

COMPREHENSIVE MONTHLY REPORT

February 2014

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

Metropolitan Washington Airports Authority
Washington, DC

April 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 *March 6, 2014* to conduct the monthly progress meeting for work performed in *February 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, tiebreaker 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 *March 6, 2014* to conduct the Phase 2 monthly progress review meeting. The information provided is as of *February 28, 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 previously 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. All six Intergovernmental Agreements were executed as of December 5, 2013. A *Local Funding Agreement* to transfer to VDOT the project-related scope of work for Route 606, which includes an intersection improvement and addition of a turn lane, is *being developed*. MWAA anticipates submittal of the *Local Funding Agreement* by mid-April 2014. Execution of the agreement is anticipated in May 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 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. *FTA provided comments to the review of the RAMP on February 26, 2014 and MWAA is in the process of addressing the comments.*

- **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.
- **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 AHJs. The Preliminary Design submittal establishes the code year for building code compliance and is a required predecessor to the approval of the 60% and 90% 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 *requirements of the Commonwealth of Virginia Construction and Professional Services Manual (CPSM)*, the approval of the Phase 2 Preliminary Design submittal is a predecessor to the approval of the 60% and 90% design submittals.

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% design submittal in late January 2014 *for MWAA review. Based on comments provided by MWAA, Atlantic Contracting and Material Company provided the Final submittal on March 3, 2014 for MWAA review.* 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 15, 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.

- **Construction Progress** – MWAA issued a NTP for the Package A Contract on July 8, 2013. The contract is approximately 13 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 26 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 *January 2014*, project expenditures total \$193,066,417. Based on the budget and expenditures, the total project completion is 6.9 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 *approximately* \$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, accepted-as-noted the draft Final Baseline Schedule, *and CRC made some minor changes to the schedule. The Final Baseline Schedule was resubmitted by CRC and "accepted as noted" by MWAA in February 25, 2014. The critical path in the Final Baseline Schedule is through the Innovation Center Station and shows zero float. As of the end of February, MWAA was awaiting CRC's Schedule Update for January 2014.*
- **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 February 25, 2014 shows final delivery for the last Phase 2 vehicle no later than August 2, 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 *three* 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 would 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 *resubmission* which was originally planned for the end of February 2014. *The submission of this revised PMP is still outstanding.* 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 *February 2014* is 327; a decrease of 6 from *January 2014*. 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) – 49, Capital Rail Constructors (CRC) – 238, and *Atlantic Contracting and Material Company (Package S)* – 5. Of the 238 staff reported by CRC, some are located in the project office; the remainder is located in local design offices in Washington, DC and Virginia.

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 *the PMSS* 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 was developed for *the first quarter of 2014 for Package A in February 2014*, and MWAA is in the process of developing an audit schedule for the *second quarter of 2014*. *During the month of February, MWAA performed one QA audit and one QA surveillance. No areas of non-conformance were noted. An overall QA audit*

plan for Packages B and S needs to be developed. The need to fill the position of QA/QC and Safety Manager needs to be a priority activity.

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. *During the March 6, 2014 meeting, MWAA introduced Carlo Enciso as the new MWAA Procurement Manager for Phase 2. All personnel changes will be included in the revised PMP.*

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 staffs 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 elements 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, the comments work their way back to CRC, and a record of the communication is retained. MWAA is planning an 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%.

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 have to secure approved Title VI Plans because they will be recipients of TIFIA loan funds for the project.

Fairfax County: 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 requirements 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. *However, the Plan went back to the Board on January 29, 2014 for policy revisions on how service changes will be made to the Connector bus service.* 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.

Loudoun County: 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. *On March 10, 2014, the Loudoun Board of Supervisors held a Transit Summit to look at the future configuration of the entire bus system in Loudoun County. Any changes in service will be incorporated into the Title VI Plan.*

- **Safety and Security** - During the March 6, 2014 meeting, MWAA reported that *contractor's safety performance reports, including the accident/injury statistics, are included in the MWAA Monthly Progress Reports. As of January 31, 2014, CRC has recorded 276,089 hours worked with one incident and zero hours of lost time.*

Atlantic Contracting and Material Company, contractor for Package S, is not responsible for a Safety and Security Certification Plan.

