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Saint Paul, Minnesota 55155

The Honorable Brad Tabke, Co-Chair
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The Honorable Scott Dibble, Chair
95 University Ave W
Minnesota Senate Building, Rm 3107
Saint Paul, Minnesota 55155

The Honorable John Jasinski
95 University Ave W
Minnesota Senate Building, Rm 2227
Saint Paul, Minnesota 55155

August 12, 2026

Re: Met Council Response to MnDOT Oversight Reporting on Light Rail Transit

Dear Legislators,

The Metropolitan Council is pleased to provide this response to MnDOT's report as required by [Minn. Stat. 473.3999](#), Subd. 2.

This response details Metropolitan Council response, as required, to MnDOT's recommendations related to the identification of a critical path schedule for the planning and design phases of the Blue Line Extension project as defined in Minn. Stat. 473.3999, Subd. 2(a)(2)(i). MnDOT's report was submitted to the Legislature and Metropolitan Council on July 9, 2026.

Please contact me if you have questions or comments about this report.

Sincerely,

A handwritten signature in blue ink that reads "Robin Hutcheson".

Robin Hutcheson
Chair

cc: Nancy Daubenberger, P.E., Commissioner, MnDOT

Legislative Request

This report is issued to comply with [Minn. Stat. 473.3999](#), Subd. 2.

473.3999 LIGHT RAIL TRANSIT CONSTRUCTION; COUNCIL AUTHORITY; STAFF ASSISTANCE; PROJECT MANAGER QUALIFICATIONS.

Subdivision 1. Powers.

The council may exercise the powers granted in this chapter and in other applicable law, as necessary, to plan, design, acquire, construct, and equip light rail transit facilities in the metropolitan area as defined in section 473.121, subdivision 2.

Subd. 2. Staff and project assistance required; Department of Transportation.

(a) Notwithstanding any cooperative agreement between the commissioner of transportation and the council in section 473.3994, subdivision 1a, if the council is the responsible authority, the commissioner of transportation must provide staff and project assistance to the council for review and oversight of the project's development. The council must utilize the Department of Transportation staff and project assistance for:

- (1) the appropriate delivery method selection for the design, planning, acquisition, construction, and equipping of light rail transit projects;
- (2) risk assessment analysis and cost analysis in the planning, designing, and construction of a light rail transit facility or a new light rail transit project, including but not limited to:
 - (i) a critical path schedule for the planning and design phases of a project developed jointly by the council and the commissioner of transportation;
 - (ii) peer reviews or value engineering reviews at various milestones established in the critical path schedule created under item (i); and
 - (iii) council participation in cost estimate reviews by third-party independent cost estimators in conformance with Federal Transit Administration regulations and guidance;
- (3) contractor and subcontractor schedule analysis and contractual requirements, including but not limited to:
 - (i) development and review of requests for proposals and bid documents prior to advertisement and solicitation;
 - (ii) review of bids submitted prior to the award of bids;
 - (iii) review of draft contractual language prior to the execution of project contracts;
 - (iv) review of change orders for major cost items exceeding \$500,000 and schedule delays of more than 30 calendar days prior to the execution of a change order; and

(v) participation in any dispute resolution process that may arise to address competing claims or disputes between a contractor and the council;

(4) light rail transit project cost management and budget analysis for the planning, designing, and construction of a light rail transit facility or new light rail transit project, including but not limited to:

(i) recommendations to address or manage cost overruns or discrepancies, funding sources, contingency funding sources and availability, and the management of state or county financial resources;

(ii) recommendations on appropriate contractual enforcement mechanisms and penalties for any council agreement with a contractor for a light rail transit project; and

(iii) the development of future cost estimates and communication of projected cost for a light rail transit project; and

(5) any other areas of expertise that the Department of Transportation may offer.

(b) The council must provide the commissioner of transportation all relevant information required by this section.

(c) Staff from the Department of Transportation providing project assistance to the council must report to the commissioner of transportation. Staff assistance from the Department of Transportation must include at least one licensed professional engineer.

(d) If the commissioner of transportation provides the council with staff and project assistance for the development of a light rail transit project as provided under this section, the commissioner must submit and detail all recommendations made to the council to the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance within 30 days of submitting its recommendations to the council.

(e) The council must give strong consideration to utilizing input or recommendations developed by the commissioner of transportation. If the council decides against utilizing input or recommendations from the department, the council must reconcile significant deviations to the extent practicable, and that portion of the project cannot move forward from the critical path schedule's milestone until the recommendation is reconciled. If the council has sufficient reasoning to justify not utilizing input or recommendations from the department, the council must, within 30 business days, provide written notice and documentation of the decision to the department and the chairs and ranking minority members of the legislative committees with jurisdiction over transportation policy and finance. The notice and documentation must provide the reasons why the council is not utilizing the input or recommendations provided by the department.

Subd. 3. Project costs.

