

SUMMARY MINUTES
DULLES CORRIDOR COMMITTEE
MEETING OF APRIL 15, 2015

Mr. Griffin called the April 15 Dulles Corridor Committee Meeting to order at 9:26 a.m. A quorum was present during the Meeting: Mr. Kennedy, Co-Chair, Mr. Gates, Ms. Hanley, Ms. Lang, Mr. McDermott, Mr. Mims and Mr. Conner, *ex officio*. Mr. Adams, Mr. Chapman, Mr. Curto, Ms. Merrick, Mr. Session and Ms. Wells were also present.

Dulles Corridor Metrorail Project Monthly Cost and Schedule Update for Phases 1 and 2 as of February 28, 2015. Ginger Evans, Vice President for Engineering, reported that February expenditures for Phase 1 totaled \$600,000. She reported that contingency utilized for Phase 1 in February had resulted in a credit of \$700,000; \$9.5 million remained for contingency utilization. Ms. Evans reviewed the Phase 1 contingency utilization, noting that credits had been received because the costs of items had been lower than expected or items had been closed out at less of a quantity. She also reviewed the status of Phase 1 activities, including the activities that had extended beyond the revenue service date. With regard to the Phase 1 closeout, Ms. Evans reported that the Authority is procuring a new Task Order contract to award soon, which would deliver some of the outstanding items. Ms. Evans noted that the Dulles Transit Partners' (DTP) punch list is essentially complete; only a couple of items remained. She stated that there are some Virginia Department of Transportation (VDOT) items that the Authority is resolving with DTP, which should occur during the summer. Ms. Evans reported that staff is still working to resolve all the open change orders and contract claims.

Ms. Hanley requested that a list of the VDOT items be provided. Ms. Evans reported that staff had recently performed a major walk-through with VDOT and that she believed the list of items would change substantially in the next week. She stated that she would provide the list once they finished this round of changes.

Ms. Evans reported that \$16.7 million had been spent on Phase 2 in February. The amount of contingency utilized in February totaled \$2.8 million, and Ms. Evans reviewed the items where these funds had been used.

Mr. Session inquired whether a letter would be provided to memorialize the Phase 1 closeout. He asked how the closeout would be handled. Ms. Evans responded that the individual items are closed out separately so there is an acceptance on each of the deliverables as they occur. She stated that the substantial completion document and the final completion document are the “bookends” of all the individual activities. Ms. Evans reported that there would be a final completion document that stated that the items had been resolved and that the contract had been closed out.

Mr. Potter reported that an adjustment had been made to the day’s schedule and that Keith Couch, who would present the Capital Rail Constructors’ (CRC) quarterly update to the Dulles Corridor Committee, had not yet arrived. Since there had been a couple of questions about Disadvantaged Business Enterprise (DBE) participation on Phase 2, and other questions in terms of diversity, Mr. Potter stated that he had expressed concerns to Robert Moser, Chief Executive Officer of CRC. He noted that Mr. Moser and members of his team responsible for assuring they reach DBE targets had joined Directors for a meeting in the past. Mr. Potter reported that he and Mr. Moser had mutually agreed to meet twice a year to provide an opportunity for any Director who wanted to have dialog and request additional information on these matters. He stated that he had offered Quince T. Brinkley, Jr., Vice President and Secretary, a couple of options for early May so that he can check Directors’ availability and confirm a meeting or request alternative dates.

The Committee recessed its Meeting at 9:36 a.m.

At 10:37 a.m., the Committee reconvened. A quorum was present.

Dulles Corridor Metrorail Project – Phase 2 Quarterly Update. Mr. Couch reported that through March, CRC had worked about one million man-hours with no lost time or recordable accidents.

Mr. Couch provided updates on the design and construction of Phase 2. He stated that CRC had completed approximately 87 percent of all design work and that most of the design packages would be complete by mid-year. Mr. Couch presented detailed information on the construction progress through March. He stated that approximately 3 percent of the construction had been completed; the overall project was about 18 percent complete.

