



# Southwest Light Rail Transit

Project Description

July 2022

## BACKGROUND

The Metro Green Line Extension, also known as the Southwest Light Rail Transit (SWLRT) project, includes the construction of light rail tracks, infrastructure, and stations along a 14.5-mile route connecting downtown Minneapolis, St. Louis Park, Hopkins, Minnetonka, and Eden Prairie.

The Metropolitan Council is responsible for overseeing the design, engineering, construction, and future operation of the light rail line. Although the council is a state entity, the project has been funded almost entirely from federal and local sources.

In January 2022, the Metropolitan Council announced that the project's budget had been increased to \$2.74 billion, more than double the estimate from nine years ago. Further, the council's estimates of the date the line will open to the public have repeatedly been pushed back. Once scheduled for 2017, the council's current estimate is 2027.

## EVALUATION ISSUES

1. What are the primary reasons for delays and cost increases in the SWLRT project?
2. Has the Metropolitan Council properly managed the project's schedule and costs?
3. Was there sufficient Metropolitan Council scrutiny of the route decisions and design choices that have subsequently required substantive changes to project costs or plans?

## DISCUSSION

In March 2022, the Minnesota Legislature directed the Office of the Legislative Auditor to "conduct a special review, program evaluation, or a combination of the two, of the Southwest

light rail transit project."<sup>1</sup> Our office is currently completing a special review that describes the timing and scope of project delays and cost overruns. Many of the decisions that contributed to the delays and overruns occurred prior to the start of construction in 2018.

This program evaluation will focus on the cost increases and completion delays that have occurred during construction. In particular, we will assess how the Metropolitan Council has overseen the work of its major contractors. We will focus on (1) instances where the council and the contractor agreed to increase costs or add scope after the contract was concluded, and (2) instances where the work completed did not conform to contract specifications.

Although large construction projects typically encounter some cost changes and nonconforming work, we believe the extensive cost overruns and delays in this project demand particular scrutiny. In addition to assessing the Metropolitan Council's oversight of its construction contractors, we will consider whether incomplete or infeasible early designs and cost estimates led to unrealistic budget and timeline expectations.

We do not plan to evaluate whether cost overruns and project delays could have been avoided had a different route been chosen. We cannot know what construction obstacles or delays would have been encountered had planners chosen a different route. However, we hope to explore whether planners foresaw, or should have foreseen, the difficulties that the project has experienced in its current location.

The evaluation is scheduled to be completed in early 2023. For additional information, contact David Kirchner, evaluation manager, at 651-296-3322 or [david.kirchner@state.mn.us](mailto:david.kirchner@state.mn.us).

<sup>1</sup> *Laws of Minnesota 2022*, chapter 39, sec. 1(a).