

COMPREHENSIVE MONTHLY REPORT

January 2014

**Dulles Corridor Metrorail Project
Phase 2
(Wiehle Avenue Station to Route 772 Station)**

Metropolitan Washington Airports Authority
Washington, DC

March 7, 2014

PMOC Contract Number: DTFT60-09-D-00016

Task Order Number: 009, **Project Number:** DC-27-5242, **Work Order No.**01

OPs Referenced: 01, 25

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Length of Time PMOC Assigned to Project: 0.5years

Length of Time PMOC Lead Assigned to Project: 0.5 years

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EXECUTIVE SUMMARY

The Project Management Oversight Contractor (PMOC) met with Metropolitan Washington Airports Authority (MWAA) on *February 6, 2014* to conduct the monthly progress meeting for work performed in *January 2014* on Phase 2 of the Locally Preferred Alternative (LPA) for the Dulles Corridor Metrorail Project. The Phase 2 project extends from the Wiehle Avenue Station in Fairfax County through Dulles International Airport to the Route 772 Station in Loudoun County. The PMOC plans to conduct future PMOC monthly progress meetings during the first week of each month.

1. Project Description

MWAA, in cooperation with the Washington Metropolitan Area Transit Authority (WMATA), proposes to implement a 23.1-mile rapid transit system in the Dulles Corridor of Northern Virginia. The proposed corridor follows the alignment of the Dulles International Airport Access Highway (DIAAH), the Dulles Toll Road within Fairfax County, and the Dulles Greenway, a private toll road in Loudoun County. MWAA is implementing the LPA in two phases as described below.

Phase 1 of the Project (Initial Operating Segment), which is nearing completion, undertakes the construction of the initial 11.7 miles of the rail project from the existing Metrorail Orange Line just east of the West Falls Church (WFC) Station to a station to be constructed at Wiehle Avenue with a total project cost of \$3.142 billion. Included in the Project are five new stations (Tysons East, Tysons Central 123, Tysons Central 7, Tysons West and Wiehle Avenue), improvements to the existing yard at WFC, and tail tracks beyond the Wiehle Avenue station. The procurement of sixty-four new rail cars is also included for Phase 1.

Phase 2 of the Project will provide 11.4 route miles of new track from the interim terminus at Wiehle Avenue Station through Washington Dulles International Airport ("Dulles Airport") to a terminus in eastern Loudoun County. Phase 2 includes six new stations (Reston Town Center, Herndon, Innovation Center, Dulles Airport, Route 606 and Route 772 Stations). Phase 2 also includes a maintenance and storage yard facility at Dulles Airport, wayside facilities (including traction power substations, tie-breaker stations, and storm water management ponds along the alignment), five new parking facilities with a total of 8,900 parking spaces, and sixty-four new railcars. The current Phase 2 project budget is \$3,126,450,757 exclusive of finance costs. According to the current schedule, Phase 2 Revenue Service would begin in early 2019.

2. Project Status Summary

The PMOC met with MWAA on *February 6, 2014* to conduct the Phase 2 monthly progress review meeting. The information provided is as of *January 31, 2014*, unless otherwise noted.

- **National Environmental Policy Act (NEPA)** – MWAA and FTA prepared an EA in April 2012 covering the preliminary engineering design refinements for Phase 2, which they released for public review on May 10, 2012. Subsequently, the FTA Regional Administrator issued a Finding of No Significant Impact (FONSI) on December 17, 2012.
- **Procurement Status** – A Project Management Support Services (PMSS) consultant, Jacobs Engineering, supports the MWAA management team to ensure technical capacity

and capability. The contract for the PMSS was signed on July 26, 2013, and the first task order was issued to the PMSS to provide staffing support. The PMSS provided support for Phase 2 for preliminary engineering under a separate contract that expired on July 26, 2013.

Phase 2 is divided into several packages that will be procured separately: Package A includes the final design and construction of 11.4 miles of the rail line, stations and systems elements; The Advanced Earthwork Contract (Package S) is for the removal and relocation of the Phase 1 soils currently stockpiled at the Maintenance Facility site associated with Package B. Package B includes the final design and construction of the WMATA Maintenance Facility at the northwest corner of the Dulles Airport property; and Parking Facilities (formerly Package C) includes the design and construction of the five parking facilities at the stations in Fairfax and Loudoun counties. MWAA awarded the contract for Package A on May 14, 2013 and issued the Notice-to-Proceed (NTP) on July 8, 2013. MWAA awarded the contract for Package S on November 1, 2013 and issued the NTP on November 18, 2013.

MWAA issued a Request for Qualification Information (RFQI) solicitation for the Package B Contract on November 12, 2013 and received four qualifications submittals on December 20, 2013. *The RFQI process has been completed and all four offerors were determined to be qualified. MWAA issued the RFP to each of the four teams on February 11, 2014 and began the collaboration meeting process. Final contractor selection is anticipated in June 2014, with contract award and Notice-to-Proceed taking place in late summer 2014.*

- **Disadvantaged Enterprise Business (DBE) Goal** – MWAA developed a DBE Project Goal of 25% of federal participation cost for Phase 2 that FTA reviewed and accepted. Package A has a contract goal of 14%, the PMSS Contract has a goal of 25%, the Package S Contract has a goal of 25%; and the Package B goal is 14%. Fairfax and Loudoun Counties plan to procure the work in Parking Facilities (formerly Package C) without the use of Federal assistance; therefore, there would be no DBE requirement.
- **Third Party Agreements** – MWAA reported that it required six Intergovernmental Agreements for Phase 2: WMATA, the Dulles Greenway, Loudoun County, Fairfax County, Virginia Department of Transportation (VDOT), and the Town of Herndon. As of December 5, 2013, all six Intergovernmental Agreements have been executed. A funding agreement to transfer the project-related scope of work for Route 606, which includes an intersection improvement and addition of a turn lane, to VDOT is *anticipated to be executed in March 2014.*
- **Real Estate Acquisition** – MWAA submitted the Real Estate Acquisition Management Plan (RAMP) for Phase 2 on August 19, 2013. At the PMOC's request, MWAA provided the Property Acquisition Listing on September 27, 2013. The RAMP was reviewed by the PMOC and comments were provided to FTA on November 13, 2013. A teleconference to discuss the comments and the changes from the Phase 1 RAMP was held on November 15, 2013, *and MWAA resubmitted the RAMP in response to the comments on February 5, 2014.*
- **Permits** – MWAA submitted the Permit Management Plan to FTA on August 16, 2013. The PMOC reviewed and provided its comments in a draft spot report to FTA on October

8, 2013, and an advanced copy of the draft Spot Report was transmitted to MWAA for review on December 9, 2013. MWAA plans to resubmit the Permit Management Plan in response to the comments provided by the third week in January 2014.

- **Design Progress** – MWAA reported that the Preliminary Design submittal for Package A of the Phase 2 Project *was submitted to the Authority Having Jurisdiction (AHJ) - the Virginia Department of General Services and the Airports Authority Building Code Department on January 27, 2014. It is MWAA's position there are still some major deficiencies in the preliminary design document, but MWAA decided to allow the Design-Build (DB) Contractor, Capital Rail Constructors (CRC) to get a direct reading from the AHJ's.* The Preliminary Design submittal establishes the code year for building code compliance *and is a required predecessor to the approval of the 60 percent and 90 percent design submittals.* MWAA reported that *of all the deficiencies, the most serious non-compliance is that CRC did not complete the Rational Analysis (Fire, Life, Safety analyses).* Without the completion of the Rational Analysis, there are major building elements that are subject to change, potentially changing the actual building size itself. MWAA transmitted the Preliminary Design submittal to the AHJ with a cover letter that identified what MWAA saw as the deficiencies in the submittal. In addition, MWAA informed CRC that the Preliminary Design submittal was sent to the AHJ and that MWAA considers it as accepted-as-noted pending the final disposition by the AHJ. MWAA needs the final disposition from the AHJ because the CRC payment milestone is tied to the approval by the AHJ. Once the AHJ is ready with the comments, MWAA will schedule a meeting with CRC where the AHJ can address the importance of the Rational Analysis. MWAA reported that based on lessons learned from Phase 1, the approval of the Phase 2 Preliminary Design submittal is a predecessor to the approval of the 60 percent and 90 percent design submittals.

At present, Fairfax and Loudoun Counties would manage the final design of the parking facilities included in Parking Facilities (formerly Package C). MWAA has set a deadline of December 31, 2014 for the counties to confirm that they can deliver the completed parking facilities as required. Fairfax County plans to design, construct, own, maintain, and operate both parking facilities to be located in the County. The County's Department of Public Works and Environmental Services is the lead county agency for the design and construction of both parking facilities, and will be responsible for the project management and oversight of both projects. Fairfax County anticipates issuing a Design-Bid-Build solicitation through the Public Works and Environmental Services Department for the construction of both of their parking facilities.

On January 16, 2014, the Loudoun Board of Supervisors voted in favor of the County taking responsibility for the funding and construction of the Route 606 and 772 North and South parking facilities. Loudoun County has issued a solicitation through the Public-Private Transportation Act of 1995 for proposals from qualified private entities for the design, construction, financing, operation and maintenance of up to three parking facilities in Loudoun County in conjunction with Phase 2 of the Dulles Corridor Metrorail Project. Four proposals for each parking facility were received on October 30, 2013, and the proposals are currently under review by a Loudoun County evaluation team that includes MWAA and WMATA.

Package S, the advanced earthwork contract to clear the on-airport site for the Package B rail yard, was awarded in November 2013, and *the Package S DB Contractor, Atlantic Contracting and Material Company, submitted the 100 percent design submittal in late January 2014. It is currently under review by MWAA.*

- **Construction Progress** – MWAA issued a NTP for the Package A Contract on July 8, 2013. *The contract is approximately 11 percent complete, based on time. The substantial completion date is July 7, 2018. MWAA also issued a NTP for Package S on November 18, 2013, and the substantial completion date is December 8, 2014. Package S is approximately 19 percent complete based on time.*
- **Budget Status** - The Phase 2 Engineer's Estimate was \$3,153,264,289, which included \$157,750,000 in unallocated contingency. This figure is in year-of-expenditure (YOE) dollars and excluded the finance costs. After the Package A firm-fixed price contract was awarded on May 14, 2013 at a cost below the engineer's estimate, MWAA adjusted the total Project Capital Cost from \$3,153,264,289 to \$2,902,000,000. However during the finalization of the Risk and Contingency Management Plan, MWAA modified the total Project Capital Cost to \$3,126,450,757 to account for secondary mitigation. *With the commitment from both Fairfax and Loudoun Counties to fund and procure the parking facilities independently, MWAA has revised its Phase 2 project budget to \$2,778,235,564. This is a deduction of \$348,215,194, which includes associated primary and secondary contingency mitigation for the parking facilities. As of December 2013, project expenditures total \$186,235,149. Based on the budget and expenditures, the total project completion is 6.7 percent.*

Primary funding for Phase 2 comes from MWAA (7.45%), Fairfax County (21.66%), Loudoun County (14.68%), Commonwealth of Virginia (10.34%), and the Dulles Toll Road (45.87%). MWAA, Fairfax County, and Loudoun County anticipate receiving a total of \$1.876 billion in direct loans under the United States Department of Transportation (USDOT) Transportation Infrastructure Finance and Innovation Act (TIFIA) credit assistance program to assist in financing their shares.