The project budget is responsible for costs incurred by the commissioner of transportation for duties required in this section. The council must only use direct

appropriations in law or federal sources to pay its portion of light rail transit capital construction costs.

Subd. 4. Project manager; qualifications.

If the Metropolitan Council is the responsible authority, the council must select a qualified project manager and lead project engineer with at least ten years' transportation industry experience to lead the planning, design, acquisition, construction, or equipping of a new light rail transit project.

EFFECTIVE DATE; APPLICATION.

This section is effective the day following final enactment. Subdivision 2 does not apply to the Southwest light rail transit (Green Line Extension) project. This section applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

MnDOT Recommendations Report #3 and Metropolitan Council Responses

MnDOT Recommendation #1:

This comment was initially made by MnDOT on December 23, 2024, and responded to on January 21, 2025, by Council, and then again made by MnDOT on July 18, 2025, and responded to on August 15, 2025, by Council. The Council has no additional comments.

MnDOT Recommendation #2:

This comment was made by MnDOT on December 23, 2024, and responded to on January 21, 2025, by Council. The Council has no additional comments.

MnDOT Recommendation #3:

This comment was made by MnDOT on December 23, 2024, and responded to on January 21, 2025, by Council. The Council has no additional comments.

MnDOT Recommendation #4:

This comment was made by MnDOT on July 18, 2025, and responded to on August 15, 2025, by Council. The Council has no additional comments.

MnDOT Recommendation #5:

This comment was made by MnDOT on July 18, 2025, and responded to on August 15, 2025, by Council. The Council has no additional comments.

MnDOT Recommendation #6:

MnDOT recommends the Council seek MnDOT assistance when executing contract amendments to the planning, design, and construction contracts in excess of \$500,000. The legislation requires that the Metropolitan Council (Council) use MnDOT staff and project assistance for development and review of proposals and change orders for major cost items exceeding \$500,000 and schedule delays of more than 30 calendar days prior to the execution of a change order. Prior to this reporting cycle, the Council understood the legislation to refer to the construction phase contract change orders. MnDOT and Council project leadership discussed and all future contract amendments in all phases in excess of \$500,000 and schedule delays of more than 30 calendar days will be provided to MnDOT for review prior to execution of a change order.

Metropolitan Council Response:

The Council has provided all contract amendments and change orders in excess of \$500,000 to MnDOT for review prior to execution.

MnDOT Recommendation #7:

MnDOT recommends the Council appoint a lead project design engineer or an acting lead project design engineer to lead the on-going planning and design phase of the Blue Line project. The Director of Design and Engineering resigned in June of 2025. MnDOT

recommends the Council appoint a lead project engineer or an acting project design engineer to lead the planning and design phase of the Blue Line project.

Metropolitan Council Response:

In response to this recommendation, and following the resignation of the previous lead project engineer, the Council has identified the Track/Systems Design Lead to also serve as the lead project engineer, per [Minn. Stat. 473.3999](#), Subd. 4. As the BLE project progresses, the Council will continue to discuss this recommendation and other staffing needs with MnDOT.

For further awareness regarding the engineering expertise on this project, the Blue Line Extension project staffing includes five full-time and five part-time engineers employed by Council, Hennepin County, and MnDOT. These staff positions working on the BLE project include:

- Track/Systems Design Lead by Council (lead project engineer)
- Civil Project Design Lead by Hennepin County
- MnDOT lead of Review/Coordination for MnDOT required design reviews and Specification Coordination
- Structures and Bridges Engineering Lead by MnDOT
- Utilities Lead by MnDOT (currently vacant)
- Traffic Engineering by Hennepin County

In addition, MnDOT invoices the Council for several full-time and part-time engineers and staff that serve a variety of project roles, including Right of Way, Oversight Lead, and Transit Sector Director.

On light rail projects, the Engineer of Record is the Engineering Services Consultant. The Engineer of Record is responsible for design plans and specifications and will be accountable to sign the completed design plans and specifications prior to bidding.

As the BLE project progresses from design to construction, and as changes to staffing for the BLE project occur, the Council will continue to discuss this recommendation with MnDOT. As construction of the Green Line Extension (GLE) nears completion, engineering and project staff from the GLE project are transitioning to the BLE project in full-time and part-time positions in many areas of expertise, including but not limited to design, project controls, and construction. This continuity of design, project controls, and construction staff for the BLE project improves the review of plans, specifications, bidding documents, constructability reviews, and construction management.

MnDOT Recommendation #8:

MnDOT recommends that labor hours be included in the detailed design schedule and associated with contracted deliverables. A fully developed design schedule with task level detail associated with labor hours will enable the Council to review the designers progress for payments, track contract modifications and fees associated with changes in

design scope of work and better forecast the completion of design work. The Council recently requested examples of resource loaded project schedules to assist in this task.

