

SUMMARY MINUTES
DULLES CORRIDOR COMMITTEE
MEETING OF SEPTEMBER 21, 2016

Mr. Mims called the September 21 Dulles Corridor Committee Meeting to order at 10:10 a.m. A quorum was present during the Meeting: Ms. Hanley, Co-Chair, Mr. Caputo, Mr. Curto, Mr. Griffin, Ms. Lang, Ms. Merrick and Mr. Session, and Mr. McDermott, *ex officio*. Mr. Adams, Mr. Gates, Mr. Pozen, Mr. Sudow, Mr. Tejada, Ms. Wells, and Mr. Williams were also present.

Quarterly Dulles Corridor Metrorail Project Cost and Schedule Update for Phase 1 as of July 31, 2016. Charles Stark, Executive Director of the Dulles Corridor Metrorail Project (Project), reported that \$22.8 million had been spent in the second quarter of 2016 for a total of \$2.869 billion in expenditures. He also reported that the total forecast at completion remains at \$2.982 billion.

Mr. Stark reviewed the remaining items as part of the closeout status noting that the majority of remaining work consists of the Virginia Department of Transportation (VDOT) punch list items which contractually are being handled as Warranty and Latent Defect Items. He estimated that Dulles Transit Partners (DTP) will provide formal responses to all open VDOT punch list items in September 2016.

With regard to the Washington Metropolitan Area Transit Authority (WMATA) facilities, Mr. Stark stated that Art-in-Transit was completed in April and Automatic Train Control (ATC) remote terminal units were completed in March. Mr. Stark advised that completion of the traction power remote terminal unit upgrade was expected in September. He reported that the remaining work on the ATC Training Equipment was expected to be completed in October, and the estimated completion date for the third rail heater controllers' work is March 2017.

Mr. Stark reiterated from last quarter's report that the majority of the remaining work in the closeout of the VDOT Comprehensive Agreement is DTP's responsibility. The Metropolitan Washington Airports Authority (Airports Authority) is to perform remaining work via the Phase 1 Task Order Contract. Mr. Stark reported that of the Task Orders with Notice to Proceed (NTP), 26 had been issued and 16 had been completed. The largest outstanding task orders were: heat tape upgrades (NTP had been issued, WMATA track access was being pursued with access anticipated

for early October 2016); Old Meadow Road Conceptual Study--contractor proposal evaluation was in progress (goal for decision is the second week in October 2016); and that concrete pavement repairs were on hold pending resolution of sewer pipe deficiencies.

Mr. Stark reported that in April 2015, Verizon provided evidence of "Prior Rights" which meant that the Airports Authority was responsible for the fiber optic communication duct bank relocation costs. Mr. Stark explained that an alternative design concept was being evaluated to avoid the cost and time of the duct bank relocation. He stated that a decision point goal had been set for October 2016, at which time property acquisition/permit drawings should also be completed. The property acquisition process for right-of-way was expected to occur between October 2016 and October 2017. Completed final design was scheduled for March 2017 with the construction award in September 2017. Construction was scheduled to occur between September 2017 and April 2018.

Ms. Hanley asked about the dollar amount spent during the second quarter on Phase 1 and commented that it seemed high. Mr. Stark explained that the Airports Authority was still paying for 64 of the rail cars that had been delivered to WMATA and are in service, and that the quarterly expenditures largely reflected the costs of those rail cars. Ms. Hanley then asked if the Airports Authority is near the end of payments for the rail cars. Anne Field, Metrorail Project Controller, responded that the Airports Authority would be paying for the rail cars since these are long-term milestones that extend for the next two to five years.

Mr. Griffin asked for a description of the third rail heater controllers referenced in the paper provided for the day's meeting. Mr. Stark explained that the heat tape controllers are the devices that turn on the third rail heat heaters when the temperatures are below freezing that prevent the rails from freezing in snowy, cold conditions. He stated that they were found defective in that they did not provide the necessary heat and the Project committed to replacing those controllers. Mr. Griffin then asked if it would not be more useful to replace the controllers earlier than March 2017 since cold conditions are likely to exist by December. Mr. Stark agreed that a December replacement would be better, and explained that the problem had been obtaining a site specific replacement plan. He stated that recent efforts had been made to have plans approved by WMATA through the safety organization. Mr. Griffin stated that he understood the problem, but that it would seem better to

have the heat tape controllers replaced by December since the winter season would be over by March.