- **Risk** – MWAA submitted the Phase 2 Risk and Contingency Management Plan (RCMP) Revision 1 dated April 2013 to FTA for approval. On May 28, 2013, MWAA submitted their draft Standard Cost Category (SCC) Budget Workbook to the PMOC. The PMOC evaluated the Phase 2 budget, including the proposed level of contingency, and conducted a cost review workshop with MWAA on July 9, 2013. Following discussions held regarding the Phase 2 budget, the proposed level of contingency and the draft risk register, during the July 9, 2013 workshop and the August 8, 2013 Monthly meeting, MWAA issued a revised draft RCMP, Revision 1b dated August 2013, for PMOC review on August 30, 2013, adjusting the total project cost to \$3,126,450,757, including base contingency of \$477,143,052 and a secondary cost contingency of \$146,211,294. On November 13, 2013, MWAA resubmitted RCMP, revision 1c based on comments received from FTA. PMOC reviewed and recommended that FTA accept this revision on November 27, 2013. *FTA forwarded a letter accepting the RCMP to MWAA on February 4, 2014.*

With the commitment from both Fairfax and Loudoun Counties to fund and procure the parking facilities independently, MWAA has revised its Phase 2 project budget to

\$2,778,235,564. On February 25, 2014, MWAA provided a revised project contingency to the PMOC due to the reassignment of the parking facilities from the Project to the Counties. The revised base contingency is \$422,105,181 and a secondary cost contingency of \$129,345,998 for a revised total contingency of \$551,451,179. After receiving the PMOC's concurrence, MWAA will incorporate these revisions into RCMP Revision 1d and submit to the FTA.

- **Schedule Status** - CRC formally submitted the draft Baseline Schedule on November 26, 2013, 11 days late, and they met with MWAA in December to review the Baseline Schedule. On December 31, 2013, MWAA received CRC's draft Final Baseline Schedule, which addressed MWAA's comments. MWAA reviewed the document and accepted-as-noted the draft Final Baseline Schedule; CRC is making some minor changes. The Final Baseline Schedule should be resubmitted by February 14, 2014. Currently, the critical path is through the Innovation Center Station and shows zero float.
- **Rail Car Procurement** - On August 15, 2012, MWAA authorized WMATA to amend their contract with Kawasaki to exercise the option for an additional sixty-four 7000 Series railcars for Phase 2. WMATA's letter of August 30, 2012 to MWAA confirmed the amendment to the Kawasaki Contract for the Phase 2 railcars. The latest schedule from Kawasaki dated July 25, 2013 shows final delivery for the last Phase 2 vehicle no later than August 9, 2017.
- **Personnel** – The May 2013 Draft Project Management Plan (PMP) includes a staffing plan showing the gradual transfer of the Phase 1 staff to the Phase 2 project. Currently, Patrick Nowakowski, the MWAA Executive Project Director is dedicated 50 percent to Phase 2 through February 2014; Sam Carnaggio, MWAA Project Director is dedicated 10 percent to Phase 2 through February 2014; Karl Rohrer, MWAA Deputy Project Director is dedicated 100 percent to Phase 2. With the exception of Mr. Rohrer, the key personnel are the same as those working on Phase 1. This transition plan appears to be reasonable; however, it may be impacted by any protracted delay in the substantial completion of Phase 1. Although the staff transition plan has been delayed by approximately two months, it does not appear that the implementation of the Phase 2 project has been impacted. At the January 8, 2014 meeting, MWAA reported that a revised staffing plan will be issued as part of the PMP resubmittal planned for the end of January 2014, which is still outstanding.

In mid-November 2013, MWAA moved approximately 60 Phase 2 staff into the Phase 2 project office located at 198 Van Buren Street, Herndon, Virginia. MWAA moved the remaining project staff on January 17, 2014.

3. PMOC's Assessment of Project Status

As a result of the lessons learned and experience gained from the design and construction of the Phase 1 project, MWAA has developed a staffing plan necessary to effectively manage the Phase 2 project. FTA needs to monitor closely the transition of staff from the Phase 1 project to Phase 2 to ensure that there are adequate levels of dedicated and experienced staff on both projects through the completion of Phase 1 and the procurement activities and the start of final engineering of the Phase 2. As stated above, the transition of staff from Phase 1 to Phase 2 has been impacted due to the delay in the substantial completion of Phase 1; however, this delay

does not appear to have a major impact on the implementation of the Phase 2 project. Additionally, the effective working relationship between MWAA and WMATA during Phase 1 needs to continue for Phase 2.

MWAA incorporated into the Phase 2 project the design changes to enhance the new/improved system requested by WMATA during Phase 1. Hopefully, this will reduce the number of WMATA-requested design changes under Phase 2. Likewise, MWAA implemented lessons learned from the Phase 1 project to mitigate some of the potential risks in the Phase 2 project. Most significant of the lessons learned and implemented in Phase 2 was the elimination of Allowance Items, institution of a cost-loaded schedule requirement and requiring the DB Contractor to be responsible for utility relocations. These elements led to significant cost overruns in Phase 1. As the Phase 2 project progresses into construction, MWAA needs to remain proactive in identifying and mitigating potential risks.

MAIN REPORT

1. Grantee's Capabilities and Approach

a. Technical Capacity and Capability

Based on lessons learned during the Phase 1 project, Metropolitan Washington Airports Authority (MWAA) is implementing an integrated project management organization consisting of MWAA and Project Management Support Services (PMSS) staff. The Board approved the contract for the PMSS and the contract was executed on July 26, 2013. The first task order was issued to the PMSS, Jacobs Engineering, to provide staffing support for Phase 2. *Prior to the new contract*, the PMSS staff provided support for Phase 2 for preliminary engineering under a separate contract that expired on July 26, 2013.

MWAA submitted a draft Project Management Plan (PMP) for Phase 2, Version 1.1, which includes project organization and a staffing chart. Because most of the Phase 1 staff will be transitioning to Phase 2, labor distribution charts for each position were also provided to determine levels of staffing by month. The PMP, including the current Phase 2 staffing levels, were reviewed and comments returned to MWAA for issuance of the final PMP on November 3, 2013. At the January 8, 2014 meeting, MWAA reported that because Substantial Completion Date has been delayed on Phase 1, MWAA has not been able to transfer the Phase 1 staff to the Phase 2 project as projected. A revised staffing plan is being reviewed by MWAA and will be issued as part of the PMP resubmittal planned for the end of *February* 2014. The PMOC will continue to monitor the transition of staff from the Phase 1 project to Phase 2 to ensure that there are adequate levels of dedicated and experienced staff on Phase 2 to ensure effective and efficient progression of final engineering and project management.

MWAA reported that the number of full-time equivalents for Phase 2 during December 2013 is 294; a decrease of four from November 2013. This is composed as follows: MWAA – 8, *Virginia Department of Rail and Public Transportation (DRPT)* – 1, Virginia Department of Transportation (VDOT) – 6, Washington Metropolitan Area Transit Authority (WMATA) – 20, Project Management Support Services (PMSS) – 47, and Capital Rail Constructors (CRC) – 212. Of the 212 staff reported by CRC, some are located in the project office; the remainder *are* located in local design offices in Washington, DC and Virginia.

Staffing counts for Package S were not provided for this report, but will be included in future reports.

The MWAA Manager of Quality Assurance/Quality Control (QA/QC) and Safety, William Kerrigan, retired in November 2013. MWAA is in the process of filling the position. In the interim, *Bob Whedon* of MWAA is the acting QA/QC and Safety Manager. MWAA added that the QA Plan submitted by CRC was approved as noted in December 2013; with some QA procedures that CRC needs to revise and resubmit. A QA audit schedule for design is being developed and will be completed by the end of January 2014. The PMOC requested a copy of the QA audit schedule, once completed.

Mark Tune, MWAA Deputy Director of Project Finance (Controller), *left* MWAA at the end of January 2014 *and his replacement is* Anne Field, who was the Controller *before* Mr. Tune.

MWAA negotiated and signed the lease for the Phase 2 project office on June 22, 2013. In mid-November 2013, MWAA moved approximately 60 Phase 2 staff into the Phase 2 project office located at 198 Van Buren Street, Herndon, Virginia. *The remainder of the MWAA project staff moved to the Phase 2 project office on January 17, 2014.*

The Package A Design-Build (DB) Contractor, Capital Rail Constructors (CRC), and WMATA staff are co-located with the MWAA project staff. The design team for CRC is located in the adjacent building.

Upon completion of the project, WMATA will become the operator of this extension to the existing Metrorail system. WMATA personnel have been active participants in the Phase 1 project, and the agency will have more staff involved on the Phase 2 project.

b. Project Controls

MWAA is developing project management procedures with regard to monitoring and controlling project scope, quality, schedule, cost, contingency management, and safety. MWAA has implemented lessons learned from the Phase 1 project for the Phase 2 contracts. Most significant of the lessons learned and implemented in Phase 2 was the elimination of Allowance Items, requiring the DB Contractor to implement a cost-loaded schedule and to be responsible for utility relocations. These were elements that led to significant cost overruns in Phase 1. It is the PMOC's observation that MWAA continues to monitor and control the project in accordance with their draft procedures.

MWAA has adopted an electronic document control system, Autodesk Constructware, for Phase 2. All submittals and correspondence are input into the system and made available for any staff member needing access to the documentation. As a part of the electronic document control process, MWAA is using LATISTA (a separate software application) to post and process review comments electronically. Reviewers can put their comments into the LATISTA system and the comments work their way back to CRC and a record of the communication is retained. MWAA is targeting all electronic distribution of plans, but is not quite there yet; hard copies are still being sent to some of the reviewers.

c. Compliance

It is the PMOC's observation that MWAA continues to follow the required statutes, regulations, and agreements.

- **DBE Goal** – MWAA developed a DBE Project Goal of 25% of the federal participation cost for Phase 2, which the FTA's Region 3 Civil Rights Officer reviewed, and subsequently approved on August 26, 2013. Package A has a contract goal of 14%, the PMSS Contract has a goal of 25%, the Package S Contract has a goal of 25%; the Package B has a goal of 14%. Fairfax and Loudoun Counties plan to procure the work on the Parking Facilities (formerly Package C) without the use of Federal assistance; therefore, there is no DBE requirement.

MWAA reported that a kick-off meeting and follow-up meeting were held with CRC regarding their DBE plan for Package A and to discuss procedures for internal DBE reporting. The details are as follow.

- On October 3, 2013, MWAA met with CRC's DBE staff to discuss the DBE plan and DBE policy and procedures.
- On October 8, 2013, MWAA forwarded written comments to CRC's DBE staff outlining additional guidance for the DBE plan.
- On October 9, 2013, MWAA met with CRC's purchasing team and managers to discuss DBE policy and procedures and DBE plan.
- **Title VI** – FTA stated that Fairfax and Loudoun Counties will have to secure approved Title VI Plans because they will be recipients of TIFIA loan funds for the project. On January 16, 2014, the Loudoun Board of Supervisors approved adoption of the Title VI Plan. Loudoun County reported that the technical aspects of the Title VI Plan were assembled, reviewed by Loudoun County staff, and submitted to Mr. Michael Riess, FTA Region 3's Civil Rights Officer, for review *on January 22, 2014. Loudoun County received FTA concurrence on the Title VI Plan on January 23, 2014 and Loudoun County has begun to implement its Plan.*

Fairfax County reported that a technical memorandum to implement a Title VI program was received from their consultant on November 1, 2013, and Fairfax County staff briefed the Fairfax County Board of Supervisors in closed session on November 19, 2013. Fairfax County submitted the technical memorandum to Mr. Riess, FTA Region 3, on December 3, 2013 and held a follow-up conference call on December 13, 2013. Fairfax County received correspondence from FTA regarding what is needed for the Title VI Plan to be in compliance. Fairfax County submitted the Interim Title VI Plan to FTA on January 6, 2014 for review and comment. *On January 28, 2014, the Fairfax County Board of Supervisors approved the Interim Title VI Plan. FTA is awaiting the submission of a timeline for completing its Service Equity Analysis prior to approving the Interim Title VI Plan.* Fairfax County is working on some of the interim steps required by FTA to be in compliance before Board action, and anticipates that it will then take an additional 12 to 18 months to implement the plan.