Metropolitan Council Response:

With the design exceeding 90% completion, the Council would like to discuss this recommendation further with MnDOT as it would represent a change of current practice and industry standard at a time when the project nears the end of engineering and design. Another consideration the Council would like to discuss is that revising the contract as the project approaches design completion would result in additional cost and fees that are not currently budgeted. As previously planned, the Council will be consistent with the recommendation to resource load the project once it transitions to the construction phase in the near future.

For additional context, the BLE is a design-bid-build project, with Best Value Procurement for the main civil/systems construction package. The BLE project design is being performed by engineering consultants who are the Engineer of Record and are responsible for adequately resourcing the project to meet the contractual design schedule.

The Council's contract with the engineering services consultant, as written, requires the consultant to submit monthly project reports, which describe their progress on the work and state their overall percentage of completion on each work item and phase of the work. This closely follows similar practices that MnDOT and Hennepin County use with their design contracts and is the industry standard. This report structure and process include a review of monthly invoices, and review of progress of the monthly design schedule. On the BLE, the tracking of design progress is monitored by engineering and project staff from the Council, Hennepin County, and MnDOT. Due to the complexity of the BLE project, a separate BLE project management consultant provides scheduling expertise for the BLE project, including performing monthly design schedule updates in coordination with the BLE design consultant.

For federal Capital Investment Grant (CIG) projects like the BLE, the Federal Transit Administration (FTA) provides specific oversight of the project schedule at the engineering and construction phases. The BLE project is currently in the Engineering phase of the FTA CIG program. For this phase, the FTA requires the design schedule include continuation of planning phase tasks plus engineering phase tasks, value engineering, third party agreements, utility provider coordination, initial development of real estate acquisition planning, permits, agreements, and approvals, FTA requirements, and a schedule roadmap to support project sponsor requests to enter the FFGA phase. Engineering, procurement, bid and award, construction, system integration and startup and testing, and contract closeout tasks must be summary in nature but with enough detail to identify interface points among tasks and phases, with justification for estimated durations and sequences. The Basis of Schedule required by FTA must clearly document all schedule assumptions and details that match the assumptions indicated in the Basis of Estimate for the project budget. The FTA has reviewed the BLE

schedule and indicated it is in compliance with the requirements as identified by the CIG program.

As previously mentioned above, the Council will be consistent with the recommendation to resource load the project once it enters the construction phase. As with other transitway construction contracts managed by the Council and will be the case for the BLE, the BLE construction contract is required to produce a resource loaded schedule per the Council's Construction Schedules and Reports specification 013216: "The Construction Project Schedule shall be resource loaded. Resource loading shall include all crews required to complete each work activity and the crews shall be defined in the Baseline Narrative Report including expected labor and major equipment. Crews shall be loaded at one unit per duration day of the activity. Schedule resource loading and the associated crew definition, in coordination with other sources, will be used to determine if the Activity durations are reasonable and the schedule is practicable." This is further outlined in FTA's Oversight Procedure (OP) #34 Project Schedule Review, where project sponsors must require contractors to resource load schedules.

Additional Council comments:

In addition to responses to recommendations above, the Council would like to highlight lessons learned incorporated from the Green Line Extension LRT project that have and will continue to provide value and strong foundations for the Blue Line Extension project as it advances. These highlights include:

Independent Cost Estimates: The Blue Line Extension team is utilizing a consultant separate from the Engineer of Record to perform a cost estimate for the project budget. This independent consultant will continue to perform cost estimates through the construction project.

Avoiding Major Project Changes: The Blue Line Extension team has worked diligently with project partners, including Hennepin County, the cities of Brooklyn Park, Crystal, Robbinsdale, Minneapolis, and MnDOT, as well as Metro Transit Operations and Maintenance teams and Green Line Extension construction staff on a thorough review of project plans and specifications to eliminate the need for major project changes. While it is simply not practical to assume there will be no change orders, there are no major scope elements that are contemplated for addition to the project scope via change order after award of the construction contract. All contemplated major scope elements have been included in the project plans and specifications. Major project scope elements that are changing, for example, the change in a parking structure at the Oak Grove Station from structured to surface, will be incorporated in final design plans before a construction bid package is advertised for park and rides, which are generally in a separate BLE contract package than the civil/systems contract.

Finally, of note, the Council is required, as part of the FTA CIG, to submit comprehensive management plans to document to the FTA that the Council has the staff expertise and management capability to construct and operate the Blue Line Extension project. To that end, the Council has prepared management plans that

document our ability to manage design quality, constructability, claims, configuration management, schedule and contract administration. The FTA must concur and approve these plans before a federal grant can be awarded and construction can begin. These management plans are available upon request for review.

The Council appreciates MnDOT's partnership, oversight, and expertise and looks forward to continued engagement with them on their recommendations. The Council would be also happy to meet with you to discuss MNDOT's recommendations and the Council's response.

Attachments: Met Council Response to MnDOT Oversight Reporting on Light Rail Transit (August 2025)

 Met Council Response to MnDOT Oversight Reporting on Light Rail Transit (January 2025)