

**DULLES CORRIDOR ADVISORY COMMITTEE
MINUTES OF JUNE 30, 2017
CENTER FOR INNOVATIVE TECHNOLOGY – HERNDON, VA
(APPROVED BY DCAC ON NOVEMBER 29, 2017)**

Principal Attendees:

Hon. Sharon Bulova, Chairman, Fairfax County Board of Supervisors
Mr. Ed Long, County Executive, Fairfax County
Hon. Phyllis A. Randall, Chair, Loudoun County Board of Supervisors
Mr. Tim Hemstreet, Administrator, Loudoun County
The Honorable Jennifer Mitchell, Director, VA Dept. of Rail and Public Transit
Mr. Scott Kasprovicz, Commonwealth Transportation Board
Mr. Jack Potter, President/CEO, MWAA
Hon. Katherine K. Hanley, Metropolitan Washington Airports Authority Board of Directors

I. Call to Order and Welcome

DCAC Chair Hanley called the meeting to order at 9:30 a.m. and welcomed all attendees with opening comments. The Chair noted that this meeting is the final DCAC meeting to include Fairfax County Executive Ed Long as DCAC Principal and she thanked Mr. Long for his service to the DCAC as well as the regional community.

II./III. Approval of 06-30-17 Agenda and Minutes from the December 1, 2016 meeting (Bulova/Potter)

No revisions to the agenda or the 12/01/17 Minutes were requested.

IV. Rail Project Update

Mr. Charles Stark, Executive Project Director of the Dulles Corridor Metrorail Project provided the following update:

- Phase 1 quarterly expenditures (Feb.-April 2017) were \$3.5M with \$2.892 B expended on Phase 1 overall as of 04/30/17. The forecast at final completion of Phase 1 remains at \$2.982 B.
- Mr. Stark reported on Dulles Transit Partners (DTP) [Bechtel] Closeout Status noting significant disagreement exists between MWAA and Bechtel over the scope of Bechtel's responsibility for certain Phase 1 deficiency items . MWAA will complete discussions with Bechtel on the work Bechtel is willing to perform and MWAA will perform the remainder of disputed work by Task Order Contractor. MWAA will pursue Bechtel for reimbursement of the Task Order costs.
- Closeout of VDOT Comprehensive Agreement – Majority of remaining deficiencies are, it is believed, Bechtel's responsibility. Phase 1 Task Order Contractor is proceeding to address many of the deficiencies, and is

- forecasted to finish the work in 2017.
- This Task Order contract currently includes 21 issued task orders and 26 orders completed.
 - Old Meadow Road – Final design is underway for the realignment. Project Schedule includes Completion of evaluation for alternate design concept and issuance of NTP for Final Design, Completion of Final Design (July, 2017), Award of Construction Contract (October 2017) and Construction (October 2017 to April 2018). Utility company cooperation will be required in the design and execution of utility relocations.
 - Mr. Stark reported that Phase 2 Package A is 52% complete and Package B is 37% complete.
 - Phase 2 April expenditures totaled \$40.3 M and total expenditures through April totaled \$1.199 B. Total budget and total forecast remains \$2.778 B.
 - Total Phase 2 contingency is \$551.5 M. Contingency used through March, 2017, is \$125.8 M. Contingency utilized in April was \$1.4 M. The remaining Phase 2 contingency is \$424.3 M.
 - Mr. Stark concluded his Phase 2 presentation with photos of Guideway & Stations design-build activities, the WMATA Rail Yard & Maintenance Facility design-build activities. He also stated that WMATA has informed MWAA that its Rail Yard Transportation Police building will not be occupied by WMATA public safety officers when the Rail Yard opens.

Mr. Stark's presentation has been posted onto MWAA website at:
http://www.dullestollroad.com/sites/default/files/rail_project_update_06-30-2017.pdf

Comments and discussion following Mr. Stark's presentation

- Ms. Randall asked why there will be no WMATA police occupying the Rail Yard police building. Mr. Stark responded that this matter is a personnel restructuring call that has been made by WMATA.
- Ms. Bulova observed that the Project contractor is a couple of months behind but the goal is to make up time per their contract. Mr. Stark agreed.
- Ms. Bulova further clarified that rail service is still expected to being in 2020. Mr. Stark concurred and Mr. Potter added that service will begin after WMATA testing is completed. Mr. Potter and others noted that WMATA testing for Phase 1 had taken more time than originally expected but indicated that "lessons learned" from WMATA Phase 1 testing will hopefully carry forward to benefit Phase 2.

V. Dulles Corridor Enterprise Financial Update

Mr. Andy Rountree, MWAA Vice President and Chief Financial Officer provided the following update:

- Developments since the December 2016 DCAC meeting includes a litigation update. Mr. Rountree introduced Mr. Phil Sunderland, Vice President and General Counsel for MWAA who provided an update on federal court litigation challenging toll rates set by MWAA for the Dulles Toll Road. He indicated that a favorable ruling had been issued by the federal court in Alexandria which rejected all claims raised by plaintiffs, and that a notice of appeal of that ruling had been filed by plaintiffs.
- Mr. Rountree then reported on the Allocation of Capital Costs. No change has occurred related to Project costs being allocated in accordance with funding agreements. He stated that existing funding commitments are being fulfilled and are sufficient to complete the Project.
- Mr. Rountree also provided an update on Dulles Toll Road Traffic & Revenue. He stated that DTR revenues have been consistent with projections and transactions have also performed in line with expectations. Mr. Rountree concluded with a chart showing that tolls are expected to stay at current levels through 2018.
- In closing, Mr. Rountree reminded DCAC Principals that the MWAA 2017 Budget and the 2016 audited Comprehensive Annual Financial Report, with a clean audit opinion, have been forwarded to all Principals.

Mr. Rountree's presentation has been posted onto MWAA at:
http://www.dullestollroad.com/sites/default/files/financial_update_06-30-17.pdf

Comments and Questions following Mr. Rountree's presentation

- Ms. Randall noted that current tolls on the Dulles Toll Road (DTR) were set in 2012/2013 and asked about the projected toll increase to \$4.75 in 2019 and what type of notice will be provided to customers using the DTR. Ms. Bulova commented that it is likely somewhat premature to discuss new toll rates at this time before completing further analysis and discussions of what the toll increase needs to be. Mr. Rountree added that the toll-setting process is performed in accordance with MWAA regulations and include at least two public hearings in the Dulles Corridor. Mr. Rountree further noted MWAA is currently planning a schedule of activities to occur in 2018 that will evaluate alternatives for, and develop recommendations related to, the 2019 tolls. MWAA will provide the DCAC with a schedule of such activities when it is developed, and perhaps at its December, 2017 meeting.
- Mr. Potter noted that there are likely several options relating to the 2019 DTR toll rates that will be under consideration in 2018.

VI. Other Items

No other items were presented to the DCAC.

VII. Adjournment

There being no other business, Ms. Hanley adjourned the meeting at 10:04 AM.
The next DCAC meeting will occur in late 2017 (Date TBD).