

## Risk Mitigation Meeting Minutes #48

DATE: August 20, 2013

MEETING DATE: **August 13, 2013**

LOCATION: 821 Howard Street, 2<sup>nd</sup> Floor – Main Conference Room

TIME: 2:00pm

ATTENDEES: John Funghi, Albert Hoe, Eric Stassevitch, Alex Clifford, Vivian Chow, Beverly Ward, Roger Nguyen, Luis Zurinaga. Brad Lebovitz

COPIES TO: Attendees:, Richard Redmond, Mark Benson, Jane Wang, Mark Latch, Sanford Pong, Aileen Read, Chuck Morganson, James Sampson, David Kuehn  
File: M544.1.5.0820

REFERENCE Project No. M544.1, Contract No. 149 Task 1-4.01  
Program/Construction Management

SUBJECT: **Risk Management – Risk Mitigation Meeting  
Risk Mitigation Report No. 48**

### RECORD OF MEETING

ITEM #	DISCUSSION	ACTION BY DUE DATE
1 -	<p>Proposed revisions to Schedule Contingency Management currently under review by the FTA, requires additional supporting risk analysis to demonstrate the confidence in the proposed changes to the schedule contingency drawdown curve. The Program’s Risk profile changed in September 2012 due to changes in the Program’s contract delivery strategy. The Risk Manager is currently conducting an in house 2013 Risk Refresh to further analyze and document the impact of the new risk profile on the cost and schedule of the Program. One element of the Risk Refresh is the Schedule Assessment; to be discussed in detail at today’s meeting.</p> <p>The Risk Refresh contains a comprehensive review of all aspects of the Program, and the focus of today’s meeting is only on the Schedule Assessment and Risk Modeling performed on the current Program Master Schedule. The Risk Manager presented as a point of reference the schedule contingency drawdown curve developed and maintained since March 2009 and explained that the remaining agreed to FTA hold points are based on Program construction costs at 20%, 50%, 75% and 90% completion.</p> <p>The schedule assessment utilized the Schedule Risk Analysis outlined in FTA OP 40. The Risk Manager presented an overview of the process demonstrating thru graphical presentations the inputs required into the risk analysis program. The resulting output histogram and the monte carlo analysis were presented and discussed. The risk analysis indicated an 80%-95% confidence level in completing the Program on time utilizing just the standard default software</p>	



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	<p>settings for a first run analysis. The Program Master schedule utilized updated contract 1252 schedule and contract 1300 bid schedule critical path items, removing the buffer float, to create a summary level schedule.</p> <p>The Risk Manager provided further explanation of the process, stating the default settings of the risk analysis software are; minimum duration of (0.75), most likely duration of (1.00), and max duration of (1.25). Further refinement of the input is possible by closely examining the durations of key activities; adjustments on each level of the overall activity can then be made if the particular risks justify duration adjustments. One example of this refinement is the head house at YBM: Currently one schedule activity bar represents this work in the summary schedule. If the excavation activity portion of the head house construction contains substantial risk, then the risk analysis could break out the basic activities of the head house construction; setting for the excavation activity could be broken out and assigned specific probabilities such as minimum duration (1.00); most likely duration (1.15); and maximum duration (1.30).</p> <p>The Risk Manager requested the committee to evaluate the data as presented and provide comments regarding the assumptions made in the analysis. In particular, input on specific risks that would affect key activities and the respective probabilities utilized in the analysis.</p> <p>The Risk Committee recommended several different versions of the risk analysis be performed, adjusting schedule summary activities to current known risks and assigning probabilistic outcomes to activity durations commensurate with the risk.</p>	<p>PM/CM PCC 08/27/13</p>
2 -	The next Risk meeting will take place in two weeks <b>August 27, 2013</b> , to further analyze the results of expanding the duration.	

**ACTION ITEMS –**

ITEM #	MTG DATE	Task #	DESCRIPTION	BIC	DUE DATE	STATUS
1	12/13/12		Risk 7 – Cost for significant settlement grout	J. Wang	09/12/13	Open
4	12/13/12		Risk 72 – 4 <sup>th</sup> & King (SSWP)	S. Pong C. Morganson	09/12/13	Open
1	08/13/13		Expand/Confirm CN1300 Startup activities	PM/CM	08/27/13	Open
1	08/13/13		Examine additional schedule activities	PCC	08/27/13	Open
1	08/13/13		Schedule duration that are in the Master Schedule	PCC	08/27/13	Open

Meeting adjourned at 4:00pm

These meeting minutes have been prepared by B. Ward and reviewed by E. Stassevitch, and are the preparer's interpretation of discussions that took place. If the reader's interpretation differs, please contact the author in writing within four (4) days of receipt of these minutes.

Signed:  [initials of preparer & reviewer] Date:  [Date review completed.]