Proposed Board Action
22-ECCB-002

Item Description:
Approval of Change Order 0455 resulting in a contract cost increase and use of project contingency funds in the amount of $855,000.

Resolution:
BE IT RESOLVED, that Change Order 0455, on file with the Project Office, resulting in the use of $855,000 in Project contingency is APPROVED.

Background:
On November 15, 2018, the Metropolitan Council awarded Civil Construction Contract to LMJV, in the amount of $799,514,338.22.

On December 11, 2018, the Metropolitan Council acquired the Bass Lake Spur freight corridor from Canadian Pacific to construct the Project. As the owner of the freight corridor, the Council is obligated to maintain the freight infrastructure to FRA Class II standard. Due to the freight track proximity to LRT construction, the Council included an allowance in the Civil Construction Contract for LMJV forces to perform freight maintenance activities on the existing and new infrastructure installed as part of the LRT Project.

The Southwest Project Office is proposing an increase to the freight rail maintenance allowance by $855,000 to cover maintenance costs through 2022. The delay to civil construction has extended the Contractor’s freight maintenance responsibilities beyond the time assumed in the contract. The increased allowance will provide authorization for track inspection, rail tie replacement activities, and maintenance of the new and existing freight signals.

The Southwest Project Office will assess the balance of the allowance at the end of 2022 and determine allowance needs for 2023 at that time.