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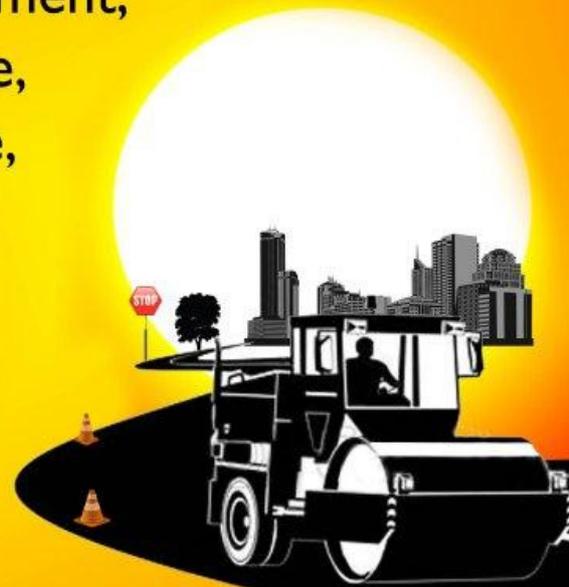
USAID | **AFGHANISTAN**
FROM THE AMERICAN PEOPLE

ENGINEERING SUPPORT PROGRAM

WO-LT-0067 GK ROAD VALUE ENGINEERING TEAM OFFSITE WORKSHOP SUMMARY

To define shared goals and develop a unified approach between construction management, general contracting and quality assurance, so that the project is completed on time, on budget and to satisfactory standards.

March 7, 2013



May 8, 2013

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May 8, 2013

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USAID – Office of Economic Growth and Infrastructure (OEGI)
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Re: WO-LT-0067 GK Road Value Engineering
Team Offsite Workshop Summary

[REDACTED]

Enclosed is the revised GK Road Value Engineering Team Offsite Workshop Summary. The workshop was held on February 7, 2013 at the Tetra Tech office. The summary has been revised in response to comments from participants.

I look forward to meeting with you at your convenience to discuss this report.

Respectfully,

[REDACTED]

Chief of Party (AESP)
Tetra Tech, Inc.

Cc: [REDACTED] (USAID)
[REDACTED] (USAID)

AFGHANISTAN ENGINEERING SUPPORT PROGRAM

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TEAM OFFSITE WORKSHOP SUMMARY

May 8, 2013

DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.



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Executive Summary

Tetra Tech (Tt) partnered with USAID to produce a workshop for all the implementing partners to define shared goals and develop a unified approach among construction management, general contracting and quality assurance, so that the project is completed on time, on budget and to satisfactory standards. The focus of the workshop was to identify issues from each party (MECC, IRD and USAID) and present ways which we can mitigate those issues more timely, efficiently and in accordance with the various contractual agreements.

Approach

Tt interviewed the implementing partners to identify systems that were working versus systems that were not, as they related to construction of the road. Tt met with USAID, Mashriq Engineering Construction Company (MECC) and International Relief and Development (IRD) to discuss elements related to:

- Scheduling
- Communications/Expectations
- Contract/Bill of Quantities (BoQ)
- Autonomy of the Implementing Partners
- Quality Assurance/Quality Control (QA/QC)
- Concerns of the Local Community
- Security

The results of the interviews combined with requirements necessitated by the issuance of a modified BoQ were used to develop the basis of the workshop. The workshop focused on scheduling, invoicing, BoQ, and the QA/QC process.

Attendees divided into teams with representation from each partner in attendance to create an environment conducive to discuss and discover solutions.

Findings

Workshop findings and solutions were organized into the following three categories: Scheduling, Invoicing/BoQ, and QA/QC.

Findings include adjustments necessary to invoicing procedures, schedule management and QA/QC procedures intend to improve the process, open lines of communication, and assist in moving road construction forward with minimal disruption.