- **Safety and Security** - *During the February 6, 2014 meeting, MWAA reported that it requested CRC to start reporting monthly on the accident/injury statistics beginning in March.*
- **Labor Agreement** – Only MWAA will have to sign a 13(c) agreement with the Department of Labor for the TIFIA loan. FTA will initiate the process.
- **Community Outreach** – MWAA provided its Phase 2 media and outreach calendar for *January 2014* and a *February 2014* look-ahead calendar for community outreach. *MWAA reported that the concentration is on outreach at the Airport, meeting with senior airport, facilities and business personnel. A meeting is scheduled for the week of February 17, 2014 with the Airport Managers Association. MWAA plans to complete the initial schedule for all Phase 2 community outreach meetings by February 7, 2014. Based on lessons learned from Phase 1, the community outreach*

team is meeting with the property owners as well as their tenants, as the property owners do not always communicate with their tenants, as it is the tenants that usually bear the brunt of the construction disruptions.

The Construction hotline is *up and running*. *Traffic alerts are going out on a regular basis especially for the Dulles Toll Road*. *CRC submitted a revised version of their Communications Management Plan, which was reviewed by MWAA and is being returned to CRC with comments*. CRC has also expanded their community outreach team and is providing updates on upcoming work.

2. Project Scope

Phase 2 of the Project will provide 11.4 route miles of new track from the interim terminus at Wiehle Avenue Station through Dulles Airport to a terminus in eastern Loudoun County. Phase 2 includes six new stations (Reston Town Center, Herndon, Innovation Center, Dulles Airport, Route 606 and Route 772). Phase 2 also includes a Maintenance Facility (maintenance and storage yard facility) at Dulles Airport, wayside facilities, including traction power substations, tie-breaker stations, and storm water management ponds, along the alignment, five new parking facilities at four stations to provide 8,900 parking spaces, and sixty-four new rail cars.

a. National Environmental Policy Act (NEPA)

MWAA prepared an Environmental Assessment covering the preliminary engineering design refinements for Phase 2, and issued it for public review on May 10, 2012. The FTA Regional Administrator issued a Finding of No Significant Impact (FONSI) on December 17, 2012, that stated there were “no significant environmental or socioeconomic impacts associated with the design refinements for Phase 2 of the Dulles Corridor Metrorail Project.” FTA cautioned that should there be any changes in the location of the parking facilities by the counties, or if they need any additional property for the construction of the parking facilities, MWAA must notify FTA immediately to determine if the environmental documents would need revisions.

MWAA questioned whether a NEPA review/re-evaluation is still required if the parking facilities are being procured with local funds, and questioned whether only local requirements should be required. FTA stated that the requirement for a NEPA review/re-evaluation will depend on the location of the parking facilities.

b. Third Party Agreements

MWAA reported that there are six Intergovernmental Agreements required for Phase 2: WMATA, the Dulles Greenway, Loudoun County, Fairfax County, Virginia Department of Transportation (VDOT), and the Town of Herndon. As of December 5, 2013, all of the six Intergovernmental Agreements were executed.

MWAA anticipates having an executed funding agreement in February 2014 for the intersection improvements and added turn lane required in Package B that was incorporated into the VDOT Route 606 widening project. The RFP for the Route 606 project *was* scheduled to be issued at the end of January 2014.

MWAA provided a summary of the status of finalizing agreements below.

AGREEMENT	STATUS	NOTES
WMATA – New Agreement	Executed on August 7, 2013	Effective date August 7, 2013
VDOT – Amendment of Phase 1 Agreement	Executed on November 4, 2013	Effective date November 4, 2013
Fairfax County – Amendment of Phase 1 Agreement	Executed – May 28, 2013	Effective date May 28, 2013
Loudoun County	Executed – August 7, 2013	Effective date August 7, 2013
Town of Herndon	Executed – July 9, 2013	Effective date July 9, 2013
TRIP II (Dulles Greenway)	Executed – September 30, 2013	Effective date August 1, 2013
Funding Agreement with VDOT for Route 606 improvements	The agreement has been drafted and will be sent to VDOT for review.	Anticipated to be executed in <i>March 2014</i>

c. Design Status

Preliminary Engineering is complete for Phase 2. Final design and construction will be performed under the DB contracts for Package A as well as for Package B. Fairfax and Loudoun Counties will manage the final design of the parking facilities included in Parking Facilities (formerly Package C). The Counties were asked to confirm delivery of those elements as a condition precedent to a TIFIA loan.

d. Bidding and Construction Status

- **New Mass Transit Line (Package A)**

In August 2012, MWAA issued a Request for Qualifications solicitation for the DB contract for Package A of the Phase 2 Dulles Corridor Metrorail Project. Five DB teams were shortlisted and a final Request for Proposals (RFP) issued on February 6, 2013. At the opening of proposals on April 19, 2013, Capital Rail Contractors (CRC), a joint venture consisting of Clark Construction Group, LLC and Kiewit Infrastructure South Company had the lowest responsible and responsive bid of \$1,177,777,000. On May 14, 2013, MWAA formally awarded the Package A Contract to CRC. NTP was issued on July 8, 2013 with a contractual duration for Package A of 1,825 calendar days from NTP. Thus, the Substantial Completion Date for Package A is July 7, 2018.

The DB contractor, CRC, is in the *seventh* month of their contract and is continuing design activities. MWAA received the Preliminary Design submittal to establish the code year for building code compliance on July 23, 2013. *On January 27, 2014, CRC made the Preliminary Design submittal* to the respective Authority Having Jurisdiction (AHJ) - the Department of General Services and the Airports Authority Building Code Department - to establish the base building code year to be used for the project; CRC also gave the AHJs an overview of how the DB packages will be submitted for permit. *It is MWAA's position there are still some major deficiencies in the preliminary design document, but since this was the third submittal (second*

resubmittal) of the preliminary design document, MWAA decided to allow CRC to get a direct reading from the AHJs in order for CRC to take MWAA's comments more seriously. MWAA reported that of the deficiencies, the most serious non-compliance is that CRC did not complete the Rational Analysis (Fire, Life, Safety analyses) which is the fire modeling demonstration of the safe egress path and confirmation of the distances and the egress time. Without the completion of the Rational Analysis, there are major building elements that are subject to change that could potentially change the actual building size itself. CRC did submit a preliminary Fire, Life, Safety analyses but the Construction and Professional Services Manual (CPSM) requires that the final report be included with the Preliminary Design submittal to achieve the payment milestone.

The Preliminary Design submittal was transmitted to the AHJ with a cover letter from MWAA that identified what MWAA saw as the deficiencies in the submittal. In addition, MWAA sent a letter back to CRC stating that the Preliminary Design submittal was sent to the AHJ and that it is accepted-as-noted pending the final disposition by the AHJ. MWAA needs the final disposition from the AHJ because the CRC payment milestone is tied to the approval by the AHJ. Once the AHJ is ready with the comments, MWAA will schedule a meeting with CRC where that AHJ can address the importance of the Rational Analysis. MWAA reported that based on lessons learned from Phase 1, the approval of the Phase 2 Preliminary Design submittal is a required predecessor to the approval of the 60 percent and 90 percent design submittals.

CRC has submitted 31 of the 43 60%-design packages. MWAA has completed review of 24 packages and 7 are under review. Of the 24 packages for which reviews have been completed, two need to be revised and resubmitted; one is for the Innovation Center Station and the other for the Dulles Airport Station. The Innovation Center Station will be the template for the submittal of the other Phase 2 stations and the Dulles Airport Station has some unique design challenges. The systems design packages will be the last to be submitted. All 43 60%-design submittal packages are scheduled to be submitted through early 2014. The design of the Project is expected to take eighteen months.

During November 2013, CRC started to submit 90%-design packages; all for utilities. CRC has submitted 8 of the 43 90%-design packages and MWAA has completed review of 3 packages and 5 are under review. During the January 8, 2014 meeting, MWAA reported that CRC has been advised that MWAA will not receive or review any additional 90%-design submittals for facilities until the Preliminary Design submittal is approved.

Weekly design management and review meetings, which started on July 31, 2013, are being held to advance the design. MWAA and CRC meet on Wednesdays and Thursdays to review the designs, review comments provided, and discuss upcoming submittals. CRC has implemented a design management plan and has scoped out what will be included in every package and the interfaces between the packages. As part of the design process for Phase 2, there are a series of meetings leading up to the approval of a design package. First, a kick-off meeting is held between MWAA and CRC to discuss what CRC has proposed for the scope of the design package, whether

MWAA thinks the scope proposed is appropriate, and whether additional scope needs to be added to the design submittal. About two weeks prior to the submittal of the design package, a Pre-Submittal meeting is held where CRC reviews what will be in the design package submittal. Once the design package is submitted and reviewed by MWAA, a comment resolution meeting is held. At the end of the process, there is a record of design review. Integration between the design disciplines occurs at these meetings.

Geotechnical borings and survey activities continue throughout the entire Phase 2 corridor, including the Dulles International Airport Access Highway (DIAAH). The survey and geotechnical plans have been reviewed and approved, and the work is ongoing. MWAA received the final *geotechnical design* report from CRC and on January 7, 2014, MWAA accepted the report with the exception that CRC not use rammed aggregate piers for the deep foundations as proposed as part of CRC's early design. Initial survey activities are completed and the initial layout for structures is completed. Geotechnical borings are also continuing and is approximately 79 percent complete. Through *January 2014, there are 1,317 geotechnical borings planned of which, 1,040 have been drilled.* Additional borings are added as the boring results are analyzed. Location verification of existing utilities is complete for the initial set of borings and CRC is starting the investigation for proposed jack-and-bore utilities and new utilities crossings. The focus is currently on the wayside facility areas; however, work has been performed in the median of the DIAAH, at the Dulles Airport and out into the Dulles Greenway. Work in the area of the yard lead is scheduled to start shortly.

All permit applications are in place for ongoing activities. *CRC received permits for tree relocation on the Dulles Airport property and installation of the test shafts. The test shafts are ongoing with concrete placement starting on February 5, 2014. Tree relocation will wait until the spring 2014.* CRC is in the process of preparing and submitting permit applications from VDOT and TRIP II for the Dulles Greenway associated with the early field activities. CRC is also in the process of completing the permit for MWAA approval, for their main field office at the Dulles Airport in one of the parking lots north along Autopilot Drive. MWAA reviewed the application, and CRC needs to supplement it. MWAA has also requested that CRC comply with the latest storm water regulations. As a result, a series of meetings with the Department of Environmental Quality (DEQ), *CRC and MWAA* are being held to ensure that when CRC does apply for its permit, the process goes smoothly. CRC continues to meet with the various permitting agencies as necessary.

Currently, the only active permit is the Wetlands permit from the Army Corps of Engineers, which MWAA attained during preliminary engineering. CRC considered doing a re-delineation because they found some areas that were wet on Airport property that were not included in the initial delineation. After discussions with the Airport and DEQ, an accommodation was made that the permit will not be re-delineated, but a permit modification will be *submitted to the Army Corps of Engineers and DEQ* showing changed areas based on refinements for technical accuracy.

MWAA has turned over the United Airlines ground service equipment (GSE) Building to CRC for demolition. The gate at the United Airlines GSE Building has been removed and a new security fence installed around the building, which removes the building from the Air Operations Area. CRC is in the process of performing the required investigations for hazardous materials in preparation of the demolition permit application.

MWAA accepted CRC's cost-loaded Proposal Schedule for the first six months with a maximum payment of \$50 million, in addition to the cost of bonds, and insurance as a condition of the contract award. In August 2013, CRC resubmitted a revised cost-loaded Proposal Schedule. The revised Proposal Schedule was "Accepted as Noted" by MWAA Letter No. MWAA-P2-01014 dated September 4, 2013, and CRC is currently working and billing to the revised cost-loaded Proposal Schedule until the Baseline Schedule is approved.

