

Committee Report

Management Committee



Committee meeting date: March 11, 2026

For the Metropolitan Council: March 25, 2026

Business Item: 2026-63

METRO Green Line Extension LRT Project: Amendment No. 7 to Light Rail Vehicle Contract 15P148 with Siemens

Proposed action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute an amendment to Contract 15P148 with Siemens Mobility, Inc. for light rail vehicles in support of the METRO Green Line Extension Project to amend the Dispute Resolution clause in the Contract.

Summary of Management Committee discussion/questions

The Business Item was presented by Jim Alexander, Project Director, and Patrick Lee-O'Halloran, Associate General Counsel.

Member Jenkins asked if Siemens is agreeable to the contract changes. Alexander responded that he has had extensive conversations with his counterpart at Siemens and they are on board with this process.

There was a discussion of attorney/client privileged matters relating to this business item in closed session.

Motion by Lilligren, seconded by Morales. Motion carried.



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District(s), member(s):	All
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 GM Capital Programs, 612-349-7507 Jim Alexander, Project Director, 612-373-3880 Patrick Lee-O'Halloran, Associate General Counsel, 651-602-1689
Division/department:	Office of General Counsel, Metro Transit / METRO Green Line Extension

Proposed action

That the Metropolitan Council authorize the Regional Administrator to negotiate and execute an amendment to Contract 15P148 with Siemens Mobility, Inc. for light rail vehicles in support of the METRO Green Line Extension Project to amend the Dispute Resolution clause in the Contract.

Background

The Metropolitan Council entered into Contract 15P148 with Siemens Mobility, Inc. on December 22, 2016, for the procurement of twenty-seven light rail vehicles for the METRO Green Line Extension Project.

The Contract has subsequently been amended due to Project requirements as follows:

- Amendment No. 1 (April 7, 2017) was administrative and modified Contract terms
- Amendment No. 2 (September 18, 2017) was administrative and modified Contract terms
- Amendment No. 3 (February 15, 2019) added \$3,075,000
- Amendment No. 4 (March 25, 2019) was administrative and modified Contract terms
- Amendment No. 5 (October 31, 2019) was administrative and modified Contract terms
- Amendment No. 6 (September 3, 2021) reduced the Contract value by \$428,403

Amendment No. 7 will replace Article XI – Dispute Resolution with a structured Alternative Dispute Resolution (ADR) process. ADR is an industry best practice that includes:

- Step negotiations where the parties resolve disputes directly.
- Evaluative mediation for disputes not resolved in step negotiations. The evaluative mediator works with the parties to resolve the differences. If no resolution is reached, the evaluative mediator will issue an opinion.
- Any issues not resolved in evaluative mediation will go to binding arbitration. The arbitrator

will issue a binding award on these disputes.

Amendment No. 7 will also add funds in the amount of \$3 million to address Contractor claims of schedule delay, for a total Contract not-to-exceed amount of \$123.7 million. Section 5.02 of the Contract will be updated accordingly.

Rationale

This action is necessary to complete the commissioning of light rail vehicles and expeditiously resolve disputes between the parties, while ensuring that Siemens' claimed costs are properly vetted and documented. An increase in the not-to-exceed value of the Contract will allow the Council to continue resolving matters through ADR while light rail vehicle commissioning is ongoing.

The ADR process will ensure that costs are 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, education, resources and connect diverse and vibrant communities across the region.

Livability: The METRO Green Line Extension will add 14.5 miles to the existing 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 will promote economic competitiveness and create prosperity for the region. Despite being under construction, the METRO Green Line Extension has already seen \$3.3 billion of investment within a half-mile of the line. Another \$694 million of investment is planned.

Sustainability: Over 650,000 more people will be living, working, and moving around the Twin Cities region by 2050. As a result, a robust transportation system is needed to provide the region choices and more mobility.

Funding

The cost for this amendment is a METRO Green Line Extension Project (61001) eligible cost. Funds are available in the Project (No. 61001) budget and included in the Council's authorized capital budget.

Small business inclusion

The Office of Equity and Equal Opportunity (OEEO) did not establish a Disadvantaged Business Enterprise (DBE) goal for this procurement. Transit vehicle manufacturers are required to submit DBE programs plans directly to FTA. The FTA maintains a list of approved transit vehicle manufacturers and the Council may only purchase transit vehicles from that list.

