

1.1 Senator moves to amend the delete-everything amendment (SCS3157A-1)
1.2 to S.F. No. 3157 as follows:

1.3 Page 95, after line 30, insert:

1.4 "Sec. 25. [473.453] COMPLETE BIDDING REQUIREMENTS; LEGISLATIVE
1.5 REPORT.

1.6 Notwithstanding the provisions of sections 471.345 and 473.3994, if the Metropolitan
1.7 Council is the responsible authority of a transit project with a total project cost of greater
1.8 than \$50,000,000, the council must notify the chairs and ranking minority members of the
1.9 legislative committees with jurisdiction over transportation finance and policy at least 30
1.10 days before bidding commences if the council's project specifications are incomplete or
1.11 subject to significant additions. The notification must include the council's reasons for
1.12 incomplete project specifications or the reasons why the significant project additions are
1.13 not included in the bidding process.

1.14 EFFECTIVE DATE; APPLICATION. This section is effective the day following
1.15 final enactment and applies to bids made on or after October 1, 2023. This section applies
1.16 in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

1.17 Sec. 26. [473.454] CONTINGENCY PLANS AND RESERVE; REPORT REQUIRED.

1.18 (a) Notwithstanding the provisions of sections 471.345 and 473.3994, a responsible
1.19 authority must establish formal contingency plans for temporarily or permanently stopping
1.20 work if:

1.21 (1) a light rail transit project will not be completed within a year of its scheduled
1.22 completion date;

1.23 (2) total expenditures on the project to date are anticipated to increase by ten percent
1.24 above the most recent cost estimate; or

1.25 (3) any of the responsible authority's civil contractors submits a schedule update with a
1.26 delay of greater than six months from the most recent estimated completion date.

1.27 (b) A contingency plan created under this section must evaluate:

1.28 (1) how the responsible authority will address any increases to the total project cost;

1.29 (2) the impact to any delay to the responsible authority's contingency budget reserves;

1.30 (3) the effect on existing contractual obligations; and

2.1 (4) a new baseline schedule for completion of the project.

2.2 Within 30 days of the contingency plan being created, the responsible authority must submit
2.3 the contingency plan to the chairs and ranking minority members of the legislative
2.4 committees with jurisdiction over transportation finance and policy.

2.5 (c) Notwithstanding any provision of law to the contrary, if a responsible authority
2.6 applies for grants from the Federal Transit Administration totaling more than \$50,000,000
2.7 and the Federal Transit Administration institutes an evaluation of the responsible party's
2.8 financial capacity, the responsible authority must report to the chairs and ranking minority
2.9 members of the legislative committees with jurisdiction over transportation policy and
2.10 finance. The report must be submitted to the legislature within 30 days of the Federal Transit
2.11 Administration initiating the review. The report must detail how the responsible authority
2.12 plans to provide sufficient funding for unexpected cost overruns and which local authority
2.13 would be responsible for providing the additional funding if necessary.

2.14 (d) A responsible authority may not adopt changes to design or construction plans for
2.15 a light rail transit project without establishing a contingency plan under this section if the
2.16 responsible authority:

2.17 (1) has insufficient funds to complete the light rail transit project; or

2.18 (2) has insufficient funds to halt the light rail transit project.

2.19 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
2.20 final enactment and applies to bids made on or after October 1, 2023. This section applies
2.21 in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

2.22 **Sec. 27. [473.455] CONTRACT SCHEDULE REQUIREMENTS; REPORT**
2.23 **REQUIRED .**

2.24 Subdivision 1. **Schedule agreement required.** (a) Notwithstanding the provisions of
2.25 sections 471.345 and 473.3994, if the council is the responsible authority for a light rail
2.26 transit project, any agreement between the council and a contractor with respect to
2.27 constructing any portion of a light rail transit project must contain a preliminary construction
2.28 schedule agreement and a proposed general baseline schedule.

2.29 (b) If the council is the responsible authority, the council must consider whether to
2.30 approve a preliminary construction schedule. A preliminary construction schedule agreement
2.31 must contain:

3.1 (1) contractual milestones needed to complete the project within the required interim
3.2 and final completion dates;

3.3 (2) a schedule for the first 180 days of work under the contract; and

3.4 (3) an initial draft baseline schedule that forms the basis of a general baseline schedule
3.5 proposed in paragraph (c).

