

Business Item

Transportation Committee



Committee meeting date: June 8, 2026

For the Metropolitan Council: June 24, 2026

Business Item: 2026-107

METRO Green Line Extension Aldridge Parsons Joint Venture Change Order to Contract 17P000

District(s), member(s):	District 3 (Carter), District 6 (Lilligren), District 7 (Osman), District 8 (Cameron)
Policy/legal reference:	FM 14-2 Expenditures for the Procurement of Goods, Services, and Real Estate Policy
Staff prepared/presented:	Lesley Kandaras, General Manager, 612-349-7513 Nick Thompson, Deputy General Manager, 612-349-7507 Jim Alexander, Project Director, 612-373-3880 Nic Dial, Deputy Project Director, 612-373-3974
Division/department:	Metro Transit / METRO Green Line Extension

Proposed action

That the Metropolitan Council:

- Authorize the Regional Administrator to negotiate and execute a change order for Contract 17P000 with Aldridge – Parsons, a Joint Venture (APJV) in an amount not to exceed \$14,571,036.67 for claims resolution of costs associated with an extension of time to the contract and to provide Systems maintenance activities; and
- Authorize an additional \$18 million to the current \$82.8 million cumulative change authority for Contract 17P000 with APJV, resulting in a total cumulative change order authority of \$100.8 million and a balance of cumulative change order authority of \$9.6 million after the execution of the change order.

Background

APJV is the Systems construction contractor for the METRO Green Line Extension Project. APJV submitted the low, responsive, responsible bid to the Council on June 6, 2019. On September 18, 2019, the Council awarded the Systems construction contract to APJV in the amount of \$194,411,000. APJV is responsible for the manufacture, delivery, installation, and testing of the METRO Green Line Extension light rail system components.

Systems construction, which follows Civil construction, was delayed 34½ months due to Civil construction issues known before December 31, 2021. On May 22, 2024, the Council approved a change order totaling \$43,325,177 for the extension of contract time due to this delay (BI 2024-105).

Systems construction was subject to an additional 9-month delay due to Civil construction issues known after December 31, 2021. Through the Alternative Disputes Resolution (ADR) process, staff utilized outside legal counsel and construction claims and accounting consultant experts to verify and negotiate costs associated with the extension of time and determine final costs are fair and reasonable.

Approval of this change order will close Systems cost claims due to Civil construction delays.

This change order will also include costs for required Systems maintenance activities.

Staff also seek to increase the aggregate change order authority on Systems contract above the amount of \$82.8 million previously approved by the Council (BI 2024-105) to a total authority of \$100.8 million. This increase will allow execution of the subject change order and other currently projected change orders.

Council policy FM 14-2 authorizes the Regional Administrator to amend contracts and increase contract prices as delegated by the Metropolitan Council and provides 10% aggregate change order authority of the original contract amount on construction contracts without further authorization by the Council.

Under the authority in FM 14-2, staff requests that the Council authorize an additional cumulative change order authority for Contract 17P000 as follows:

Description	Amount
Original contract value (Contract 17P000)	\$194,411,000.00
<u>Current</u> authorized cumulative change order authority	\$82,830,416.00
Value of change orders executed as of May 20, 2026	\$76,706,579.05
Current balance of remaining cumulative change order authority	\$6,123,836.95
Additional change order authority requested	\$18,000,000.00
Total authorized cumulative change order authority, if approved	\$100,830,416.00
Amount of proposed Change Order	\$14,571,036.67
<u>Balance</u> of cumulative change order authority <u>after</u> execution of the proposed Change Order	\$9,552,800.28

Rationale

Authorization to execute the change order and to increase the cumulative change order authority is necessary to complete Systems construction.

The ADR process ensures that costs are fair and reasonable, supported by data and properly vetted while reducing the potential for litigation.



Thrive lens analysis

The Council adopted Imagine 2050 on February 12, 2025, which builds on policy direction in the following Thrive MSP 2040 outcomes:

Stewardship: Transit investment provides an opportunity to reinvest and grow the capacity of our communities, with more inclusive development and intentional investment. It encourages businesses to invest in communities, which means access to resources, community amenities, jobs, and other community assets.

Equity: Connections to other METRO lines and countless local bus routes will bring people to jobs, jobs to communities, and access to communities across the region.

Livability: The METRO Green Line Extension will add 14.5 miles to the existing Green Line, which connects downtown Minneapolis, downtown Saint Paul, and places in-between. This segment connects Eden Prairie, Minnetonka, Hopkins, and St. Louis Park to both downtown Minneapolis and Saint Paul, and major destinations at the University of Minnesota and the State Capitol.

Prosperity: The METRO Green Line Extension reflects strategic investment in regional infrastructure that promotes economic competitiveness and create prosperity for the region. Despite being under construction, the METRO Green Line Extension has already seen over \$3.3 billion of investment within a half mile of the line. Another \$700 million of investment is planned.

Sustainability: As many as 700,000 more people will be living, working, and moving around the Twin Cities region by 2040. As a result, a robust transportation system is needed to provide the region with choices and more mobility.

Funding

The work for this change order is a METRO Green Line Extension Project eligible cost (Project No. 61001). Funds are available in the \$2.86 billion Project budget and included in the Council's authorized capital budget.

Small business inclusion

The DBE goal for this contract is 12%. As of September 30, 2025, DBE participation was 16.8% and ongoing participation by DBEs are expected to continue. Due to the requirements of the Interim Final Rule issued by the USDOT on October 3, 2025, the Council's Office of Civil Rights and Small Business (OCR SB) has paused counting DBE participation until the DBE reevaluation process is complete. During this pause period, OCR SB will continue monitoring the contract to ensure applicable DBE requirements are met, inclusive of all change orders. After the reevaluation process is complete, the OCR SB will resume counting DBE participation toward the DBE goal.