- **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 *February 2014* and a *March 2014* look-ahead calendar for community outreach. MWAA reported that *there were 15 outreach events for Phase 2 in February 2014 and an outreach schedule for meetings was developed for March 2014. Some are initial meetings with the community and some are ongoing meetings at Dulles Airport with Airport tenants.* The concentration is on outreach at the Airport, meeting with senior airport, facilities and business personnel. A meeting *with the Airport Managers Association was scheduled in February 2014* with the Airport Managers Association. 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. The tenants are *those* usually *most* impacted by 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 returned to CRC with *minor* comments. *CRC resubmitted the revised Communications Management Plan on March 5, 2014.* 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, tiebreaker stations, and storm water management ponds, along the alignment, five new *Metrorail* 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 would 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, Virginia Department of Transportation (VDOT), Fairfax County, Loudoun County, the Town of Herndon, the Dulles Greenway. As of November 4, 2013, MWAA had executed all six Intergovernmental Agreements.

In addition, MWAA anticipates executing a funding agreement in *April* 2014 for the intersection improvements and added turn lane required in Package B that they 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 <i>on</i> May 28, 2013	Effective date May 28, 2013
Loudoun County	Executed <i>on</i> August 7, 2013	Effective date August 7, 2013
Town of Herndon	Executed <i>on</i> July 9, 2013	Effective date July 9, 2013
TRIP II (Dulles Greenway)	Executed <i>on</i> September 30, 2013	Effective date August 1, 2013
<i>Local Funding Agreement</i> 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>May</i> 2014

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)**

Procurement: 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.

Design: The DB contractor, CRC, is in the *eight*th 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. 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. 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. 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. *During the March 6, 2014 meeting, MWAA reported that CRC did submit the final Fire, Life, Safety analyses last week. However, the CRC analyses need to address each station separately and not as an all-encompassing report. Not all the stations were included in the final report and MWAA anticipates that CRC will address the remaining stations by March 14, 2014.* 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. *MWAA anticipates that it will schedule a meeting with CRC, at which the AHJ can address their comments and CRC can present the basis of its Rational Analysis, no later than March 21, 2014.* MWAA reported that based on *the requirements of CPSM*, the approval of the Phase 2 Preliminary Design submittal is a required predecessor to the approval of the 60% and 90% design submittals.

CRC has submitted 34 of the 43 60% design packages. MWAA has completed review of 28 packages and 6 are under review. *The 60% civil design submittals are complete; however, the 60% facility design submittals are pending approval of the Preliminary Design submittal. MWAA has accepted 60% design submittals for the guideways and the systems. All forty-three 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 *13* of the *forty-three* 90%-design packages, and MWAA has completed review of seven packages and *six* are under review. During the January 8, 2014 meeting, MWAA reported that CRC was advised that MWAA would not accept 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.

Permits: 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. *Installation of test shafts at the three locations within the Dulles Airport property is complete, and testing is complete at two of the locations and ongoing at the third location.* 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 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.

Construction: CRC is continuing construction preparation activities. 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 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 complete. Geotechnical borings are continuing and are approximately 84 percent complete. Through February 2014, there are 1,294 geotechnical borings planned of which 1,085 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.

MWAA has turned over the United Airlines ground service equipment (GSE) Building to CRC for demolition. The gate at the United Airlines GSE Building was 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.

Pending approval of the design documents and permits, CRC anticipates the start of construction in April/May 2014 at two locations: the Dulles Airport Station and the median of the Innovation Center Station.

Schedule: 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. As of February 28, 2014, CRC was working and billing to the revised cost-loaded Proposal Schedule.

