1. CALL TO ORDER
Chair Nora Slawik called the August 2, 2019 meeting of the Executive Change Control Board to order at 10:00 a.m. at the SWLRT Project Office.

2. MINUTES FROM JULY 12, 2019 MEETING
Commissioner Callison made a motion to accept the minutes from July 12, 2019. Council Member Cummings seconded. Minutes were approved.

3. RESOLUTION 19-ECCB-003
Mr. Ben Schweigert reviewed the resolution. He reported that the Project Office is preparing the FFGA application which needs to include updated contingency amount and revenue service date. The overall budget is not changing for this submittal, but an adjustment of the contingency is changing by approximately $35M. The revenue service date is being adjusted to October 2023. The ECCB board action is to approve the change in contingency and schedule, as set out in Exhibits A and B.

Commissioner Callison asked about the schedule change, and if this delay will use additional money. Also, are there any other implications to moving the service date and is the FTA aware of these changes. Ms. Joan Hollick responded that Exhibit B shows a side-by-side comparison of the project’s schedule, as it was in September 2018 (IMPS 15), when the New Starts submittal was given to FTA; along with the current schedule (IMPS 16), which reflects what will be submitted with the FFGA application.

The Civil construction start date was scheduled for 10/28/2018; but started on 12/20/2018. This two-month delay was solely driven by the receipt of the Letter of No Prejudice from the FTA. This 2-month delay to the start of construction then required a delay for our bids going out for the Systems contract, which was awarded on 2/20/2019. This change then moved the revenue service date from June to an October 2023 timeframe. Ms. Hollick reported that the FTA is aware that we will be submitting a revised schedule and FTA is also aware that our Systems contract dates have changed. We also reviewed with FTA our contingency level.

Ms. Hollick then went over Exhibit A, which shows the amounts for the contingency adjustments. The chart is broken down by cost categories and the two different points of time - one for the 2018 New Starts submittal and one for the upcoming FFGA application. It also shows the contingency adjustment for each item. The overall contingency adjustment for the project is $36.8M, which includes both reductions and credits to the overall project contingency. The result of these changes represents a $34.9M reduction in the project contingency, which results in an adjustment of the contingency from 14% to 11.67%. The three categories on the chart which had changes include: Construction, Right of Way, and Vehicles. Ms. Hollick went through the items on the chart line by line and explained the changes. This $34.9M adjustment to the contingency has no impact to the $2.003B budget.

Commissioner Callison asked if we should continue to strive for receiving the FFGA in December. Ms. Hollick said we will continue to strive for a December FFGA but noted that FTA has said that while their roadmap shows end of 2019 for the FFGA, it is optimistic, with March being more realistic. Chair
Slawik responded that FTA expects some give in the schedule, and that we need the FFGA before the LONP expires at the end of March. We should continue to remind them of the roadmap date.

Commissioner Callison asked how we plan to track the amount spent on the contracts versus the amount budgeted. The County would like to use the budget of $2.003B with the 11.67% contingency as the measuring stick going forward. The Council and County staff will work together on a process to review expenditures within the budget, along with tracking contingency.

Commissioner Callison asked if we can have at the next meeting the format and the process for this. Ms. Hollick said staff are working on items to include in the upcoming amendment to the capital grant agreement and an update can be provided before the September meeting.

**Commissioner Callison made a motion to approve Resolution 19-ECCB-003, Council Member Cummings seconded the motion. Resolution was approved.**

4. CONTINGENCY MANAGEMENT OVERVIEW

Mr. Nat Gorham, Manager of Contracts and Risk was introduced. Mr. Gorham provided a contingency management overview and the background for the attachment on the cost contingency breakdown. Mr. Gorham explained that the FTA conducts risk assessments, where the risks of the project are reviewed. There were two risk assessments completed for SWLRT; one in 2017 and one in 2018. The risk assessment from 2018 confirmed that 14% contingency was sufficient. Part of this approval also uses the hold points as a sufficient way to track the project, and the levels of contingency at each hold points.

For the FFGA application, the Project will have 11.67% contingency. Based on FTA guidance documents, the Project should be at 10% or above at this stage, so we are in a good place. Commissioner Greene asked if we are to inform FTA when we are close to 10%, which Mr. Gorham said yes, when we begin to approach the 10% level, we will inform FTA, along with showing our recovery plan.

Commissioner Callison stated it is very important to manage contingency, so it doesn’t go below the 10% before the next hold point. Mr. Gorham agreed, and Ms. Hollick stated that this chart is created to be a snapshot and intended to be a tool to monitor contingency drawdown. Chair Slawik asked that we continue to report to ECCB monthly on this. Mr. Gorham agreed.

Council member Cummings asked if we anticipate any other credits back as shown in Exhibit A. Ms. Hollick stated that we may, these credits can be a deductive change order, for example, which are tracked as part of the change order report. Another example would be if a bid is less than our estimate.

**Commissioner Greene made a motion to receive the Cost Contingency Breakdown report. Council Member Cummings seconded the motion, which was then approved.**

4. MONTHLY REPORT ON CHANGE ORDERS

Mr. Brian Runzel went over the list of new change orders. Since the last ECCB meeting, there have been four change orders in the Civil area; all relatively minor. There also was one $50K credit in the OMF Demo contract, which was for reconciling the allowances.

Council Member Cummings made a motion to receive the monthly report on Change Orders, showing activity as of 7/31/2019. Commissioner Greene seconded the motion. Item approved.
Chair Slawik mentioned that next week’s August 9 ECCB will be canceled, as there will be no new items to report on. The next meeting will be September 13.

Commissioner Greene would like to know when we will hear back on the collaboration for the budget and oversight work. Ms. Hollick said we will identify this process and level of coordination and outline it in the upcoming amendment to the capital grant agreement.

4. ADJOURN
Motion made to adjourn by Council Member Cummings, seconded by Commissioner Callison. Meeting adjourned at 10:55 AM.

Respectfully Submitted,

Dawn Hoffner, Recording Secretary