The Baseline Schedule was to be submitted by CRC on November 5, 2013, 120 days from NTP, per contract. CRC did not meet this contract milestone on time and MWAA requested the immediate submission of the first draft of the Baseline Schedule via Letter No. MWAA-P2-01115 dated November 8, 2013. CRC formally submitted the draft Baseline Schedule on November 26, 2013 and meetings were held in December with CRC to review the draft Baseline Schedule and provide comments. On December 31, 2013, MWAA received CRC's *draft* Final Baseline Schedule, which addressed MWAA's previous comments. MWAA had 30 days to review the final Baseline Schedule and respond. *MWAA has accepted-as-noted the draft Final Baseline Schedule, and CRC is making some minor changes to the schedule. The Final Baseline Schedule is to be submitted by February 14, 2014. Once MWAA receives the Final Baseline Schedule, they will transmit it to the PMOC for review.* The final Baseline Schedule is both cost- and resource-loaded and includes about 12,500 activities. Currently the critical path is through the construction of the Innovation Center Station and shows zero float.

- **Dulles Maintenance Facility (Package B)**

Package B will include *the final design and construction of the WMATA Maintenance Facility and Storage Yard at the northwest corner of the Dulles Airport property. The yard storage tracks will have an initial storage capacity of 168 railcars, with the ability to expand to 228. The scope of Package B also includes the design and construction of at-grade rail tracks; facilities for railcar service and inspection; facilities for train dispatch, operation, and supervisory personnel facilities; facilities for police and security personnel; facilities for maintenance of way and materials warehouse; a yard control tower; communications, traction power substations, and train control facilities and equipment; roadway construction and improvements.*

MWAA has received comments from WMATA on the Package B contract documents and *has incorporated* those comments in the procurement documents and the statement of work, finalizing the contract drawings for Package B based on the reduced scope using some of the original plan details and layouts. MWAA stated that there were no major changes as a result of the WMATA review. The contract

drawings have gone through *two* cycles of reviews by MWAA and WMATA, which included the specifications and the statement of work.

A two-step method similar to the procurement of Package A will be followed wherein MWAA will issue a Request for Qualifications Information (RFQI) and then request technical proposals and price proposals. The *change from* Package A will be that instead of issuing a shortlist in response to the RFQI, MWAA will just prequalify potential bidders on a pass/fail basis. The RFQI provides the minimum requirements for qualification. MWAA will then issue a RFP package to all qualified potential bidders, and hold two to three collaboration meetings with each team to clarify the understanding of the requirements. The technical proposals will be evaluated again on a pass/fail basis, and the price proposal will be low bid. This process was presented to the MWAA Board of Directors in October 2013 for concurrence and the MWAA Board of Directors did concur with *this* approach.

MWAA sent a letter to WMATA confirming a budget for Package B of \$280 million, and stating what scope will and will not be included in the base contract package. MWAA added that the procurement would include options for the other scope items requested by WMATA but not in the base contract package.

MWAA issued the RFQI solicitation for the Package B Contract on November 12, 2013, and four qualification statements were received on December 20, 2013. A meeting of the evaluation panel *was* held to determine which offerors are qualified. *The RFQI process has been completed and all four offerors were determined to be qualified. Two teams were also bidders on Package A. MWAA issued the RFP to the each of the four teams on February 11, 2014 and began the collaboration meeting process. Final contractor selection is anticipated in June 2014, contract award in June 2014 and NTP in July 2014. Substantial completion is currently scheduled for July 2018.*

MWAA reported that VDOT is widening Route 606 along the yard site under an on-going improvement project. After discussing the coordination of intersection improvements and an added turn lane required in Package B, MWAA and VDOT agreed to incorporate this work into the Route 606 widening project and MWAA will fund that portion of the work. This work has been included in the VDOT procurement package. *MWAA and VDOT agreed on costs and MWAA drafted a funding agreement in early December 2013, which is being reviewed by VDOT, and anticipates executing an agreement in February 2014. The RFP for the Route 606 project was scheduled for issuance in January 2014.*

- **Advanced Earthwork for Maintenance Facility (Package S)**

The Phase 1 contractor used the site of the proposed Dulles Maintenance Facility to stockpile excavated material. To construct the new facility, it will be necessary to move most of the stockpiled material and re-grade the site. MWAA has awarded an Advanced Earthwork contract to move the stockpile to another site on Dulles Airport property. MWAA reported that the Package S contract documents were revised prior to advertisement to ensure that the work for Package S is no longer within the Dulles Airport Air Operations Area. The same coordination procedures used during Phase 1 are already in place with the Dulles Airport staff and notices have been re-issued.

The Advanced Earthwork contract has a separate contractor, scope, DBE goal, and milestones from the Package B contract.

MWAA issued the Advanced Earthwork contract (Package S) solicitation on June 27, 2013 and held the pre-proposal conference on July 12, 2013. Ten bids were received on August 12, 2013 and a Notice of Recommended Award was sent to the lowest responsible bidder the week of August 26, 2013. However, the lowest bidder was found nonresponsive because it failed to demonstrate the required experience for its lead designer. The lowest bidder exhausted the protest process and did not forward the appeal to FTA. FTA was notified of the protest denials by MWAA.

MWAA then contacted the second lowest bidder; however, on October 7, 2013, that bidder was disqualified due to noncompliance with the DBE substitution requirements. The second lowest bidder sent a letter on October 10, 2013 asking for reconsideration, then filed a protest on October 14, 2013. The second lowest bidder has since dropped their protest.

On October 8, 2013, MWAA issued a Notice of Recommended Award to the third lowest bidder, Atlantic Contracting and Material Company, Inc. on November 1, 2013. Atlantic Contracting and Material Company has previously performed work for MWAA. Their bid was \$5.950 million, well under the engineer's estimate of \$18.52 million. NTP was issued on November 18, 2013, with a contractual duration for Package S of 385 calendar days from NTP, which is December 8, 2014.

Atlantic Contracting and Material Company is performing initial field survey work; has completed their assessment of the wetland delineation; is finalizing their design concept; and is preparing their permit application. MWAA held a start-up meeting with Atlantic Contracting and Material Company on December 6, 2013 to review their management plans and to review their detailed baseline schedule. During the January 8, 2014 meeting, MWAA reported that in the month of December 2013, Atlantic Contracting and Material Company submitted their management plans and the baseline schedule, both of which were accepted by MWAA. Atlantic Contracting and Material Company *submitted the 100 percent design submittal in late January 2014 and it is currently under review by MWAA. MWAA also received the request for minor modification to the Section 404 permit, which MWAA submitted to the Army Corps of Engineers and DEQ on February 7, 2014.*

During the February 6, 2014 meeting, MWAA reported that it is in the process of transferring the site from Dulles Transit Partners, LLC (DTP) to the Package S Contractor, Atlantic Contracting and Material Company. DTP has completed hauling dirt to the Dulles Maintenance Facility site and is working to fulfill its environmental permit obligations. Once DTP fulfills its obligations, Atlantic Contracting and Material Company will take over control and custody of the site. On February 4, 2014, the MWAA Environmental Officer, DEQ, DTP and Atlantic Contracting and Material Company conducted a joint walk-down to review DEQ's requirements for the transfer of responsibility for the site from one contractor to the other. This package is tracking on schedule and, depending on the weather, MWAA anticipates that the Package S Contractor will be doing some clearing and advanced work late in February 2014.

MWAA provided the following general overview of the Package S project schedule:

- January – February 2014: Submittal of the 100% design submittals and permit applications.
- Late February – Early March 2014: Once the construction permits are received, clearing work will begin.
- March – April 2014: Complete storm water, erosion and sedimentation control, and any haul road construction.
- April – October 2014: Moving soil and hauling work will commence in April 2014. The site needs to be cleared by October 2014.

- **Parking Facilities (formerly Package C)**

At present, Fairfax County and Loudoun County plan to design and construct the five required parking facilities. Both Fairfax County and Loudoun County are in the procurement process; however, the final location of the parking facilities is not determined at this time. The Counties anticipate final location of the parking facilities by summer 2014. Any NEPA issues will be resolved once the final locations of the parking facilities are determined.

Fairfax County: Fairfax County is currently responsible for two parking facilities: one at the Innovation Center Station and one at the Herndon Station. At the December 5, 2013 monthly PMOC meeting, Fairfax County reported that it has hired the architectural, parking, engineering and traffic consultants for both the Innovation Center and Herndon parking facilities. Both the Innovation Center and Herndon parking facilities are in the conceptual design phase, and Fairfax County is reviewing location options submitted by the design consultant. Both parking facilities will be at schematic design by February 2014.

The final locations for the parking facilities have not been determined. The Innovation Center parking facility is *pending the resolution of* a land use case and the County is still working on the joint rezoning application that was filed with the Fairfax County Planning and Zoning Department. On July 30, 2013, Fairfax County approved a Real Estate Exchange Agreement for the site of the Innovation Center Station. The Agreement provides for the exchange of property and property acquisition necessary to implement a joint development plan. The land use case is currently in process and will not be finalized until *June* 2014. Until the land use case is approved by the *Fairfax County Department of Planning and Zoning*, Fairfax County will not have the final acceptance to proceed with the relocation of the parking facility.

At the Herndon Station, Fairfax County is evaluating a concept to shift the location of the parking facility from what is shown in the preliminary engineering plan, from the west to east of the station location. The County *which owns the site shown in the preliminary engineering plans on the west side* is in the process of seeking appraisals for *that* location, and is also in discussions with the adjacent landowner *on the east side* to initiate a land swap in order to relocate the parking facility. Fairfax County anticipates resolving all issues with the adjacent landowner and the final location of the parking facility by spring 2014.

Any NEPA issues will be resolved once the final locations of the parking facilities are determined.

The County's Department of Public Works and Environmental Services is the lead county agency for the design and construction of both parking facilities, and will be responsible for the project management and oversight of both projects. Fairfax County anticipates issuing a Design-Bid-Build solicitation through the Public Works and Environmental Services Department for the construction of both of their parking facilities. The County plans to design, construct, own, maintain, and operate both parking facilities. The selection of a firm to complete the final design for the parking facilities was expected in late August 2013. However, this has been delayed because the conceptual designs are not yet completed. The question with regard to whether or not a NEPA review is required *needs to be resolved*.

Fairfax County has authorized approximately \$2.5 million to start design work on both parking facilities, and construction is expected to be completed in April 2018.

Loudoun County: Loudoun County is currently responsible for three parking facilities: one at the Route 606 Station and two at the Route 772 Station. On November 16, 2012, Loudoun County issued a Solicitation for Conceptual Proposals through the Public-Private Transportation Act of 1995 for Loudoun County Parking Facilities. The solicitation requested the submittal of conceptual proposals from qualified private entities for the finance, design, development, construction, and operation of the parking facilities for Route 606 and 772 Stations. Following a detailed review of the proposals by Loudoun County staff, an action item was put before the Loudoun County Board of Supervisors requesting their approval to proceed with a Best and Final Offer for the three parking facilities. At its meeting on July 17, 2013, the Board voted to reject the three initial proposals received through a Request for Information process. The Board voted instead to solicit new proposals through a RFP process.

Loudoun County has affirmed its strong desire to procure the parking facilities outside of the MWAA program, and intends to privatize the three parking facilities. *However, should the privatization process fall short of the County's expectation for acceptance, Loudoun County would move forward with the second option for acceptance of responsibility for the parking facilities, which would be to build the parking facilities through the County using a design- build approach.*

Procurement of the parking facilities in Loudoun County is on an accelerated schedule. On September 3, 2013, Loudoun County issued a RFP for the design, construction, financing, operation and maintenance of the three Phase 2 parking facilities. Bidders could propose on one, two or all three sites, and the bidder for the Route 772 North parking facility will have to provide proof of ownership of the site. During the November 6, 2013 meeting, Loudoun County *reported that they* received four proposals for the privatization of each of the three parking facilities on October 30, 2013. Loudoun County has reviewed the proposals and one of the team was deemed nonresponsive at the Route 772 North parking facility because the offeror did not provide of legal ownership of the property or the ability to own the property, which was a requirement of the RFP. Loudoun County has *assembled a* procurement

team that is reviewing and scoring the proposals received. The procurement review team is being led by Jones Lang LaSalle, due to the financial component of the proposal, and both MWAA and WMATA members have been added to the procurement review team as technical members. The procurement review team has met twice to summarize the financials and to perform a cursory review of the financials and feasibility of the proposals received.