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 has accepted-as-noted the draft Final Baseline Schedule, and CRC made some minor changes to the schedule. CRC resubmitted the Final Baseline Schedule on February 14, 2014 and MWAA

“Accepted-as-Noted the schedule on February 25, 2014. As requested, the Final Baseline Schedule was transmitted to the PMOC on March 6, 2014 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.

MWAA is currently awaiting CRC’s first update of the Package A Project Schedule to determine whether CRC is on target with the Baseline Schedule.

- **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 resulting from 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 solicitation method similar to the procurement of Package A *is being followed* wherein MWAA *issued* a Request for Qualifications Information (RFQI) *followed by* a request technical proposals and price proposals. The change from Package A *is* that instead of issuing a shortlist in response to the RFQI, MWAA just *prequalified* potential bidders on a pass/fail basis. The RFQI *provided* the minimum requirements for qualification. MWAA then *issued* a RFP package to all qualified potential bidders, and *will* 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, 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 *during the week of February 17, 2014*. MWAA *expects to continue the collaboration meetings through early April 2014*.

MWAA is targeting receipt of the technical proposals by April 15, 2014, final determination of pass/fail of the technical proposals by May 15, 2014, and receipt of price proposals by June 5, 2014. Final contractor selection is anticipated in June 2014, contract award by June 30, 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. *During the week of February 28, 2014, VDOT requested that MWAA use a Local Funding Agreement, which is what VDOT uses with local jurisdictions for site improvements. This agreement allows VDOT to recover any additional costs for the work, above the funding amount initially agreed to. MWAA anticipates submittal of the Local Funding Agreement by April 14, 2014. VDOT planned to issue the RFP for the Route 606 project in January 2014, but a revised issuance date has not been determined.*

- **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.

Procurement: 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. 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 to MWAA on October 10, 2013 asking for reconsideration, and filed a protest on October 14, 2013, *which they have since dropped*.

MWAA issued a Notice of Recommended Award to the third lowest bidder, Atlantic Contracting and Material Company, Inc. (ACMC) on November 1, 2013. 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 of 385 calendar days from NTP, which results in a December 8, 2014 completion date.

Design and Permits: ACMC completed the initial field survey work, the wetland delineation assessment, the 100% design submittal, and has submitted their Section 404 permit modification for wetland impacts. ACMC submittal of construction permit applications is still pending. MWAA held a start-up meeting with ACMC 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, which were accepted by MWAA. Atlantic Contracting and Material Company submitted the 100% design submittal in late January 2014 for MWAA review. ACMC incorporated MWAA's comments and provided the Final Submittal on March 3, 2014 for MWAA review.

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. The DEQ Water Protection Permit modification was approved on March 6, 2014. Approval from the United States Army Corps of Engineers was also received on March 6, 2014.

During the March 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 hydro seeding the site for final turnover. On February 4, 2014, the MWAA Environmental Officer, DEQ, DTP and ACMC conducted a joint walk-down to review DEQ's requirements for the transfer of responsibility for the site from one contractor to the other. DTP is working to fulfill its environmental permit obligations so it could be issued a Notice of Termination of the Virginia Stormwater Management Program permit for the site. Once DTP fulfills its obligations, ACMC will take over control and custody of the site.

This package is tracking on schedule; MWAA anticipates that clearing work will begin in March 2014, pending approval of the construction permit, and material hauling will begin in late April 2014. During the March 6, 2014 meeting, MWAA provided the following schedule milestones for Package S:

MILESTONE	DATE
Options Evaluation for Removal of Soil from Maintenance Facility Site Complete	September 2012 (Actual)
Management Decision on Location for Soil Disposal	December 2012 (Actual)
Issue Final Invitation for Bid (IFB)	June 2013 (Actual)
Final Contractor Selection	October 2013 (Actual)
Contract Award	November 2013 (Actual)
Issue NTP	November 2013 (Actual)
Complete Soil Hauling and Disposal	October 4, 2014
Contract Substantial Completion Date	December 8, 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 *counties identify* the final locations of the parking facilities.

