

MassDOT

GLX Review Update

October 21, 2015



GLX Report to the Governor

- MassDOT has committed to deliver to Governor Baker and the MassDOT Board/FMCB a report on the Green Line Extension Project by the December 9 joint board meeting. At its most basic level, the report will answer four questions:
 - How much will the project cost?
 - How will we deliver it?
 - How will we pay for it?
 - What are the next steps to implementation?
- The overall goal of the ongoing analysis is twofold:
 - To establish what went wrong and prevent it from happening again
 - To establish the credibility and resources to build an appropriately scoped project
- To accomplish this goal, we have developed an internal process and hired three outside consultant teams to focus on underlying issues of concern.

Internal Analysis

- The Secretary, the General Manager, and the Chief Administrator serve as the Executive Team that oversees the internal analysis of the GLX Project, holding frequent check-in meetings.
- Underneath the Executive Team, there is a Project Team that meets as needed (often daily) to manage the process. The team is composed of the following MassDOT staff: the Chief of Staff, the Assistant Secretary for Policy Coordination, the Deputy Chief Operating Officer, the Assistant Secretary for Procurement, the General Counsel, and the Executive Director of Planning.
- The Analysis is divided into seven topic areas or “threads:”
 - Look-Back Analysis
 - Project Delivery
 - Cost Reduction
 - Risk Analysis
 - Revenue
 - Sources and Uses
 - Communication/Outreach

Thread Updates – Foundational Work

- The Look-Back Analysis, the Project Delivery Review, and the Cost Reduction Work are the foundation upon which most of the future decisions about the project will be made. MassDOT has retained outside experts to assist in this work.
- Look-Back Analysis
 - Reviewing pertinent documents
 - Interviewing all involved staff and consultants (past and current)
 - Coordinating with Project Delivery team
- Project Delivery Review
 - Reviewing past RFPs, proposals, contracts, and project correspondence
 - Interviewing WSK and professional services firms
- Cost Reduction Work
 - Internal work has been underway
 - Outside consultant team just hired and getting underway immediately

We Have Retained Expert Assistance

- We have engaged outside legal assistance from **Nossman LLP** and **Foley Hoag LLP** to provide analysis of our project delivery method and our current professional services teams.
- We have engaged the **Berkeley Research Group**, a strategic advisory firm, to perform the 'look-back analysis' and help us to understand how we have gotten to where we are.
- We have engaged the **Arup Group** to undertake a cost-reduction design review process.

Thread Updates – Ongoing Internal Work

- The other threads are ongoing and are being managed and staffed entirely with in-house resources (a combination of MassDOT and MBTA staff). While much of this work will pivot off of the work of the other foundational threads, work is nonetheless ongoing on a parallel track in order to keep to the schedule.
- Risk Analysis
 - Reviewing requirements and commitments under MEPA, NEPA, New Starts Full Funding Grant Agreement, and the State Implementation Plan and preparing matrices that map against potential project changes.
 - Prepared a matrix of acquired land and known environmental remediation requirements.
 - Analyzing project-related commitments to third parties.
- Financial Sources and Uses
 - Documenting contract values, expenditures, and remaining funds and time.
 - Calculating average burn rates, by contractor.
 - Determining sunk costs to-date and under future scenarios.
- Revenue Options
 - Analyzing potential opportunities for third-party contributions.
 - Analyzing potential opportunities for additional federal funding.

Status of GLX Contracts

- IGMP 1 is for the purchase of long lead items including traction power substations, signal equipment and superstructure steel. The contract was awarded in October 2014 for \$32.2 million. Work is expected to be completed by August 2016.
- IGMP 2 is for utility relocations at various locations, including the construction of temporary utility bridges adjacent to existing structures at Medford Street, Broadway and School Street. The contract was awarded in October 2014 for \$18 million. Work is expected to be completed by December 2016.
- IGMP 3 is for Millers River drainage improvements and the relocation of the Fitchburg commuter rail tracks. The contract was awarded in October 2014 for \$116.6 million. Work is expected to be completed by September 2016.
- IGMP 4A is for the purchase, fabrication and delivery of structural steel, girders and tubs. The contract was awarded in November 2014 for \$39.6 million. Work is expected to be completed by March 2017.

We Are Controlling Expenditures

- IGMPs 1, 2, and 3 are proceeding.
- Select portions of steel fabrication are underway for IGMP 4A. Where portions of the viaduct are under VE evaluation, no work beyond the shop drawing phase is progressing.
- IGMP 4 will not be awarded, in whole or in part, until both boards have agreed on the go-forward strategy.
- The MBTA has taken action to limit professional service costs.

Schedule Implications

- Recommendations will be presented to both boards at the December 9 meeting.
- Many of the recommendations implicate schedule and will result in a delay of the project in order to “right the ship.” As an example,
 - We may choose new project delivery methods or new professional service firms, which will need to be procured.
 - We may opt to value engineer the project, engage in redesign, or change the construction means and methods.
 - We may need to seek additional legislative authorization for state bonding.
 - We will need to submit a new Finance Plan in support of the New Starts Full Funding Grant Agreement.
- All of these possibilities, as well as others that we have not yet begun to consider, make it likely that the GLX Project is unlikely to occur until Spring 2016 at the earliest.