Scheduling

Discussion centered on improving the schedule and time utilization during the construction season. It was noted, that the schedule will need to be updated to reflect the modified BoQ when issued. Once the schedule is updated, the partners will closely monitor progress and work to adhere to it throughout the construction season.

As the meeting progressed, solutions and a path forward were developed. Solutions and action items agreed upon are summarized as follows:

- Re-baseline of the Schedule once BoQ modifications are approved.
- Upon approval of the revised BoQ MECC will re-baseline the schedule to include all modifications in the BOQ. Once the baseline is established no change will be made to the baseline without USAID approval.
- Two-Week Look-Ahead Schedules will be generated.
- The bi-weekly meeting to focus more on schedule review: progress of the past two weeks and planned activities for the upcoming two weeks.
- Schedule Activity Identification will be referenced in daily reports when reporting progress. The intention of

the Schedule Activity Identification is to help influence the team to refer to and utilize the Schedule.

- In order to streamline the bi-weekly meeting, a separate offline meeting will be held to discuss progress and schedule issues at MECC Main Office on an as needed basis.
- Formalize and firm up schedule reporting requirements (e.g. Claim Digger Report). MECC will provide a standard report showing and schedule slippages along with a plan to correct them.

Invoicing/BoQ

The modified BoQ, expected to be issued soon, will resolve discrepancies with estimated quantities but it will require a major revision to the project schedule.

The invoicing and BoQ group presented the following solutions to reduce Interim Payment Certification (IPC) payment delays to MECC and provide guidance for handling questionable line items on submitted invoices:

- IRD will attempt to review all documentation from MECC within one week of receipt and then forward on to USAID.
- USAID extended an option that they could partially approve an invoice if there are questionable items found on the invoice that would require follow-up. Questionable items will be flagged for non-payment until the concern is resolved.
- IRD's inspectors under the Equals program are measuring quantities for verification of quantities against MACC's invoices.
- Discussion moved to an increased scope for IRD's oversight of BoQ and quantities currently part of a new SOW under review by USAID.

Quality Assurance/Quality Control

The QA/QC group presented the following supportive measures to improve work quality.

- MECC will provide a site Level of Effort (LOE) to IRD to indicate the field expertise and experience of their staff, such as the supervisors, foreman and lead men.
- The partners agreed to create a Method Statement for each Defined Feature of Work (DFoW). It was decided that MECC would create and have them available at the site.
- The partners agreed on a Remedial Plan, which is to be created by MECC for any major deficiency. MECC has a plan for rectification of the defective works, but is working on a formal mechanism developed and agreed by MECC and USAID that will be put in place
- The partners agreed to have daily meetings on site to discuss project issues although the nature and structure of these meetings was left to be worked out at a future time.

Conclusion

Overall, the workshop opened lines of communication among the partners. An understanding of the challenges that each individual partner faces was shared among the group. Attendees came away understanding that it will take an alliance, supported by open lines of communication, timely submittals and planning to complete the GK Road construction on time, on budget and to satisfactory standards.

It is recommended that a follow-on workshop be scheduled after the modified BoQ is in place and the construction begins, to evaluate the effectiveness of the findings.

1.0 Agenda

The morning session began at 9:30 a.m. [REDACTED], the workshop facilitator, gave opening remarks which encompassed the history and reasons for an offsite event. A desire to strengthen the lines of communication and firm up the team approach amongst all parties for a successful completion of the project was the intended goal.

The topics of the workgroup sessions were noted. Scheduling, invoicing and Bill of Quantities (BoQ), and QA/QC were discussed and recommendations were presented.

- The scheduling workgroup led by [REDACTED] (Tetra Tech) examined the current production rates, utilization of the established schedule and deficiencies contributing to scheduling issues.
- The Invoicing and BoQ workgroup led by [REDACTED] (Tetra Tech) investigated the issues surrounding the lengthy invoice approval process. Evaluation of the BoQ verification and coordination on and off site for improved flow were examined.
- The final workgroup reviewed the QA/QC process led by [REDACTED] (Tetra Tech), discussed the communication between IRD-QA and MECC-QC with particular focus on developing a dialog to limit delays in the field.