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 level by *June* 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 completed 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 owns the site shown in the preliminary engineering plans on the west side and is in the process of seeking appraisals for that location. The County is 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.

Based on an approval of the land use cases by the Fairfax County Department of Planning and Zoning in June 2014, Fairfax County anticipates twelve months for design and thirty months for construction with a project completion date of May 2018.

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 completion of construction is expected 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 the 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 placed 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 proceeding on 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 proof 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. Jones Lang LaSalle is leading the procurement review team due to the financial component of the proposal, and both MWAA and WMATA members were 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 15, 2014, Loudoun Board of Supervisors meeting, the *Board voted to finance and construct the Loudoun County garages separate from the Dulles Corridor Metrorail Project*, subject to receiving TIFIA funds for their share of the Project. 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. *All questions received from the offerors during the week of February 28, 2014 were financial in nature.*

On March 5, 2014, the Loudoun Board of Supervisors met in closed session 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 decision matrix for the final approval for privatization that will identify and determine the factors for selection.

During the closed session on March 5, 2014, the Loudoun Board of Supervisors approved the Design-Build-Operate-Maintain and Finance (DBOM+F) method for the procurement of the parking facilities. They discussed and decided on the parameters for the Best and Final Offer (BAFO) to go out to all four of the bidders. Loudoun County anticipates receipt of the BAFOs between April and May 2014. Loudoun County will review the BAFOs and report to the Board of Supervisors at the June 2014 meeting with a recommendation to start negotiations for a DBOM plus finance contract award. After selection, Jones Lang LaSalle will lead formal negotiations for the County.

The Board also approved the County's request for \$3 million to hire a DB Contractor to commence a parallel process for design, construction, and operation of the parking facilities. 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 continue the parking facilities with the DB Contract without a significant delay 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 and Project Development

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. Details of the required properties will be developed during the design phase of the Package A Contract. The PMOC 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 provided comments on this resubmitted RAMP on February 26, 2014 and MWAA is in the process of addressing the comments. FTA is still awaiting resubmittal of the RAMP that incorporates all previous FTA and PMOC comments, including those provided on February 26, 2014.*

MWAA reported that the letter submitted to FTA in 2007 requesting to raise the threshold values to \$250,000 and \$1,000,000 respectively was 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, and 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. *FTA stated that approval of the threshold letter is pending MWAA submittal and FTA review of the revised RAMP.*

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 were identified by MWAA during preliminary design as the primary parcels that would be needed by the Package A Contractor. MWAA has developed Property Identification Plans (PIP) for the Priority 1 parcels based on CRC's current design and CRC is responsible for verifying and approving the PIPs. MWAA has one year to deliver the property once the PIP is verified by CRC. To date the only Priority 1 parcel to be approved by CRC is Parcel 207. MWAA reported that no new properties will be moved into Priority 1; however, Priority 1 properties can be deleted. In addition, any additional properties identified as high priority (not identified as Priority 1) will become Priority 2A.

Priority 1 parcels are primarily for the storm water ponds and the ancillary facility locations. MWAA is in the process of verifying the locations for the nine Priority 1 parcels. 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. *The property owner has until March 14, 2014 to respond.*

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 March 6, 2014 meeting, MWAA reported that an offer would be made either at the end of February or early March. MWAA also 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, MWAA reported that it would be at least two weeks before MWAA can schedule meeting with the property owners, or the leaseholder in the case of Parcel 237. *Those meetings have not occurred.*

CRC is also re-prioritizing the Priority 2A and 2B acquisitions; however, those are not needed by the March 15, 2014 deadline. CRC has acknowledged that the PIPs 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 owners.

Third-Party Appraisal Services Contract: 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 would 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.

Third-Party Property Acquisition Consultant Contract: MWAA has also retained a property acquisition consultant for the remainder for the parcels (Priority 2 and 3) using VDOT's specifications. *The RFP was issued on May 23, 2013, and the contract was awarded on August 26, 2013 to Stantec Consulting Services, Inc.* A kickoff meeting was held on November 8, 2013.