Oral interviews were held in December 2013 with each of the teams. The RFP required that offerors adhere to the preliminary engineering location of each of the facilities; all did with the exception of one team that is proposing that the Route 772 North site be moved to a site that they own within walking distance of the station area. Loudoun is looking at what kind of impacts, (time delay, penalties, etc.) will be incurred due to a change in the site location.

On January 16, 2014, the Loudoun Board of Supervisors voted in favor of the County taking responsibility for the funding and construction of the Route 606 and 772 North and South parking facilities. In addition, in the same motion the Board directed staff to pursue further evaluation of all four of the Public-Private Partnership (PPP) offers for each of the parking facilities, citing that all are in the range of general acceptance. Linked to the garage procurement, the Chairman indicated that staff was in the process of obtaining DB estimates for the *parking facilities* as well. This will establish a parallel path should the PPP approach fall short. The estimates will also provide an independent design and construction estimate for each garage.

At the January 8, 2014 meeting, FTA requested a timeframe for Loudoun County to make a recommendation to the Loudoun Board of Supervisors for a selected offeror(s) to procure the parking facilities. Loudoun County reported that at the January 16, 2014, the Loudoun Board of Supervisors meeting, the Board accepted responsibility for the parking facilities, taking them out of the Dulles Metrorail Extension project, subject to receiving TIFIA funds. Subsequently, in accordance with the Commonwealth of Virginia Public-Private Transportation Act of 1995, on February 12, 2014 there will be a public hearing on the four proposals that are posted on the Loudoun County website (www.loudouncounty.gov/procurement).

Loudoun County distributed a second round of questions to each team. The questions are specific to each team's submittal and focus on clarification of financial areas in their respective proposals. Questions were derived from an early series of one-on-one discussions with the offerors.

In March 2014, there will be a closed session of the Loudoun County Board of Supervisors for staff to provide the Board with the following information:

- 1) In-depth financial details for each of the four offerors. This information is currently being assembled with the assistance of Jones Lang LaSalle.*
- 2) Two independent DB cost estimates based on similar specified parking facilities in order to establish a baseline for negotiation. Loudoun County contacted MBP Engineering and requested that they contact DB contractors that build parking facilities for a detailed breakdown and capital cost estimate in order to compare to the types of costs received from the four offerors. Loudoun County asked that*

the DB contractors not be identified so as not to preclude them should opportunities become available.

- 3) Details on the approach and content to be used during the negotiations and to identify benchmarks for each negotiation.*
- 4) Once negotiations are completed, provided the process of assessing whether the benchmarks were achieved during negotiations and what the follow-up activities would be. The Board will also be provided with a decisions matrix for the final approval for privatization and will identify and determine the factors for selection.*

Prior to the start of negotiations in June 2014, the County staff will present a recommendation to the Loudoun County Board of Supervisors during a work session. After award, formal negotiations will follow, led by Jones Lang LaSalle.

In addition, the Loudoun County Board of Supervisors is considering supporting a staff recommendation to commence a parallel process for design, construction, and operation of the garages. At a to-be-defined stage in the negotiation process, Loudoun County staff must assess the status of negotiations; assign a confidence level and level of risk associated with each private offeror.

As a backstop to ensure that the garages are constructed and ready for operation by the start of revenue service, Loudoun County is taking a proactive approach to maintain its commitment to the Project that the garages will remain the responsibility of the County. Should the objective to privatize the financing, construction, and operation of the garages be determined not to be in the County's best interest, this parallel process will enable Loudoun County within a predefined timeframe to hire a design-build firm for the garages and engage a garage operations and maintenance firm. Either of these approaches is phased to ensure garage completion and testing prior to the start of revenue service.

e. Real Estate

MWAA submitted their Real Estate Acquisition Management Plan (RAMP), Revision 0, for Phase 2 on August 19, 2013. The PMOC requested the appendix listing the Phase 2 properties, which was received by the PMOC via the Property Acquisition List letter dated September 27, 2013 on September 30, 2013. Details of the required properties will be developed during the design phase of the Package A Contract. The PMOC has reviewed the RAMP and provided comments to FTA on November 13, 2013. A teleconference to discuss the comments and the changes from the Phase 1 RAMP was held on November 15, 2013, and MWAA resubmitted the RAMP in response to the comments on February 5, 2014. FTA stated that they will issue one approval letter to MWAA for both the RAMP and the Permit Management Plan.

MWAA reported that the letter submitted to FTA in 2007 requesting to raise the threshold values to \$250,000 and \$1,000,000 respectively for the entire 23-mile corridor and not only Phase 1. In addition, FTA's approval letter October 5, 2007 did not preclude Phase 2 nor did it specify Phase 1. As a result, MWAA determined that the threshold increase applied to the entire corridor. In response to FTA, MWAA submitted a letter requesting to reauthorize the threshold limits used for Phase 1 for Phase 2 by

January 8, 2014. MWAA submitted a supplement to the letter, in accordance with the FTA Circular 5010.1D, to FTA on February 6, 2014. The RAMP and the request for the higher threshold review are still under FTA review.

Responsibility for Phase 2 right-of-way will be directly under MWAA and not the DB Contractor as in Phase 1. The exception to this is that CRC is responsible for utility relocation and property acquisitions outside of the parcels that MWAA has identified as part of the *preliminary engineering plans*. In conjunction with CRC, MWAA has identified the project parcels and broken them into priorities (1, 2A, and 2B) under the contract.

Priority 1 parcels are primarily the wayside facility locations. MWAA is in the process of verifying the locations for the Priority 1 ancillary facilities and storm water ponds. MWAA is beginning to develop the property appraisals and the right-of-way plans for the Priority 1 acquisitions *where access is due to CRC by March 15, 2014*. The first parcel submitted to FTA for concurrence and review is Parcel 207 (north side of Reston Town Center). *Concurrence was received from FTA, and MWAA made an offer to the property owner the week of February 14, 2014.*

Parcels 237 (Dulles West Building) and 220 (Sprint Building) are the next Priority 1 acquisitions in the process based on CRC's needs; neither are *appraised for over \$1 million, so they may not need FTA review*. *During the February 6, 2014 meeting, MWAA reported that parcels 237 and 220 are going through some fine-tuning of the property identification plans and a final visit from the appraiser will be needed in light of those impacts. As a result, it will be at least two weeks before MWAA can schedule meeting with the property owners, or the leaseholder in the case of Parcel 237.*

CRC is also re-prioritizing the Priority 2 acquisitions; however, those are not needed by the March 15, 2014 deadline. CRC has acknowledged that the property identification plans are being submitted late, and it will probably be late Spring/Summer before the Priority 2 acquisitions can go into the negotiation phase with the parcel owner's.

An RFP for Phase 2 appraisal review services was issued on June 7, 2013 and an award issued to Appraisal Review Specialists, LLC, on October 10, 2013. The majority of the Priority 1 appraisals has been completed and is with the review appraiser. MWAA added that the PMSS team will be the negotiator and relocation manager for the Priority 1 parcels. Because some of the properties are at the airport, MWAA is dealing with leaseholds as opposed to the *property owners for the acquisition of airport parcels*.

MWAA has also retained a property acquisition consultant for the remainder for the parcels (Priority 2 and 3) using VDOT's specifications. A kickoff meeting was held on November 8, 2013.

During the January 8, 2014 meeting, MWAA reported that although they had hoped to have the archeological investigation completed by the end of 2013, the archeological investigation has been suspended with concurrence from the State Historic Preservation Office (SHPO), as the water table has risen. MWAA estimates that there are six test pits remaining; however, completion of the remaining test pits is not holding up the remaining geotechnical work that CRC needs to complete. Once the geotechnical borings are done in the area of the Yard Lead west of the guideway line, the archeological investigation

will continue in early spring. Nothing of significance was found. MWAA understands that it has concurrence from SHPO to not perform the last step of the investigation, which was to be mechanical exploration, since they have found nothing of significance thus far. SHPO will probably request a letter from MWAA stating that the activity in that western area of the Yard Lead is subject to no further evaluation because it is wetland and no structures or track will be built in that area.

f. Utility Coordination

MWAA submitted their Permit Management Plan, Revision 0, for Phase 2 on August 19, 2013. The PMOC has completed its review of the Permit Management Plan and provided a draft spot report with recommendations to FTA for review on October 8, 2013. The draft Spot Report was transmitted to MWAA for review on December 9, 2013. MWAA advised that if the counties build the parking facilities, the counties themselves will be the code officials and not the Department of General Services. Also, the counties will be responsible for compliance with local requirements for storm water design and other design requirements. The contract with CRC states that all utility relocations associated with Package A are the contractor's responsibility. FTA stated that one letter will be issued to MWAA for both the RAMP and the Permit Management Plan.

g. Vehicle Procurement

On August 15, 2012, MWAA authorized WMATA to amend their contract with Kawasaki to exercise the option for an additional sixty-four 7000 Series railcars for Phase 2. WMATA's letter of August 30, 2012 confirmed the executed amendment to the Kawasaki Contract. The MWAA budget including contingency, in year of expenditure dollars, for the Phase 2 railcars is \$213.383 million. The latest schedule from Kawasaki dated July 25, 2013 shows final delivery for the last Phase 2 vehicles no later than August 9, 2017.

3. Project Management Plan and Sub-plans

MWAA has submitted the PMP and required sub-plans. Below is the status of each plan received by FTA through December 31, 2013.

- MWAA submitted that latest version of the draft Phase 2 **Project Management Plan** (PMP), Version 1.1 to FTA on May 16, 2013 for FTA review and approval. Version 1.1 included modifications based on the comments received from FTA to Version 1.0, dated November 2012 submitted to FTA on December 7, 2012. The résumé summaries of key personnel were received on June 21, 2013. On August 2, 2013, the PMOC recommended that FTA accept the PMP Version 1.1, with comments, and on November 3, 2013 FTA directed MWAA to address the comments provided and formally issue the final PMP for this stage of the Phase 2 project for approval.

MWAA needs to add the new policy on directive letters into the PMP based on the comment received from FTA during the Procurement Services Review. Submittal of the final PMP is pending finalization of the Project Management Procedures, and MWAA anticipates submittal by the end of *February* 2014.

- MWAA submitted the latest revision of the Phase 2 **Quality Program Plan** (QPP), Revision 1, to the FTA on March 26, 2013 for FTA review and approval. The QPP

incorporates the changes to address the PMOC comments to QPP Revision 0, dated October 24, 2012 submitted to FTA on December 12, 2012. The comments were discussed after the March 7, 2013 FTA/PMOC monthly meeting. The PMOC recommended acceptance, with comments, of the QPP to FTA on May 17, 2013, and on September 23, 2013, FTA approved the Phase 2 QPP, Revision 1, and requested that MWAA update it as needed as Phase 2 continues to move forward through final design and construction. In addition, FTA requested that MWAA submit the Phase 2 Project Management Procedures to FTA and the PMOC for review. MWAA responded that they are working on *updating the last four remaining procedures* for submittal by the end of February 2014.

- MWAA submitted the Phase 2 **Safety and Security Management Plan (SSMP)**, Revision Draft dated February 28, 2013, to the FTA on March 27, 2013 for review and approval. On May 17, 2013, the PMOC recommended that the FTA accept the SSMP contingent upon the signature by WMATA's Chief Safety Officer. MWAA addressed the three recommendations included in the PMOC review and the SSMP, Revision 0 dated July 2013 was signed off by WMATA's Chief Safety Officer on August 6, 2013. The PMOC recommended acceptance of the SSMP, Revision 0 to FTA on September 3, 2013. The FTA letter accepting the SSMP was forwarded to MWAA on November 15, 2013.

The Tri-State Oversight Committee (TOC) stated that they are revising the Safety and Security Oversight Management Plan for Phase 2 to clearly outline the lines of authority between the TOC, MWAA and WMATA.