3.6 (c) Upon approval by the council of a preliminary construction schedule, the contractor
3.7 and the council must evaluate the initial general baseline schedule set forth in paragraph
3.8 (b), clause (3), as the basis for the proposed general baseline schedule. The proposed general
3.9 baseline schedule must establish how the contractor plans to complete all contracted work
3.10 for the light rail transit project and include a detailed scope of work that includes but is not
3.11 limited to a framework that assigns costs and resources for each specifically scheduled task.

3.12 (d) If the council is the responsible authority and approves the proposed general baseline
3.13 schedule with respect to constructing any portion of a light rail transit project, the contractor
3.14 must submit monthly written status reports to the council. Any late, repeat, or incomplete
3.15 submissions by the contractor are considered a nonexcusable delay and entitles the council
3.16 to stop completed work payments under subdivision 4.

3.17 Subd. 2. **Prohibition.** If the council is the responsible authority for a light rail transit
3.18 project, construction cannot begin without an accepted general baseline schedule by both
3.19 the council and the contractor under subdivision 1, paragraph (c). The council and the
3.20 contractor must approve the preliminary construction schedule before establishing and
3.21 approving a proposed general baseline schedule.

3.22 Subd. 3. **Conditional approval.** If the council is the responsible authority for a light
3.23 rail transit project and the contractor proposes revision to either an approved preliminary
3.24 construction schedule or an accepted general baseline schedule under subdivision 1, paragraph
3.25 (d), the council must decide whether to approve the proposed revision before issuing any
3.26 further completed work payment to the contractor. If the council rejects the proposed revision,
3.27 the council must immediately suspend payments to the contractor.

3.28 Subd. 4. **Enforcement.** An agreement between the council and the contractor with
3.29 respect to constructing any portion of a light rail transit project must include provisions to
3.30 allow the council to withhold payments for completed work if the contractor is delinquent
3.31 under the general baseline schedule requirements in subdivision 1, paragraph (c), and for
3.32 conditional approval of construction as provided in subdivision 3. Withheld payments under
3.33 this subdivision must be greater than five percent and less than ten percent of the total
3.34 payment requested by the contractor.

4.1 Subd. 5. Report required. (a) If the council is the responsible authority and a preliminary
4.2 construction schedule and a general baseline schedule are approved for constructing a portion
4.3 of a light rail project, the council must submit the preliminary construction schedule and
4.4 general baseline schedule to the chairs and ranking minority members of the legislative
4.5 committees with jurisdiction over transportation finance and policy within 30 days.

4.6 (b) If the council is the responsible authority, and no agreement can be reached on a
4.7 general baseline schedule under subdivision 1, paragraph (c), the council must submit a
4.8 report to the chairs and ranking minority members of the legislative committees with
4.9 jurisdiction over transportation finance and policy within 30 days on the barriers facing
4.10 approval of the general baseline construction schedule.

4.11 (c) If the council is the responsible authority and receives notification of a proposed
4.12 revision to either the preliminary construction schedule or general baseline schedule under
4.13 subdivision 3, the council must report to the chairs and ranking minority members of the
4.14 legislative committees with jurisdiction over transportation finance and policy within 14
4.15 days of the proposed revision on the estimated impact on the project completion date and
4.16 total project cost from the proposed revision. If the council rejects the proposed revision,
4.17 the council must notify the chairs and ranking minority members of the legislative committees
4.18 with jurisdiction over transportation finance and policy within seven days of rejection.

4.19 (d) If the council is the responsible authority and withholds completed work payments
4.20 greater than \$50,000 from a contractor under subdivision 4, the council must report to the
4.21 chairs and ranking minority members of the legislative committees with jurisdiction over
4.22 transportation finance and policy within 14 days on the amount withheld, the reasons for
4.23 withholding payment, and the steps needed to address the delay.

4.24 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
4.25 final enactment and applies to bids made on or after October 1, 2023. This section applies
4.26 in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

4.27 Sec. 28. **[473.456] PEER REVIEW FOR CERTAIN PROJECT ELEMENTS;**
4.28 **LEGISLATIVE REPORTS.**

4.29 (a) For purposes of this section, the term "value analysis" has the meaning given in
4.30 section 174.15, subdivision 3, and the term "value engineering proposal" has the meaning
4.31 given in section 174.15, subdivision 4.

4.32 (b) Notwithstanding any law to the contrary, if the Metropolitan Council is the responsible
4.33 authority for a light rail transit project, the council must establish a multiparty peer review

5.1 application to initiate a multiparty peer review process with the Department of Transportation
5.2 and any counties within which a transit project is to be operated. The multiparty peer review
5.3 application must be filed within 180 days of the start date of the contract, and every 90 days
5.4 thereafter until the project is completed. The commissioner of transportation must review
5.5 the multiparty peer review application and determine whether to initiate a multiparty peer
5.6 review. In determining whether to initiate a peer review, the commissioner must apply value
5.7 analysis to either (1) the entirety of the light rail transit project, (2) a project element at risk
5.8 of delay or high costs, or (3) any new or substantial work proposed after civil construction
5.9 bidding was completed.