Archeological Investigation: 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 was 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 would be the code officials and not the Department of General Services. In addition, 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 would 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 *February 25, 2014* shows final delivery for the last Phase 2 vehicles no later than August 2, 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 revision of the transfer to staff from Phase 1 to Phase 2 given the delay in the substantial completion of Phase 1*. MWAA anticipates submittal by the end of *March 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 *two* remaining procedures for submittal by the end of *March 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 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 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 April 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	06/30/2014 (F)

DULLES CORRIDOR PHASE 2 MILESTONES	
DESCRIPTION	DATE
Fairfax County – Approval of Land Use Cases for Parking Facilities	June 2014
Loudoun County Garages – Board Action on BAFOs	July 16, 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
Fairfax County – Design of Parking Facility Complete	June 2015
Fairfax County – Construction of Parking Facilities Complete	May 2018
Loudoun County - Construction of Parking Facilities Complete	June 2018
Package B Contract Substantial Completion	July 2018
Package A Contract Substantial Completion	07/07/2018
Begin Operations Readiness Testing	07/07/2018
Complete CRC Operations Readiness Testing	09/04/2018
Project Final Acceptance (<i>SSCD</i>)	09/04/2018
Begin WMATA Revenue Operations <i>Readiness (ORD)</i> 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 and the AHJs approve the Preliminary Design submitted by CRC.
- DTP transfers responsibility for the site of the proposed Dulles Maintenance Facility to Atlantic Contracting and Material Company.
- MWAA completes the procurement of Maintenance Facility and Storage Yard and issues contract award and NTP.
- Fairfax County approves the land use cases for the Innovation Center and Herndon Station parking facilities.
- 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.
- MWAA’s 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 was \$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 *January 2014* is shown below. Overall, approximately 6.9 percent of the budget has been expended.

FTA SCC CODE	DESCRIPTION	BASELINE BUDGET	EXPENDITURE TO DATE	ESTIMATE AT COMPLETION	CONTINGENCY TO DATE
10	Guideway and Track Elements	\$ 344,946,326	\$ -	\$ 344,946,326	
20	Stations	\$ 228,424,057	\$ -	\$ 228,424,057	
30	Yards, Shops, Admin. Bldgs	\$ 229,857,097	\$ -	\$ 229,857,097	
40	Site Work & Utility Relocation	\$ 394,075,868	\$ 34,521,545	\$ 394,089,992	\$ 14,124
50	Systems	\$ 193,794,178	\$ -	\$ 193,794,178	
60	Right of Way Acquisition	\$ 58,523,267	\$ -	\$ 58,523,267	
70	Vehicles	\$ 212,765,000	\$ 25,342,583	\$ 212,765,000	
80	Professional Services	\$ 564,398,592	\$ 133,202,288	\$ 565,073,592	\$ 675,000
90	Contingency	\$ 551,451,179	\$ -	\$ 550,762,055	\$ (689,124)
100	Finance Charges				
TOTAL PROJECT COST		\$ 2,778,235,564	\$ 193,066,417	\$ 2,778,235,564	\$ -

1. Baseline budget is based on Table 2-1 "Program Budget Breakdown" of RCMP Rev1 c submitted to FTA in November 2013.

2. All of the contingency resides in SCC 90.

3. The baseline budget line items will be adjusted per approved cost loaded schedules.

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 budget to Owner Cost. Thus, the net savings realized was approximately \$258 million. MWAA incorporated these changes into the Baseline Budget.