Dulles Corridor Metrorail Project Monthly Cost and Schedule Update for Phase 2 as of July 31, 2016. Mr. Stark reported that \$7.4 million had been spent in July for a total of \$833.8 million in expenditures. He also reported that the total budget and forecast completion remains at \$2.778 billion. Mr. Stark stated that \$92 million in contingencies had been utilized through June, and that \$5 million in contingencies were utilized in July, for a total of \$97 million, leaving the remaining contingency at \$454.5 million. He reviewed the contingency utilization for Package A (Capital Rail Constructors (CRC)).

Mr. Stark then reviewed individual contingency utilization items as listed in the paper provided for the day's meeting, and discussed current activities, noting that design is complete, that two of three minor, non-scheduled critical 100 percent submittal packages were received and evaluated, and an additional six packages were to be issued for construction. He noted that 17 permit amendments were issued due to design revisions, and that the Department of General Services approved design for the final station at Ashburn and issued the permit on August 5.

Mr. Stark reviewed continuing activities for the three eastern stations, and noted that the major accomplishments in July included casting bridge decks over the Broad Run Bridge and continuing to install decks and girders at the Airport for the aerial guideway, where they cast the first straddle bent over the Greenway. Mr. Stark then reviewed several current activities underway, referencing photos that depicted the activities that were provided as part of the Board presentation.

Mr. Stark then reported on the Package B contingency utilization and reported on the individual projects as follows: the yard sectionalization change required by WMATA was \$539,000; the service and inspection building overhead platform design and installation was \$349,000; the increased capacity of the dock leveler capacity change in the warehouse building was \$41,000; the communications rooms and exit stair change design was \$9,000; the change from aluminum to copper cables was \$7,000; and the installation of skylights in lieu of clerestory windows due to a change in Virginia's daylight requirement, was settled at zero cost, so \$79,000 went back into the contingency. Mr. Stark further advised

that there was a VDOT waterline valve installed for the rail yard service for \$81,200.

Currently at the rail yard, Mr. Stark reported that the construction of all at-grade and underground facilities had been permitted and were proceeding, blasted rock had been crushed, screened and stockpiled, as final grading, storm and sanitary utility installation and yard layout continued, and efforts were concentrated in the Service and Inspection Building basement walls, hoist pit slabs and walls, and traction power distribution ductbanks. He listed the following upcoming projects: 1) construction of all facilities; 2) advance project wide design documents to 100 percent and 'Issued for Permit'; 3) resolve open WMATA design issues; 4) review shop documents and revised design documents; and 5) resolve open contract issues.

Mr. Stark then reviewed photos depicting work underway at several of the current construction activity sites.

Mr. Sudow asked about open contract issues referenced during the presentation, and Mr. Stark advised that there were open change order and schedule change increases pending. Mr. Sudow asked about the number of remaining change orders. Mr. Stark advised that he did not have an exact number but estimated there to be about 20 active change orders. Mr. Sudow asked about the maximum dollar amount of those change orders, and Mr. Stark responded that he would prefer not to provide that information due to the current ongoing negotiation of those matters.

Dulles Corridor Metrorail Project Phase 2 – Package B Quarterly Update. Richard Cohen of Hensel Phelps reported on the contract status for Phase 2, Package B. He stated that he would provide information on the contract/project overview, safety, schedule, project status, Disadvantaged Business Enterprise (DBE) participation and diversity projection. Mr. Cohen stated that the awarded contract value had been \$252,989,000, about \$409,082 in change orders had been received, and that there had been 51 directive letters totaling about \$4,500,000, with the current contract value at approximately \$258,000,000.

Mr. Cohen stated the following outstanding cost and scheduling impacts have affected the contract progress: differing site conditions, which are almost completed, owner directive changes, as well as owner-requested change orders, and design delays that were being addressed.

Mr. Cohen stated that from a safety perspective, the team continues to do an outstanding job. He pointed out that 620 people have been trained with no lost time since the project's commencement. Mr. Cohen reported that there were two Occupational Safety and Health Administration recordables, including one bee sting last year and one heat illness during the significant hot summer weather. He again pointed out that the project has retained its zero lost time rate, which is a great team effort with everyone's support.

Mr. Cohen provided a schedule overview for the project, advising that the team had been working hard with the Airports Authority to get the final Construction Project Management submission approved, with the record showing that the project continues to be about 263 days behind schedule with a substantial completion expected by May 7, 2019, and a contemplated final completion date of July 6, 2019. He also reviewed the design status and advised that design is complete, that Hensel Phelps received final comments from the Airports Authority and WMATA on the 100 percent design package, and that Hensel Phelps is working to address those comments and looks to hopefully have the package submitted for its last permit, which is a great milestone as year-end is nearing.