A brief review of housekeeping and facilities location preceded the introductions of the attendees.

- [REDACTED] the project's contracting officer representative (COR), introduced his USAID colleagues, explaining the role of each on the project. From the Office of Acquisitions and Assistance, [REDACTED] is the contracting officer (CO) replacing [REDACTED] who served in the same capacity. [REDACTED] also of the OAA office with Anthony, supports the project as Contracting Specialist. Engineering support from USAID includes [REDACTED] alternate contractor officer representative (ACOR), [REDACTED] Senior Engineer QA Team and [REDACTED], Engineer, maintaining document control for the project.
- Introductions moved to IRD, [REDACTED], Team Lead, introduced himself and explained that [REDACTED] (Operations and Risk Manager) and [REDACTED] Program Manager, was on their way. [REDACTED] Deputy Chief of Party, was introduced. IRD's team provides QA/QC on the GK road construction site.
- MECC followed with [REDACTED] Chief of Party, presented the team. [REDACTED] Designer and Quantity Surveyor, [REDACTED] QC Manager, [REDACTED] Program Director, [REDACTED] Business Development and Contract Manager, and [REDACTED] Planning Engineer
- Tetra Tech followed with introductions: [REDACTED] Technical Lead Manager, [REDACTED] Deputy Chief of Party, [REDACTED] Project Manager, [REDACTED], Civil Engineer, and [REDACTED] MIS Manager.

1.1 Identified Issues for Discussion

After introductions, [REDACTED] outlined the issues for the group to examine for resolution, improving and moving construction along to complete the project timely and within budget.

- The schedule has been a major contention for slippage. The schedule created detailing the work is not utilized, updated or implemented by the MECC construction team. USAID, IRD and Tetra Tech believe that road construction is behind schedule. MECC maintains that work is progressing per schedule and on target for a June 30, 2013 completion date.

A QC review of the detailed schedule by Tetra Tech, identified 400+ days of slippage. The schedule appears to be fluid with unfinished tasks pushed out by MECC. USAID remained firm on the June project completion date.

- The invoicing and BoQ are in a state of flux, as the revised BoQ will be issued soon and the discrepancies within the BoQ that were an issue in the past are now resolved. However, the ground survey included on the plans is several years old and MECC has concerns that differing site conditions could drive up costs.
- QA/QC has suffered from a lack of communication. Deficiencies, identified in the field as part of the QA inspection, were sometimes not reported to the contractor for several days, complicating resolution of these issues.

2.0 Workshops

In the late morning session, the workshop was divided up into three groups; scheduling, invoicing and BoQ, and Quality Assurance/Quality Control. The groups separated to different areas of the compound to review what is working, what is not working and to develop proposals on how to improve performance.

2.1 Scheduling

The schedule discussions began with a review of the current schedule. The procedure that MECC utilized to provide schedule updates was presented. USAID stressed the importance and urgency to finish the project, but also acknowledged the obstacles MECC has faced. The potential impact that recent BoQ revisions would have on the schedule was also discussed.

As the meeting progressed, solutions and a path forward were developed. Solutions/action items agreed upon are summarized as follows:

- Re-Baseline the schedule once BoQ modifications are approved. (See Section 3, Ref. No. SCH-1)
- Two-Week Look-Ahead Schedules will be generated. (See Section 3, Ref. No. SCH-2)
- Have the bi-weekly meeting focus mainly on progress of past two weeks and planned activities for upcoming two weeks using the schedule reports for MECC. (See Section 3, Ref. No. SCH-6)