At the March 6, 2014 meeting, MWAA reported that one change order and two directive letters totaling \$689,124 have been issued, and per the new policy, a fixed price change order will be issued within 60 days to cancel the directive letters.

a. Monthly Cost Report – January 2014

DESCRIPTION	BASELINE BUDGET	EXPENDITURE TO DATE	ESTIMATE AT COMPLETION	PERCENT OF EAC EXPENDED TO DATE
Design-Build				
Design Build Main Line - Package A	\$ 1,177,777,000	\$ 51,337,260	\$ 1,178,466,124	
Commodity Escalation - Package A	\$ 16,000,000	\$ -	\$ 16,000,000	
Yard - Package B + Yard Soil Preparation - Package S	\$ 269,280,530	\$ -	\$ 269,280,530	
Commodity Escalation - Package B	\$ 4,000,000	\$ -	\$ 4,000,000	
Parking Garages - Package C	\$ -	\$ -	\$ -	
Design-Build Contracts Total	\$ 1,467,057,530	\$ 51,337,260	\$ 1,467,746,654	3%
Right of Way				
Parcels & Project Management	\$ 58,600,000		\$ 58,600,000	
Right Of Way Total	\$ 58,600,000	\$ -	\$ 58,600,000	0%
WMATA Agreement				
Vehicles	\$ 205,868,200	\$ 25,342,583	\$ 205,868,200	
WMATA Non Revenue Vehicles	\$ 9,250,751	\$ -	\$ 9,250,751	
WMATA Project Management and Other Costs	\$ 90,205,767	\$ 1,635,846	\$ 90,205,767	
WMATA Agreement Total	\$ 305,324,718	\$ 26,978,429	\$ 305,324,718	9%
Preliminary Engineering				
Preliminary Engineering Total	\$ 75,000,000	\$ 71,015,036	\$ 75,000,000	95%
Airports Authority Services				
Airports Authority Project Management	\$ 64,620,000	\$ 4,055,081	\$ 64,620,000	
Project Management Support	\$ 140,000,000	\$ 18,038,745	\$ 140,000,000	
Other Costs ¹	\$ 116,182,137	\$ 21,641,864	\$ 116,182,137	
Airports Authority Services Total	\$ 320,802,137	\$ 43,735,692	\$ 320,802,137	14%
Contingency				
Contingency Total	\$ 551,451,179		\$ 550,762,055	
Finance Charges				
Finance Charges Total	\$ -	\$ -	\$ -	
TOTAL PROJECT COST	\$2,778,235,564	\$ 193,066,417	\$2,778,235,564	9%

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

*This percentage does not include Finance Costs and Contingency.

b. Funding Sources

Primary funding for Phase 2 (*excluding parking facilities*) comes from MWAA (8.39%), Fairfax County (18.54%), Loudoun County (9.83%), Commonwealth of Virginia (11.62%), and the Dulles Toll Road (51.62%). 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.

<i>Funding Source</i>	<i>Phase 2 Funding</i>	<i>Percentage of Total</i>
Commonwealth of Virginia	\$ 323	11.62%
Fairfax County	\$ 515	18.54%
Loudoun County	\$ 273	9.83%
MWAA (Aviation Funds)	\$ 233	8.39%
MWAA (Dulles Toll Road)	\$ 1,434	51.62%
Total Sources of Funding	\$ 2,778	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. *Fairfax County will have two separate loan agreements since it has two sources for repayment.*

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. *MWAA is working on the preliminary draft application from and developing a coordinated schedule with the Counties. Applications from MWAA, Fairfax County and Loudoun County are to be submitted concurrently. Once received, the TIFIA working group has 30 days to review the completeness and correctness of the application, followed by the financial review. Once the review is completed, the TIFIA working group will extend a formal authorization to MWAA, Fairfax County and Loudoun County to submit the final applications. Approval of the TIFIA loan is anticipated in June 2014. FTA DC Metro Office staff 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. *FTA forwarded a letter accepting the RCMP Revision 1c to MWAA on February 4, 2014. As of the end of February, MWAA was working on Revision 1d of the RCMP.*

- **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 MWAA's Top Ten Risks list from RCMP, Revision 1c accepted by FTA on February 4, 2014.*