Mr. Cohen then provided a more detailed 12-month look-ahead at key components of the project, following the pictorial presentation, which indicated a heavy focus on the miles of ductbank, electrical, communication, and more ductbank out on the site. He stated that Hensel Phelps is working hard on all of the utilities and remains focused on getting the site ready for not just the buildings but also the track work. Mr. Cohen advised that it is Hensel Phelps' intent to start the major track work in the yard and commence the work, as well as the rest of the foundations for the other buildings on site by the end of the year. Additionally, construction of the buildings will begin to be visible, with structural steel and precast components visible above ground level, in the first quarter of next year.

Mr. Cohen stated that the project was at about 17 percent with regard to construction completion and at about 25 percent with regard to a contract building perspective. With respect to ongoing projects, Mr. Cohen advised that all blasting had been completed and that Hensel Phelps is in the process of converting all of the rock that had been uncovered into usable material. He added that a structure is now

protruding the retaining wall along the line of the pond, and referred to other pictures of the big utilities going on with the project.

Mr. Cohen then noted that the Austin sand filter work had been finished, that all of the large concrete work had been completed and that good progress had been made on all the stormwater activities to maintain compliance. He then referred to a great team effort involving the placement of the large mat foundation for about 1,850 cubic yards, which was done on a Saturday morning to minimize any impact to the community from a traffic perspective, which was a big milestone on the project.

From a small business procurement perspective, Mr. Cohen stated that Hensel Phelps was still on target to exceed its contract goal, having 14.65 percent already under contract, it was working to get through the last of the purchasing as the 100 percent drawings were approved.

From a self-performance standpoint, Mr. Cohen advised that Hensel Phelps was still on track to meet its project goal, with all the concrete work featured in photos provided as part of the presentation, performed by Hensel Phelps. From a labor diversity standpoint, he advised that as a question on this issue was raised during his prior presentation, there had been a shift in the participation level. Mr. Cohen stated that currently the percentages of people reflected in the diversity numbers include all of the design professionals. He anticipated that as the design is completed and there is a shift of ratios between workers onsite and the design professionals, Hensel Phelps also anticipates some shifts in the [diversity] numbers, which currently include a lot of design professionals from different local designers who have offices in other states that are supporting the design. Mr. Cohen stated that the numbers will shift by the next quarter.

Mr. Pozen noted that the disparity in the number of workers among jurisdictions continued with the District coming in under 3 percent and the other jurisdictions considerably higher, and the "Other" category at almost 24 percent, including West Virginia, New Jersey and as far as Arizona. Mr. Pozen surmised that a percentage of the "Other" percentage reflects the design persons from national firms, and that as Hensel Phelps ends the design project and there is more emphasis on the construction, there will be changes in the numbers from each jurisdiction.

Mr. Cohen affirmed Mr. Pozen's characterization and added that the other challenge that Hensel Phelps had realized was that the work was a distance from the District, so they were attracting craft and design people who want to travel.

Mr. Pozen expressed appreciation for Mr. Cohen's explanation and stated that he looked forward to some significant changes in those numbers as the explanation provided by Mr. Cohen occurs.

Mr. Session stated that the District of Columbia Board Members have expressed concerned at each meeting about the wide disparity and appreciate the explanation and hope that there will be a change. He asked about the strategy being pursued to change the outcome--- whether it would be a mix of professionals who will be working on the job going forward or exactly what the approach would be. Mr. Session stated that he hoped by the time of Mr. Cohen's next Board report there would hopefully be some increase above 3 percent for District of Columbia participants.

Mr. Cohen stated that he thought the biggest thing that would occur is as the "Other" category of Hensel Phelps' design professionals complete the design work, there would be a redistribution of the percentages. He stated that he was not sure there would be a tremendous growth in the numbers initially. Mr. Cohen stated further that at that time there were a limited number of subcontractors working on the project, so the change should be seen over the course of the next year, periodically, as different subcontractors from different trades commence and end their work on the project. He added that based on his recollection, they probably have a half dozen subcontractors on site, maybe eight subcontractors that were focused on all of the underground, the electrical, concrete work and similar work. Mr. Cohen noted that as the trade diversity changes, so would the labor by state participation, so that there would be some filtering in of different people. He reiterated that the biggest challenge Hensel Phelps realized in trying to attract people from the District was just the travel because of the distance. Mr. Cohen stated that there was a tremendous amount of work in the District, and for Hensel Phelps to attract people to come to Loudon County had proven to be pretty challenging.