- MWAA submitted Revision 1 of the Phase 2 **Risk and Contingency Management Plan (RCMP)**, to the FTA on April 24, 2013 for review and approval. Revision 1 included modifications based on the comments received from FTA to Revision 0, Draft 2, dated December 2012. MWAA submitted their draft SCC Budget Workbook to the PMOC on May 28, 2013. MWAA, FTA, and the PMOC met on July 9, 2013 to review MWAA's development of project costs. Based on the discussions during the review meetings, MWAA issued a revised RCMP Revision 1a for PMOC review on July 31, 2013.

The July 2013 RCMP included a lower secondary mitigation target than that recommended by the PMOC in the July 9, 2013 meeting based on MWAA's assessment that some of the beta factors assumed by the PMOC could be lowered by this stage of the project. On August 8, 2013, a subsequent meeting was held with MWAA to discuss the development of secondary contingency provided. On August 14, 2013, the PMOC completed a sensitivity analysis of the Modeled Contingency Requirement and concluded that there is still the indication that additional contingency is needed over that currently included in the project budget of \$2,902 million. The PMOC recommended that the project budget should include ample contingency for all project risks and recommended a project budget of \$3,126 million.

Upon further review of the PMOC comments and further consideration of the overall status of the Phase 2 program, MWAA issued a revised draft RCMP, Revision 1b, for PMOC review on August 30, 2013, adjusting the total project cost to \$3,126,450,757, including base contingency of \$477,143,052 and a secondary cost contingency of \$146,211,294. The PMOC has completed its review of the RCMP and on September 3,

2013 recommended acceptance, with comments, to FTA. On November 12, 2013, MWAA resubmitted RCMP, Revision 1c based on comments received from FTA. The PMOC recommended that FTA accept this revision and *the FTA letter accepting the RCMP was forwarded to MWAA on February 4, 2014.*

With the commitment from both Fairfax and Loudoun Counties to fund and procure the parking facilities independently, MWAA has revised its Phase 2 project budget to \$2,778,235,564. On February 25, 2014, MWAA provided a revised project contingency as a result of the reassignment of the parking facilities from the Project to the Counties. The revised base contingency is \$422,105,181 and a secondary cost contingency of \$129,345,998 for a revised total contingency of \$551,451,179. MWAA will incorporate these revisions into RCMP Revision 1d and submit to the FTA.

- Since WMATA, rather than MWAA, will be the operator of the completed project, the WMATA **Rail Fleet Management Plan** (RFMP) is the applicable document. WMATA submitted RFMP, Revision J, on August 1, 2013 and FTA accepted it on August 8, 2013.

4. Project Schedule

Phase 2 is currently in the procurement/design phase. Construction is expected to begin in February 2014 with the start of utility relocation and with the commencement of revenue service on January 2, 2019. The table below shows the Phase 2 milestones, as provided by MWAA in the latest schedule dated August 28, 2013 and updated during the February 6, 2014 meeting.

DULLES CORRIDOR PHASE 2 MILESTONES	
DESCRIPTION	DATE
Package A Design-Build Contract Award	05/14/2013(A)
Package S Advanced Earthwork Contract IFB	06/27/2013 (A)
Package A Contract NTP	07/08/2013(A)
Package S Advanced Earthwork Contract Award	11/01/2013 (A)
Package S Advanced Earthwork Contract NTP	11/18/2013 (A)
Package B Contract RFQI	11/12/2013 (A)
Package B Contract RFP	02/11/2014 (A)
Package B Contract Award	June 2014
Package B Contract NTP	July 2014
Package S Advanced Earthwork Contract Substantial Completion	12/08/2014
Deadline for Fairfax and Loudoun Counties' decision to construct the Parking Facilities	12/31/2014
Construction of Parking Facilities Complete	06/29/2018
Package B Contract Substantial Completion	July 2018
Package A Contract Substantial Completion	07/07/2018
Begin Operations Readiness Testing	07/07/2018
Complete Operations Readiness Testing	09/04/2018
Project Final Acceptance	09/04/2018
Begin WMATA Revenue Operations Acceptance Testing	09/05/2018
Complete WMATA Revenue Operations Acceptance Testing	01/02/2019
Revenue Service Date	01/02/2019

a. Important Activities – 90-Day Look Ahead

- MWAA approves of the Package A Baseline Schedule.
- MWAA issues the RFP for Package B, Dulles Maintenance Facility.

- Loudoun County resolves the landowner dispute on the Route 772 North parking facility property.
- Loudoun County receives and analyzes the bids for the design, construction, financing, operation and maintenance of the three Phase 2 parking facilities in Loudoun County; issues contract award and NTP.
- MWAA executes funding agreement with VDOT for Route 606 widening project.
- Fairfax County Board of Supervisors approves the Title VI plan in January 2014.
- MWAA completion of the archaeological data recovery in accordance with Section 106 of the National Historic Preservation Act of 1966 for the Yard Lead location.

5. Project Cost

MWAA's Phase 2 project budget is \$3,126,450,757, including the cost of the parking facilities to be funded by Fairfax and Loudoun Counties. This figure is in year-of-expenditure dollars and excludes the finance costs. With the commitment from both Fairfax and Loudoun Counties to fund and procure the parking facilities independently, MWAA has revised its Phase 2 project budget to \$2,778,235,564. This is a deduction of \$348,215,194, which includes associated primary and secondary mitigation for the parking facilities. The SCC budget and expenditure summary for the period ending *December* 2013 is shown below. Overall, approximately 6.7 percent of the budget has been expended.

FTA SCC CODE	DESCRIPTION	BASELINE BUDGET	CURRENT BUDGET	EXPENDITURE TO DATE	ESTIMATE TO COMPLETE	ESTIMATE AT COMPLETION
10	Guideway and Track Elements	\$ 344,946,326	\$ 344,946,326	\$ -	\$ 344,946,326	\$ 344,946,326
20	Stations	\$ 228,424,057	\$ 228,424,057	\$ -	\$ 228,424,057	\$ 228,424,057
30	Yards, Shops, Admin. Bldgs	\$ 229,857,097	\$ 229,857,097	\$ -	\$ 229,857,097	\$ 229,857,097
40	Site Work & Utility Relocation	\$ 394,075,868	\$ 394,075,868	\$ 30,196,917	\$ 363,893,075	\$ 394,089,992
50	Systems	\$ 193,794,178	\$ 193,794,178	\$ -	\$ 193,794,178	\$ 193,794,178
60	Right of Way Acquisition	\$ 58,523,267	\$ 58,523,267	\$ -	\$ 58,523,267	\$ 58,523,267
70	Vehicles	\$ 212,765,000	\$ 212,765,000	\$ 25,342,584	\$ 187,422,416	\$ 212,765,000
80	Professional Services	\$ 564,398,592	\$ 564,398,592	\$ 130,695,648	\$ 434,377,944	\$ 565,073,592
90	Contingency	\$ 551,451,179	\$ 551,451,179	\$ -	\$ 550,762,055	\$ 550,762,055
100	Finance Charges					
TOTAL PROJECT COST		\$2,778,235,564	\$2,778,235,564	\$ 186,235,149	\$2,592,000,415	\$2,778,235,564
1. Baseline budget is based on Table 2-1 "Program Budget Breakdown" of RCMP Rev1c submitted to FTA in November 2013						
2. SCC 10 through 80 do not include contingency						

On May 14, 2013, MWAA awarded the Package A Contract for final design and construction of the line and stations in the amount of \$1,177,777,000. This was \$307.6 million below the engineer's estimate, which did not take into account the Insurance line item that was deleted from the contract award amount; MWAA will now issue an Owner Controlled Insurance Program (OCIP), estimated to cost \$50 million, and will transfer this item from Package A to the Owner Cost. Thus, the net savings realized is approximately \$258 million.

In response to the PMOC request, MWAA provided an update on the status of the project budget, including the status of expenditures and contingency drawdown. At the December 5, 2013 meeting, MWAA reported that two directive letters have been issued and per the new policy, a fixed price change order will be issued within 60 days.

a. Monthly Cost Report – December 2013

DESCRIPTION	BASELINE BUDGET	CURRENT BUDGET	EXPENDITURE TO DATE	ESTIMATE TO COMPLETE	ESTIMATE AT COMPLETION
Design-Build					
Design Build Main Line - Package A	\$ 1,177,777,000	\$ 1,177,777,000	\$ 44,860,892	\$ 1,133,605,232	\$ 1,178,466,124
Commodity Escalation - Package A	\$ 16,000,000	\$ 16,000,000		\$ 16,000,000	\$ 16,000,000
Yard - Package B + Yard Soil Preparation - Package S	\$ 269,280,530	\$ 269,280,530		\$ 269,280,530	\$ 269,280,530
Commodity Escalation - Package B	\$ 4,000,000	\$ 4,000,000		\$ 4,000,000	\$ 4,000,000
Parking Garages - Package C	\$ -	\$ -		\$ -	\$ -
Design-Build Contracts Total	\$ 1,467,057,530	\$ 1,467,057,530	\$ 44,860,892	\$ 1,422,885,762	\$ 1,467,746,654
Right of Way					
Parcels & Project Management	\$ 58,600,000	\$ 58,600,000		\$ 58,600,000	\$ 58,600,000
Right Of Way Total	\$ 58,600,000	\$ 58,600,000	\$ -	\$ 58,600,000	\$ 58,600,000
WMATA Agreement					
Vehicles	\$ 205,868,200	\$ 205,868,200	\$ 25,342,584	\$ 180,525,616	\$ 205,868,200
WMATA Non Revenue Vehicles	\$ 9,250,751	\$ 9,250,751		\$ 9,250,751	\$ 9,250,751
WMATA Project Management and Other Costs	\$ 90,205,767	\$ 90,205,767	\$ 1,635,846	\$ 88,569,921	\$ 90,205,767
WMATA Agreement Total	\$ 305,324,718	\$ 305,324,718	\$ 26,978,430	\$ 278,346,288	\$ 305,324,718
Preliminary Engineering					
Preliminary Engineering Total	\$ 75,000,000	\$ 75,000,000	\$ 71,015,036	\$ 3,984,964	\$ 75,000,000
Airports Authority Services					
Airports Authority Project Management	\$ 64,620,000	\$ 64,620,000	\$ 3,932,574	\$ 60,687,426	\$ 64,620,000
Project Management Support	\$ 140,000,000	\$ 140,000,000	\$ 18,038,745	\$ 121,961,255	\$ 140,000,000
Other Costs ¹	\$ 116,182,137	\$ 116,182,137	\$ 21,409,471	\$ 94,772,666	\$ 116,182,137
Airports Authority Services Total	\$ 320,802,137	\$ 320,802,137	\$ 43,380,791	\$ 277,421,346	\$ 320,802,137
Contingency					
Contingency Total	\$ 551,451,179	\$ 551,451,179		\$ 550,762,055	\$ 550,762,055
Finance Charges					
Finance Charges Total	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL PROJECT COST	\$2,778,235,564	\$2,778,235,564	\$ 186,235,149	\$2,592,000,415	\$2,778,235,564

1. Includes MWAA Allocated Costs, Rent, Relocation, OCIP, VDOT, DRC, CTI, DGS, TRIP II, DCR, MWAA Permits/Inspection, Testing Power & Historic/Archaeologic

b. Funding Sources

Primary funding for Phase 2 comes from MWAA (7.45%), Fairfax County (21.66%), Loudoun County (14.68%), Commonwealth of Virginia (10.34%), and the Dulles Toll Road (45.87%). MWAA, Fairfax County, and Loudoun County anticipate receiving a total of \$1.876 billion in direct loans under the United States Department of Transportation (USDOT) Transportation Infrastructure Finance and Innovation Act (TIFIA) credit assistance program to assist in financing their shares.