Summary Status of the Top Ten Project Risks, November 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, and <i>FTA is awaiting the submission of a timeline for completing its Service Equity Analysis prior to approving the Interim Title VI Plan.</i>	R
3	2B	FTA to approve MWAA management plans	MWAA submitted the PMP, QPP, SSMP, RCMP, Permit Management Plan and RAMP.	Y	N	N	MWAA to <i>resubmit the updated PMP and Project Management Procedures by the end of March 2014. RAMP and Permit Management Plan by the end of April 2014. RCMP, Revision 1d, will be submitted after PMOC's comments are received.</i>	R
1	2B	FTA to confirm whether further NEPA review will be required for changes to the Loudoun and Fairfax parking facility locations.	<i>Loudoun and Fairfax Counties are procuring the parking facilities with local funds only.</i>	N	N	N	FTA stated that the requirement for a NEPA review/re-evaluation <i>would</i> 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 parking facilities if they have changed from the prior NEPA review.	R
2	2B	MWAA to provide a copy of the final Baseline Schedule once approved.	Baseline Schedule for Package A was <i>Accepted - as-Noted by MWAA.</i>	N	N	N	<i>MWAA provided a copy of the final Baseline Schedule to the PMOC on March 6, 2014. This will be the basis for monitoring the Project. The PMOC is reviewing this document.</i>	C
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, <i>similar to Phase 1.</i>	Y	Y	N	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>Approval of the threshold letter is pending MWAA submission and FTA approval of the revised RAMP that addresses comments provided by FTA on February 26, 2014.</i>	R

PR	ITEM	IDENTIFICATION	NATURE of PROBLEM	D	A	I	COMMENTS	STATUS
2	2B	Loudoun County <i>will</i> 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 provided a schedule update for the procurement of the parking facilities during the February 6, 2014 meeting. Loudoun County to continue to provide updates at the Monthly Meetings.	R
1	2A	MWAA <i>will</i> provide a QA Audit schedule for design.	Design is progressing; however, <i>MWAA has not completed</i> a QA Audit schedule for design.	N	N	N	<i>MWAA provided a QA Audit schedule for the first quarter of 2014 on February 25, 2014. MWAA is developing a QA audit schedule for the second quarter of 2014.</i>	C