Mr. Tejada commended Hensel Phelps for providing the diversity information. He expressed an interest in knowing the number of women employed and the identity of the owners or contractors who manage and

employ the workers to learn whether they were also from diverse backgrounds and whether persons working on the project represented a diverse workforce. Mr. Tejada said he believed the Airports Authority should know more about the number of subcontractors that are identified as minority-owned that have worked on the project.

Mr. Cohen agreed to look to report on Mr. Tejada's requested information in more detail [in future meetings].

Ms. Lang referred back to the overall numbers that Mr. Cohen reported with regard to labor diversity. She stated that if you look at the District, Maryland and Virginia, Maryland is just a bit further away than the District to Loudon County, so she wanted to make sure she understood the strategy being used to change the numbers. She asked what steps would be undertaken to improve the numbers [for the District of Columbia].

Mr. Cohen stated that he appreciated Ms. Lang's request for the strategy and stated that part of the challenge for Hensel Phelps has been that as the different subcontractors begin working on the project, Hensel Phelps has no knowledge of what specialized trade would be provided from any specific subcontractor. He stated that Hensel Phelps could begin to have those discussions on where it is retaining their employment resources from. Mr. Cohen reported that Hensel Phelps continued to talk with its subcontractors on a regular basis about the need for outreach in all of the localities, and had received feedback on the distance factor. With regard to its recent increase in workforce from Maryland, Mr. Cohen noted that the project gained a little advantage since Loudon County is accessible by Maryland from the western part of Virginia, through the Point of Rocks and the backside of Maryland.

Mr. Griffin stated that he had dealt with the same question over a number of years, particularly when he served on the District of Columbia Water and Sewer Authority (DC Water Authority). He stated that he believed it would be helpful if the District government could identify the pool of workers who currently resided in Loudon County. He also stated that when the DC Water Authority looked at the issue of where employees were coming from, the majority of employees, in fact, lived in Maryland, and a lot of the explanation related to housing costs, the cost of living, and other pertinent factors. In terms of his experience with Fairfax County, Mr. Griffin stated that many of the so-called blue-collar workers did not live in Fairfax County, but came from points west, to

include West Virginia and western parts of Maryland, even Pennsylvania, which was associated with the cost of living and particularly housing costs.

Mr. Griffin also asked if the District could help quantify the number of eligible employees and do a better job of helping to target those potential employees. He noted that his sense was that many of those who might be eligible employees were, in fact, already employed on projects that were occurring within the urban core and suspected that limited public transportation options could be a factor. Mr. Griffin expressed a desire for better data so that Hensel Phelps could better target its hiring and recruitment efforts for the project.

Mr. Mims stated that he, Mr. Session, and others have worked with the Urban League, other organizations in the District of Columbia, and the surrounding jurisdictions to make that type of effort. He noted that the Department of Employment Services has also assisted in these efforts. Mr. Mims stated that they would continue those efforts and that he would also ask Ms. Hanley to provide assistance.

Ms. Merrick thanked Mr. Mims. From a comparative analysis perspective, Ms. Merrick inquired as to the percentage of residents in the District of Columbia who work in Loudon County. She stated that information responsive to that question could be helpful in providing a realistic expectation of potential candidates [to pursue employment opportunities to work in Loudon County on the Silver Line]. Ms. Merrick noted that the Board has expressed interest in these initiatives for the last several years. While she believed that the intentions are in the right direction, she stated that the issue should be examined from many different perspectives. Ms. Merrick suggested that if the Board was going to examine the numbers regarding the potential workforce that data should also be provided regarding the number of District of Columbia residents that presently commute daily to Loudon County to go to work.

Mr. Session stated that one other point of information that Hensel Phelps might be able to provide included the DBE contracts that have been awarded, more detailed profile information on each firm (by name), North American Industry Classification System codes (the industry classification), and the dollar amount awarded.

Mr. Cohen stated that Hensel Phelps could provide the information requested at the next Board meeting.

Mr. Mims also requested that the DBE detailed information also include the number of women employed.

Mr. Cohen agreed to provide that additional information.

The meeting was thereupon adjourned at 10:43 a.m.