SOURCES OF CAPITAL FUNDING (\$Millions)				
	Multi-fuuded Elements	County-Funded Elements	Phase 2 Total	Percentage of Total
Commonwealth of Virginia	\$ 323	\$ 0	\$ 323	10.34%
Fairfax County	\$ 515	\$ 162	\$ 677	21.66%
Loudoun County	\$ 273	\$ 186	\$ 459	14.68%
MWAA (Aviation Funds)	\$ 233	\$ 0	\$ 233	7.45%
MWAA (Dulles Toll Road)	\$ 1,434	\$ 0	\$ 1,434	45.87%
Total Sources of Funding	\$ 2,778	\$ 348	\$ 3,126	100.00%

c. TIFIA Funding Status

The TIFIA working group continues to meet on a weekly basis. On June 21, 2013, MWAA, and Fairfax and Loudoun Counties presented the financial plans for the project to the

USDOT TIFIA staff and consultants. All parties within the TIFIA working group are fully engaged in ensuring TIFIA has all due diligence deliverables, and MWAA, Fairfax and Loudoun Counties are actively preparing to submit an application once invited. Fairfax and Loudoun Counties have agreed to remove the parking facilities from the TIFIA loan and construct the parking facilities using funding outside of the TIFIA eligible budget. In exchange for removing the funds from the TIFIA eligible costs, the Counties will agree to deliver the parking facilities without requesting funding from the Phase 2 project budget. This agreement is pending completion. MWAA, Fairfax, and Loudoun Counties have each remitted \$233,000 to TIFIA to prefund financial advisory and legal work by the TIFIA office.

Each loan requestor *has fulfilled* its requested deliverables to TIFIA's due diligence:

MWAA: On April 11, 2013, MWAA provided the financial feasibility study to the TIFIA Joint Program Office. On May 9, 2013, MWAA submitted its initial plan of finance and financial model, and indicative rating to the TIFIA Joint Program Office. As of October 17, 2013, MWAA has submitted all of the items requested by TIFIA for due diligence. A teleconference was held on December 5, 2013 to respond to any follow-up questions from the TIFIA Joint Program Office.

Fairfax County: Fairfax County submitted its initial plan of finance and financial model, indicative rating, and feasibility study to the TIFIA Joint Program Office on June 5, 2013. As of the October 10, 2013, Fairfax County reported that it has submitted everything that has been required by the TIFIA Joint Program Office for due diligence; however, Fairfax County is working through some issues regarding the conditions for repayment of the loan using the commercial and industrial tax revenues.

Loudoun County: Loudoun County submitted its initial plan of finance and financial model, indicative rating, and feasibility study to the TIFIA Joint Program Office on June 14, 2013. Loudoun County reported that they are up to date on all required submittals for due diligence, including financial information, to the TIFIA Joint Program Office. The Loudoun County finance department staff has started to review the application in an effort to get a head-start on the application process. Loudoun County added that it had gone to the bond market for another project and the bond agencies have given Loudoun County a AAA rating.

On February 24, 2014, the TIFIA working group extended a formal invitation to apply for a federal low-interest TIFIA loan for the Dulles Corridor Metrorail Project. FTA advised that they are waiting for guidance from FTA Headquarters on how FTA will manage TIFIA-funded projects.

As a result of the Office of the Inspector General audit on Phase 1, MWAA has taken steps to better manage the accounting for Phase 2. FTA is currently planning to perform a Financial Management Oversight review *within 6 months after MWAA has completed all the required corrective actions required in the Audit report*, which would review the implementation of the accounting approach for Phase 2.

6. Project Risks

MWAA submitted the latest revision of the Phase 2 Risk and Contingency Management Plan (RCMP), Revision 1c, to the FTA on November 12, 2013, including MWAA's proposed Top Ten Risks to FTA for review and approval. MWAA has identified four primary mitigation

strategies; however, MWAA and the PMOC agree that the primary and secondary mitigation measures should be developed in more detail following the award of all the DB contracts. PMOC recommended acceptance by FTA of this revision to the RCMP on November 27, 2013.

- **Budget Risks:** MWAA has allocated \$623 million in contingency for the overall project. Contingency is further broken down by Package as follows: \$289 million for Package A, \$109 million for Package B, and \$72 million for Parking Facilities (formerly Package C). A contingency management plan has been established for the release of contingency based on contract milestones. The Phase 2 budget of \$3,126,450,757 includes a base cost contingency of \$477,143,052 and a secondary cost contingency of \$146,211,294.
- **Schedule Risks:** The result from MWAA's schedule risk analysis shows that there is less than five percent chance that the Schedule Substantial Completion Date (SSCD) will take place on July 7, 2018. The 80 percent confidence level date for the SSCD is December 6, 2018, indicating a hypothetical delay of 152 calendar days. The schedule risk analysis performed by the project team was limited to the SSCD. For the Revenue Service Date, the project team has accepted the recommendation by PMOC to include a time contingency of 14 months in the overall program schedule. Overall, the schedule contingency, including the WMATA testing through the Revenue Service Date, is 14 months.
- **Top Ten Risks:** In its November 2013 RCMP, Revision 1c, MWAA provided a summary of the Top Ten Risks for review and approval. Below is the MWAA proposed Top Ten Risks submitted to FTA in the RCMP.

Summary Status of the Top Ten Project Risks, *December 2013 RCMP*

RCMP Revision 1c - November 2013			
Risk ID	Event Description	(Proposed Primary) Risk Mitigation	Risk Rating
80.R.1	Project Team and various Agencies add new design requirements not currently included in the PE documents.	Project Team earliest possible exploration and identification of politically based/influenced issues from any and all sources and the timely implementation of a solution that minimizes cost and schedule impact to the Project.	32
40.C.98	Utility Companies involved in the utility relocation delay the DB.	DB to establish agreements with utility companies to start relocations work in advance of construction and complete by earliest need date in DB schedule for timely Project Completion.	27
20.C.103	PE Design for the Dulles Airport Station mezzanine construction on either or both sides of North Garage Walk-back Tunnel proves challenging due to extent of as-built conditions and construction alterations required to the existing tunnel.	DB to undertake early exploration and verification of existing conditions and provide, as required, alternative solutions. Project Team to allow maximum flexibility in design parameters for Dulles Airport Station to encourage DB to achieve optimum final design-construction solutions to lower cost & simplify construction and accommodate patron interface.	27
80.D.70	Loudoun and Fairfax Counties interfering with the design process of the parking garages and do not complete design documents in a timely manner.	Project Team to coordinate with Loudoun and Fairfax Counties to ensure timely issuance of DB packages for Garages and completion of designs.	27
20.R.124	Fairfax and Loudoun Counties, when assigned responsibility, do not complete procurement and construction of parking facilities in timely manner.	Project Team to develop a plan as to how it would build parking facilities in the event of failure by either Fairfax or Loudoun County, and identify and allocate funding sources, enforce deadlines for timely decisions and actions by Fairfax and Loudoun Counties.	27
80.D.39	Fairfax and Loudoun Counties, VDOT, Reston and Town of Herndon require local roadway improvements & traffic signal integration not currently planned or represented in the PE design.	DB to undertake early coordination with the Project Team, Loudoun and Fairfax Counties, Reston and Town of Herndon, VDOT and the owners/developers of congruous and adjacent real property..	24
80.D.43	Initial PE design addressing issues of real property acquisition is incomplete, vague or ambiguous.	Project Team to perform advance supplemental analysis of PE design and real estate requirements; Project Team include pessimistic availability dates in DB Contract Documents.	24
40.R.96	VDOT, Loudoun County, Fairfax County, Reston, and/or Town of Herndon do not provide new roadways or alteration connecting existing roadways to Project station and parking facility access points.	The Project Team is to coordinate and clarify the responsibilities and obligations of Loudoun and Fairfax Counties, the Town of Herndon, Reston, and VDOT, in the IGA and engage the above named counties and local authorities to solidify buy-in from owners and developers of contiguous and adjacent properties for completing access roadways availability to meet the DB schedule for Project Completion.	21
80.C.193	DB does not issue complete and coordinated documents for use in design, construction and the permitting process.	The Project Team is to coordinate the clear articulation in the DB RFP documents the expectations for DB early establishment of submissions procedures and compliance therewith during design and construction, to include establishment of interim milestones during the design phase that are enforceable. Furthermore, the Project Team has to ensure that the DB Contract Documents clearly articulate the DB responsibilities and obligations to provide full and complete submissions to include the work scope of all disciplines required to complete construction and that submittals are staggered to prevent overloading of the review systems.	18
60.R.22	Project Team or DB does not make timely acquisition of right-of-way permanent and temporary easements.	The Project Team shall coordinate the early acquisition of right-of-way and easements so as to not impact the DB design and construction process and progress.	18

7. Action Items

MWAA – DULLES CORRIDOR METRORAIL PROJECT PHASE 2- Items for Grantee Action

PR	ITEM	IDENTIFICATION	NATURE of PROBLEM	D	A	I	COMMENTS	STATUS
1	2A	Fairfax and Loudoun need to submit Title VI Plan for FTA review and approval.	Any project receiving federal funds needs to submit a Title VI Plan for review and approval by FTA.	Y	N	N	Loudoun County submitted its Title VI Plan to FTA and received FTA concurrence on the Title VI Plan on January 23, 2014. Fairfax County submitted the interim Title VI plan to FTA on January 6, 2014 for review and comment.	R
3	2B	FTA to approve MWAA management plans	MWAA submitted the PMP, QPP, SSMP, RCMP, Permit Management Plan and RAMP.	Y	N	N	FTA to provide response to the review of the RAMP and Permit Management Plan. FTA has provided responses for all other management plans. <i>MWAA to submit updated PMP and Project Management procedures by the end of February 2014.</i>	R
1	2B	FTA to confirm whether further NEPA review will be required for changes to the Loudoun and Fairfax parking facility locations.	The parking facilities being procured by Loudoun and Fairfax Counties are being procured with local funds only.	N	N	N	FTA stated that the requirement for a NEPA review/re-evaluation will depend on the location of the parking facilities. NEPA review/re-evaluation may be required for changes to the parking facility locations. Loudoun and Fairfax counties need to submit location plans for the <i>parking facilities</i> if they have changed from the prior NEPA review.	R
2	2B	MWAA to provide a copy of the final Baseline Schedule once approved.	The Baseline Schedule for Package A has been received and is currently under review by MWAA. MWAA has 60 days to approve the Baseline Schedule.	N	N	N	Once approved by MWAA, this will be the basis for monitoring the Project.	R
1	2B	MWAA to submit a letter to FTA requesting to reinstate the Real Estate threshold limits used for Phase 1 for Phase 2.	MWAA requested that FTA raise the Real Estate threshold values to \$250,000 and \$1,000,000, respectively, as was done on Phase 1.	Y	Y	N	<i>MWAA submitted a letter requesting to reauthorize the threshold limits used for Phase 1 for Phase 2 by January 8, 2014. A supplement to the letter, in accordance with the FTA Circular 5010.1D, was issued to FTA on February 6, 2014.</i>	R

PR	ITEM	IDENTIFICATION	NATURE of PROBLEM	D	A	I	COMMENTS	STATUS
2	2B	Loudoun County to provide a schedule for the procurement of the parking facilities.	FTA requested a timeframe for Loudoun County to make a recommendation to the Board for a selected offeror(s) to procure the parking facilities.	N	N	N	Loudoun County <i>provided</i> a schedule <i>update</i> for the procurement of the parking facilities <i>during the February 6, 2014 meeting</i> . Loudoun County to <i>continue to provide updates at the Monthly Meetings</i> .	R
1	2A	MWAA to provide a QA Audit schedule for design.	Design is progressing; however, a QA Audit schedule for design has not been completed.	N	N	N	MWAA is developing a QA audit schedule. <i>The first draft should be completed by February 14 2014</i> . The PMOC requested a copy of the QA audit schedule once completed.	R

KEY ITEM Note– Items marked with a ‘C’ in the ‘PMO Contractor Status’ column will be dropped from future reports.

