Notice of Availability but are now looking at May. As the result of the slide from April to May, the environmental Record of Decision (ROD) that was previously in the July timeframe, has now slid to August. After ROD and the Council's Determination of Adequacy, we will submit the application to FTA seeking Entry into Engineering; anticipated to be in the fall timeframe. ECCB action in July will allow us to move forward with that milestone. Moving into construction, we anticipate seeking Letters of No Prejudice from FTA as well as our local funding partners, Hennepin County Regional Railroad Authority (HCRRA) and Counties Transit Improvement Board (CTIB) for activities related to construction that would occur before the Full Funding Grant Agreement is approved by the FTA, which is anticipated to be in mid-2017. Commissioner McLaughlin asked if the approval for Entry into Engineering is when the FTA sets their hard cap on their contribution. Mr. Lamothe replied yes; the action in July is for Scope and Budget and is what we're submitting in the application. Commissioner McLaughlin asked when FTA will do a review of contingency. Mr. Fuhrmann replied that he and Mr. Lamothe are working closely with FTA to do their final risk assessment, which informs the contingency to be in percentage and dollars, and will be conducted upon conclusion of the environmental review.

Mr. Lamothe said we are looking at a full season of heavy construction in 2017 – 2019. We are still considering some early work. Testing and Revenue service are in 2020. Mr. Lamothe discussed next steps for summer 2016 as shown on slide 20. Review and approval of the Project Scope and Cost Estimate will come before the ECCB in July. It will also go to the SWLRT Corridor Management Committee, HCRRA and CTIB boards, and to the Met Council's Transportation Committee and Met Council.

Commissioner McLaughlin said the one thing to work on in the next 6 weeks is to get legislative support.

The meeting adjourned at 9:45 AM.

Respectfully Submitted,

Debby Loring
Recording Secretary