Mr. Couch reported that through February, CRC had approximately 235 professional staff on site and about 135 craft employees, which represented an increase of approximately 30 to 35 percent in the craft work force from January. He noted that the increase would continue throughout the summer months and into later during the year. Mr. Couch presented the labor statistics by race, ethnicity and state. He noted that not much change had occurred with regard to the Project's workforce of District of Columbia residents but that a significant increase had occurred in those who had expressed interest in employment. Mr. Couch attributed the increased interest to the opening of the second opportunity center at the Wharf Project in downtown D.C. and the February outreach event at the Arena Stage Job Fair. He noted that CRC had enrolled individuals who had attended the two events in its website and provided them with information on subcontractors that are currently hiring. Mr. Couch recalled a discussion about an arrangement between CRC and the Greater Washington Urban League (Urban League). He stated that CRC expected that it would have an agreement with the Urban League within the next 30 days, which would provide for the opening of the third hiring center. With respect to additional local employment outreach, CRC had also hosted an online session with a group of college students from Pennsylvania College of Technology. In May, CRC would attend the Herndon Festival.

Mr. Couch reported that it is CRC's obligation to make a good faith effort to achieve 14 percent of the contract value, which represents the DBE Project goal. To date, he noted that CRC had obligated slightly more than 14 percent with a small amount to still procure. Mr. Couch stated that he expected CRC to achieve the DBE Project goal of approximately 15 percent of the base contract. He noted that CRC's goal is to ensure that work actually trickles down from some of the large businesses to the small businesses so CRC will be placing a lot of emphasis on a "commercially useful function" to verify that small businesses are performing the work.

Mr. Couch also reported that CRC wanted to ensure that a fair distribution of the DBE work across the value chain was occurring. He stated that he believed that CRC had executed its strategic plan successfully and had achieved its goal. He reviewed several fairly significant contracts, including \$18 million for rail; \$20 million for a guide way wall; and \$7 million for roofing.

Mr. Couch reported that the executive leadership team, which is comprised of members of CRC, the Authority, and the Washington Metropolitan Area Transit Authority (WMATA), had hosted an annual partnering session in March, attended by about 100 of the Project team leaders across all the stakeholders in the companies. He explained that the executive leadership team is part of a broader partnering program that CRC had implemented on the Project to align multiple organizations around common Project goals. The executive leadership team accomplished its goal at the March partnering session to identify its vision and strategic objectives for 2015. Mr. Couch explained that CRC had asked the team of 100 folks to identify challenges associated with meeting those objectives and then to develop an action plan to minimize the risk associated with them. He reported that the executive leadership team had awarded the first Silver Star Partner Awards to the following individuals who most embodied the ideals behind CRC's One Team Partnership charter: Russ Werner of Jacobs Engineering Group, who represents the Authority as the Design Manager; Scott Peterson, who is WMATA's Facilities Project Manager; and Greg Shafer, who works for Parsons Corporation and represents CRC as the Structural Lead Designer.

Mr. Mims commended CRC on its outreach thus far and stated that he wanted to see if outreach similar to that conducted in Prince George's County could occur. He noted that Mr. Potter had stated that a meeting would be scheduled to deal with presenting opportunities and to challenge organizations, jurisdictions and individuals throughout the region. Mr. Couch stated that he understood a meeting would be scheduled in May. He noted that CRC had held some past events in Prince George's County. Mr. Couch reported that CRC would hold outreach events across all the jurisdictions.

Mr. Session stated that CRC was approaching the two-year mark since the Notice to Proceed had been issued. He inquired whether CRC had encountered any unseen impediments that may possibly delay its performance schedule. Mr. Couch responded that he did not expect any going forward. He noted that CRC had had some issues with the storm water and some of the other early changes for which it had been dealing with the Authority. Going forward at this point, Mr. Couch stated that CRC had enough design out ahead of the firm and that it had room to run. He noted that CRC still had quite a bit of design to get approved, which is an area of focus.

Mr. Session asked if it is fair to say that CRC is still on the anticipated schedule, to which Mr. Couch responded affirmatively.

Mr. Curto noted that the Dulles Corridor Committee received a monthly report from Ms. Evans regarding the contingency utilization, which is broken down on a monthly basis. He asked Mr. Couch to provide comments regarding the contingency funds that CRC had utilized to date, as well as thoughts on the contingency utilization and concerns regarding contingency reserves. Mr. Couch stated that he did not bring a report on contingency utilization for the day's meeting. He noted that a lot of the utilization that CRC has dealt with is the result of past change orders and early design changes. Mr. Couch stated that CRC is working through a lot of the changes with Ms. Evans and Charles Stark, Executive Director of the Metrorail Project. He noted that he believed that the challenges going forward are going to be to control changes; to keep changes to a minimum; and to keep driving toward and executing the plan that CRC currently had in place. Mr. Couch stated that controlling changes is absolutely important, and Ms. Evans agreed.

The meeting was thereupon adjourned at 10:53 a.m.