Subtask 2A CLIN 0002A – PMP Review
Subtask 2B CLIN 0002 – On-Site Monitoring

LEGEND

PRIORITY (PR)

- 1- Most Critical
- 2- Critical
- 3- Least Critical

GRANTEE ACTION

- D – Remedial Action Developed
- A – Remedial Action Approved
- I – Action Implemented

PMO CONTRACTOR STATUS

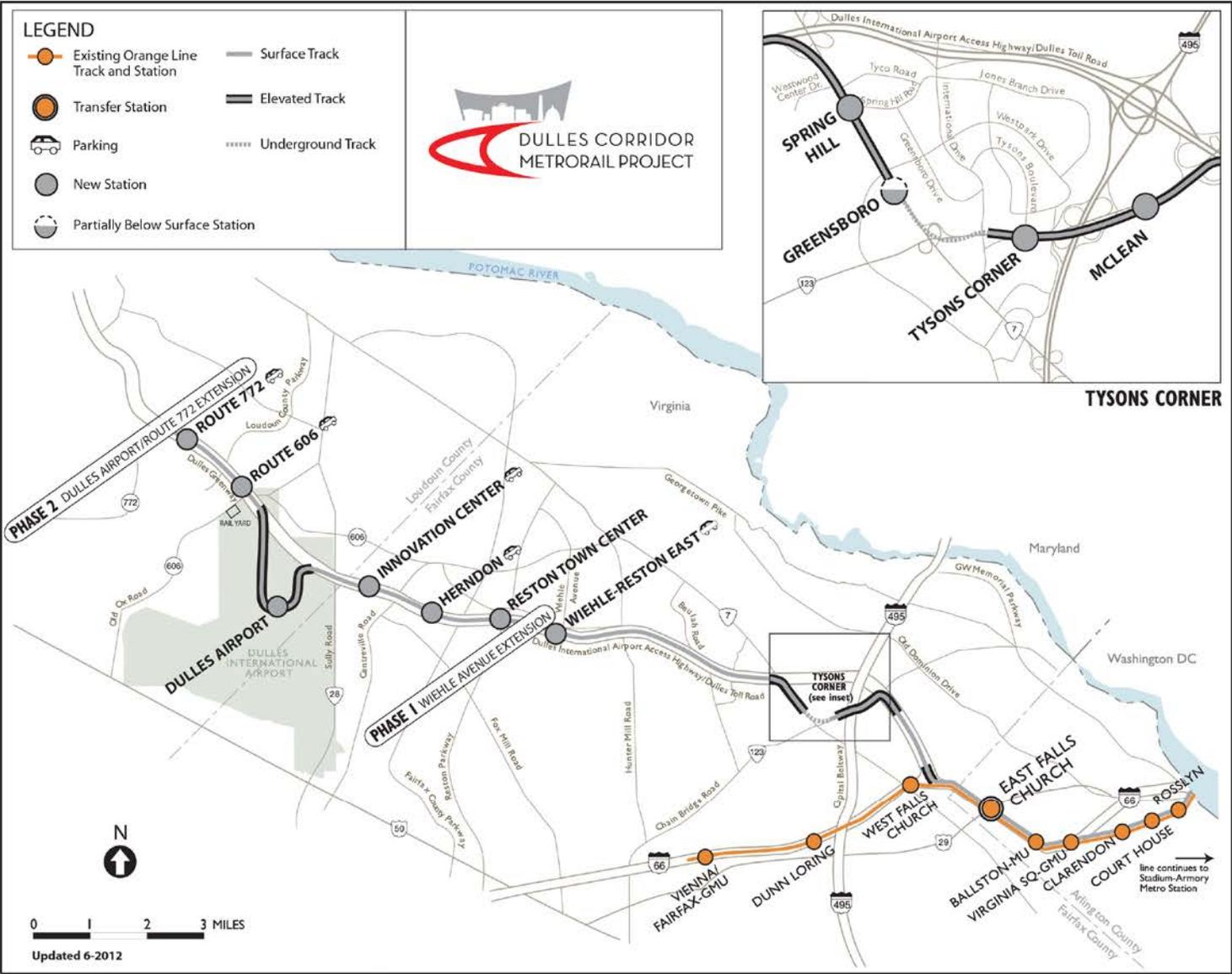
- R – Review On-going
- C – Completed – No further review required

APPENDICES

APPENDIX A – LIST OF ACRONYMS

AHJ	Authority Having Jurisdiction
Board	MWAA Board of Directors
CRC	Capital Rail Constructors
DB	Design-Build
DBE	Disadvantaged Business Enterprise
DEQ	Department of Environmental Quality
DHR	Department of Historical Resources
DIAAH	Dulles International Airport Access Highway
<i>DTP</i>	<i>Dulles Transit Partners, LLC</i>
EA	Environmental Assessment
FONSI	Finding of No Significant Impact
FTA	Federal Transit Administration
LPA	Locally Preferred Alternative
MWAA	Metropolitan Washington Airports Authority
NEPA	National Environmental Policy Act
NTP	Notice to Proceed
OCIP	Owner Controlled Insurance Program
PMOC	Project Management Oversight Contractor
PMSS	Project Management Support Services
PMP	Project Management Plan
PPP	Public-Private Partnership
QA	Quality Assurance
QC	Quality Control
QPP	Quality Program Plan
RAMP	Real Estate Acquisition Management Plan
RCMP	Risk and Contingency Management Plan
RFMP	Rail Fleet Management Plan
RFQI	Request for Qualifications Information
RFP	Request for Proposal
SCC	Standard Cost Category
SHPO	State Historic Preservation Office
SSCD	Schedule Substantial Completion Date
SSMP	Safety and Security Management Plan
TBD	To Be Determined
TOC	Tri-state Oversight Committee
TIFIA	Transportation Infrastructure Finance and Innovation Act
USDOT	United States Department of Transportation
VDOT	Virginia Department of Transportation
WFC	West Falls Church
WMATA	Washington Metropolitan Area Transit Authority

APPENDIX B – PROJECT MAP



APPENDIX C – MWAA SAFETY AND SECURITY CHECKLIST

Project Overview	Dulles Corridor Metrorail Project – Phase 2		
Project Mode (Rail, Bus, BRT, multimode)	Rail		
Project Phase (Preliminary Engineering, Design, Construction, or Start-up)	Design and Construction		
Project Delivery Method (Design/Build, Design/Build/Operate/Maintain, CMGG, etc.)	Design/Build		
Project Plans	Version	Review By FTA	Status
Safety and Security Management Plan	July 2013	Approved on November 15, 2013	MWAA’s SSMP Rev.0 dated July 2013 was submitted for review and approval in August 2013 in response to comments provided in May 2013. FTA approved the SSMP on November 15, 2013.
Safety and Security Certification Plan			To be developed by WMATA. (WMATA’s SSCPP March 2012 Revision 9 used in Phase 1 was accepted by the FTA on April 13, 2012.)
System Safety Program Plan	January 2013		WMATA’s 2013 SSPP is effective January 2013 and approved by TOC on February 15, 2013.
System Security Plan or Security and Emergency Preparedness Plan (SEPP)	3/2012	N/A	WMATA’s revised SEPP was submitted to TOC in March 2012 and approved by TOC on April 23, 2012.
Construction Safety and Security Plan			Project is in early DB stage. Contractors are to develop plan.

Safety and Security Authority	Y/N	Notes/Status
Is the grantee subject to 49 CFR Part 659 State Safety Oversight requirements?	Y	Tri-State Oversight Committee (TOC)
Has the State designated an oversight agency as per Part 659.9?	Y	Tri-State Oversight Committee (TOC)
Has the oversight agency reviewed and approved the grantee's SSPP as per 659.17?	Y	An updated WMATA SSPP dated January 2013 was approved by TOC on February 15, 2013.
Has the oversight agency reviewed and approved the grantee's Security Plan or SEPP as per Part 659.21?	Y	WMATA SEPP approved on April 23, 2012.
Did the oversight agency participate in the last Quarterly Program Review Meeting?	Y	TOC and/or its contractor (TRA) routinely attend the quarterly meetings, including the most recent on December 17, 2013.
Has the grantee submitted its safety certification plan to the oversight agency?	N	
Has the grantee implemented security directives issues by the Department Homeland Security, Transportation Security Administration?	N	WMATA will be operator.

SSMP Monitoring	Y/N	Notes/Status
Is the SSMP project-specific, clearly demonstrating the scope of safety and security activities for this project?	Y	
Grantee reviews the SSMP and related project plans to determine if updates are necessary?	Y	
Does the grantee implement a process through which the Designated Function (DF) for Safety and DF for Security are integrated into the overall project management team? Please specify.	N	WMATA will be operator.
Does the grantee maintain a regularly scheduled report on the status of safety and security activities?	N	WMATA will be operator.
Has the grantee established staffing requirements, procedures and authority for safety and security activities throughout all project phases?	N	WMATA will be operator.
Does the grantee update the safety and security responsibility matrix/organizational chart as necessary?	N	WMATA will be operator.

Has the grantee allocated sufficient resources to oversee or carry out safety and security activities?	N	WMATA will be operator.
Has the grantee developed hazard and vulnerability analysis techniques, including specific types of analysis to be performed during different project phases?	N	Contractor (CRC)) is responsible for PHA with submittal in March 2014. WMATA is responsible for TVA.
Does the grantee implement regularly scheduled meetings to track to resolution any identified hazards and/or vulnerabilities?	N	All identified hazards and vulnerabilities will be resolved by CRC and reviewed by SCWG.
Does the grantee monitor the progress of safety and security activities throughout all project phases? Please describe briefly.	Y	Yes, through SCWG.
Does the grantee ensure the conduct of preliminary hazard and vulnerability analyses? Please specify analyses conducted.	N	PHA And TVA being developed.
Has the grantee ensured the development of safety design criteria?	Y	
Has the grantee ensured the development of security design criteria?	Y	
Has the grantee ensured conformance with safety and security requirements in design?	Y	
Has the grantee verified conformance with safety and security requirements in equipment and materials procurement?	Y	
Has the grantee verified construction specification conformance?	N	In early DB stage.
Has the grantee identified safety and security critical tests to be performed prior to passenger operations?	N	
Has the grantee verified conformance with safety and security requirements during testing, inspection and start-up phases?	N	
Does the grantee evaluated change orders, design waivers, or test variances for potential hazards and /or vulnerabilities?	N	
Has the grantee ensured the performance of safety and security analyses for proposed work-arounds?	N	
Has the grantee demonstrated through meetings or other methods, the integration of safety and security in the following: <ul style="list-style-type: none"> • Activation Plan and Procedures • Integrated Test Plan and Procedures • Operations and Maintenance Plan • Emergency Operations Plan 	N	

Has the grantee issued final safety and security certification?	N	
Has the grantee issued the final safety and security verification report?	N	

Construction Safety	Y/N	Notes/Status
Does the grantee have a documented/implemented Contractor Safety Program with which it expects contractors to comply?	Y	
Does the grantee's contractor(s) have a documented company-wide safety and security program plan?	Y	
Does the grantee's contractor(s) have a site-specific safety and security program plan?	Y	Safety and Security Plan has been accepted by MWAA.
Provide the grantee's OSHA statistics compared to the national average for the same type of work. If the comparison is not favorable, what actions are being taken by the grantee to improve its safety record?	Y	System in place, construction activities have not started.
Does the grantee conduct site audits of the contractor's performance versus required safety/security procedures?	Y	Audit schedule being developed.

Federal Railroad Administration	Y/N	Notes/Status
If shared track: has grantee submitted its waiver request application to FRA? (Please identify specific regulations for which waivers are being requested)	N/A	Heavy Rail Transit Project. No FRA involvement.
If shared corridor: has grantee specified specific measures to address shared corridor safety concerns?	N/A	
Is the Collision Hazard Analysis underway?	N/A	
Other FRA required Hazard Analysis – Fencing, etc.?	N/A	
Does the project have Quiet Zones?	N/A	
Does FRA attend the Quarterly Review Meetings?	N/A	

[Redacted]

[Redacted]