5.10 (c) If the commissioner of transportation determines a value analysis is appropriate after
5.11 reviewing the multiparty peer review application, or if the council estimates a project element
5.12 will exceed more than \$20,000,000, the multiparty peer review must convene and produce
5.13 a value engineering proposal report. The value engineering proposal report must be issued
5.14 by the multiparty peer review within six months after the multiparty peer review is formed.
5.15 In addition to the evaluation under section 174.15, subdivision 4, the report must analyze:

5.16 (1) improvements or efficiencies in construction methods;

5.17 (2) improvements to the change order process;

5.18 (3) an evaluation of contractor oversight and best practices;

5.19 (4) improvements or efficiencies in the procurement process; and

5.20 (5) any contractual issues arising from the transit project.

5.21 (d) With existing resources, the council is responsible for the costs of conducting and
5.22 administering the peer review and value engineering proposal.

5.23 (e) If a value engineering proposal report is submitted under this section, the report must
5.24 be submitted within 30 days to the chairs and ranking minority members of the legislative
5.25 committees with jurisdiction over transportation policy and finance.

5.26 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
5.27 final enactment and applies to bids made on or after October 1, 2023. This section applies
5.28 in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

5.29 **Sec. 29. [473.46] PROJECT COMPLETION DELAY NOTIFICATION**
5.30 **REQUIREMENT.**

5.31 (a) Notwithstanding the requirements in Laws 2022, chapter 39, section 2, the responsible
5.32 authority for a light rail transit project must provide status updates on the light rail project

6.1 to the chairs and ranking minority members of the legislative committees with jurisdiction
6.2 over transportation policy and finance. The status reports must be provided biannually by
6.3 January 1 and July 1 and must include:

6.4 (1) total expenditures on the project during the previous three months as compared to
6.5 projections;

6.6 (2) total expenditures on the project during the next three-, six-, and nine-month intervals;

6.7 (3) total expenditures on the project to date;

6.8 (4) the total project cost estimate; and

6.9 (5) any change in the date of anticipated project completion.

6.10 (b) The responsible authority must notify the chairs and ranking minority members of
6.11 the legislative committees with jurisdiction over transportation policy and finance within
6.12 seven calendar days when:

6.13 (1) the authority is deliberating whether a delay in the light rail project completion date
6.14 of three months or more beyond the estimated completion date is likely to occur; and

6.15 (2) the authority is deliberating whether an increase to the total light rail project cost is
6.16 anticipated to increase by \$50,000,000 or five percent or more above the most recent cost
6.17 estimate, whichever is less.

6.18 (c) A responsible authority providing a status report under this section must initiate a
6.19 multiparty peer review as provided under section 473.456 and conduct separate value
6.20 engineering studies for individual project elements expected to cause the delay or increase
6.21 in project cost within 30 days of filing the status report to the legislature.

6.22 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
6.23 final enactment and applies to bids made on or after October 1, 2023. This section applies
6.24 in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

6.25 Sec. 30. **[473.461] SETTLEMENT EXPENSES; LEGISLATIVE REPORT.**

6.26 If the council is the responsible authority and enters into a settlement agreement with a
6.27 contractor in association with the construction of a light rail transit project, the Metropolitan
6.28 Council must submit a settlement expenditure notification to the chairs and ranking minority
6.29 members of the legislative committees with jurisdiction over transportation policy and
6.30 finance within 21 calendar days. The settlement expenditure notification must include:

6.31 (1) the terms of the settlement agreement;

- 7.1 (2) the total expenditure of the settlement agreement;
- 7.2 (3) whether the settlement agreement will lengthen the timeline for construction of the
- 7.3 light rail project;
- 7.4 (4) whether the settlement agreement resolves all outstanding disputes between the
- 7.5 council and the contractor;
- 7.6 (5) whether the settlement agreement increases estimated project expenses and costs;
- 7.7 and
- 7.8 (6) whether the settlement agreement requires the council to participate in alternative
- 7.9 dispute resolution.
- 7.10 **EFFECTIVE DATE; APPLICATION.** This section is effective the day following
- 7.11 final enactment and applies to bids made on or after October 1, 2023. This section applies
- 7.12 in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. "
- 7.13 Renumber the sections in sequence and correct the internal references