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

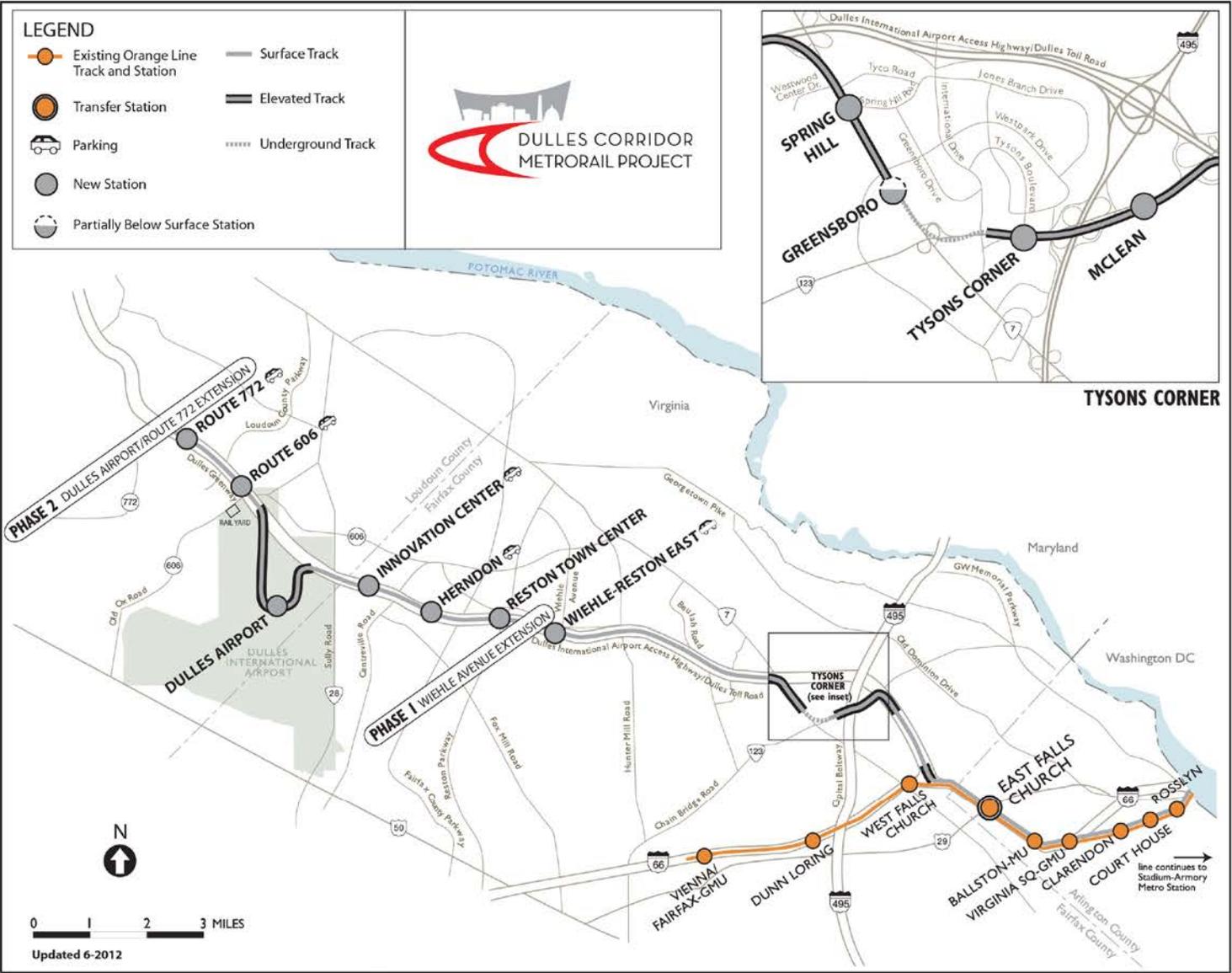
APPENDIX A – LIST OF ACRONYMS

<i>ACMC</i>	<i>Atlantic Contracting and Material Company</i>
AHJ	Authority Having Jurisdiction
<i>BAFO</i>	<i>Best and Final Offer</i>
Board	MWAA Board of Directors
<i>CPSM</i>	<i>Construction and Professional Services Manual (Commonwealth of Virginia)</i>
CRC	Capital Rail Constructors
DB	Design-Build
DBE	Disadvantaged Business Enterprise
<i>DBOM</i>	<i>Design-Build-Operate-Maintain</i>
DEQ	Department of Environmental Quality
DHR	Department of Historical Resources
DIAAH	Dulles International Airport Access Highway
DTP	Dulles Transit Partners, LLC
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
<i>PIP</i>	<i>Property Identification Plans</i>
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
WMATA

West Falls Church
Washington Metropolitan Area Transit Authority

APPENDIX B – PROJECT MAP



APPENDIX C – MWA A 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 <i>submitted</i> SSMP Rev.0 dated July 2013 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 <i>submitted</i> a revised SEPP to TOC in March 2012, <i>which the</i> TOC approved 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	<i>TOC approved an updated WMATA SSPP dated January 2013 on February 15, 2013.</i>
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	<i>MWAA's SSMP, Revision 0, dated July 11, 2013 was approved by FTA on November 15, 2013.</i>
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	<i>CRC will resolve all identified hazards and vulnerabilities with final review by the SCWG.</i>
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	<i>MWAA is developing the PHA and TVA.</i>
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	<i>The project is in the early DB stage.</i>
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	<i>MWAA has accepted the contractor's Safety and Security Plan.</i>
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	<i>MWAA is developing an Audit schedule.</i>

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	<i>This is a Heavy Rail Transit Project. There is no FRA involvement.</i>
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]