- Schedule Activity IDs will be referenced in daily reports when reporting progress. This will force teams to refer to and use the schedule. (See Section 3, Ref. No. SCH-3)
- In order to streamline the bi-weekly meeting, separate offline meetings will be held to discuss progress and schedule issues at the MECC Main Office on an as needed basis. (See Section 3, Ref. No. SCH-7)
- Formalize and firm up schedule reporting requirements (e.g. Claim Digger Report). (See Section 3, Ref. No. SCH-4)
- No changes will be made to the baseline schedule (durations or logic) without prior discussion and approval from USAID. (See Section 3, Ref. No. SCH-5)
 - MECC to let USAID know if the activities shown are on critical path, so that extra time could be considered.
 - MECC to let USAID know if scheduled activity didn't start per schedule (See Section 3 BOQ-1)

2.2 Invoicing/Bill of Quantities

2.2.1 Payment Application

In the past, delayed Interim Payment Certification (IPC) payments to MECC were a result of missing back up reporting documentation and/or material quantities listed that did not align with quantities submitted by IRD. Currently, IRD performs quantity verification in the field daily when tasks are completed. In addition, IRD reviews and verifies quantities contained in the monthly summary report developed by MECC. MECC includes daily field reports and monthly summaries in their IPC submission to USAID.

Non-construction line items included in MECC's invoice in the past have held up processing with USAID. (i.e. snow removal, clean up and repairs, manuals).

The process to submit verified material quantities currently in place between IRD and MECC seems reasonable and working properly. The items are measured by MECC and Verified by IRD-EQUALS. In every invoice MECC has provided the required approved.

The team agreed that with each IPC issued to USAID, the verification process continues to improve. The process currently in place of verifying quantities daily and monthly should help with the payment application approval at USAID. [REDACTED] (IRD) offered to review IPC documentation with [REDACTED] (MECC) prior to submission. This review will aid in identifying items that either IRD or MECC overlooked or have inaccurate quantities reported. (See Section 3 BOQ-1, 7, 8)

2.2.2 Bill of Quantities:

A modification to the BoQ is being developed by USAID with input from IRD and MECC. It is expected to be released in the near future. In the recent past, the BoQ was an issue of disagreement due to quantities of materials that weren't agreed upon between IRD, MECC and USAID. The current BoQ may still not reflect conditions in the field since it was developed several years ago.

The team agreed that the BoQ modification to be issued will provide a baseline to work from, in which all parties involved are in agreement with.

2.2.3 Shop Drawings:

Shop drawings have material quantities that are verified by IRD. (See Section 3 BOQ-5)

2.2.4 Surveying

IRD requested survey services be included in their contract to independently and accurately verify stockpiled quantities and work completed. IRD performs their QA estimation utilizing a tape measure and manual calculations in the field to estimate quantities used for each specific task. USAID indicated that this was a possibility and would be discussed further. (See Section 3 QA/QC-5)

2.2.5 Expedite Invoice Process

IRD will endeavor to review all documentation from MECC within a one week period and forward to USAID. USAID discussed partial approval of an invoice if some items are in question. Questionable items will be flagged for non-payment until the issue is resolved. (See Section 3 BOQ-1)

2.3 Quality Assurance/Quality Control

2.3.1 Foremen, Foremen Assistant and Lead Men

This was brought up by [REDACTED] from IRD and he insisted on having these people at the site. He added that MECC can only have a quality product when they have these people and should also mentor them prior to assigning them. (See Section 3 QA/QC-7)

The team agreed that MECC should work on the Level of Effort (LOE) to indicate the assignment of the experienced and mentored supervisors such as foremen, and lead men at the site. (See Section 3 QA/QC-1)

2.3.2 Frequency of Tests

This was raised by MECC QC person, [REDACTED] who believed that IRD QA Engineers at the site ask them to conduct too many tests without considering the specification's requirements for conducting tests per linear meter or square meter of the road. IRD does not agree with this stating that IRD QA Engineers are following the testing frequencies specified as per FP-03

The team agreed upon creating Method Statements for each Defined Feature of Work (DFoW). MECC should create them and have them at the site. (See Section 3 QA/QC-2)

2.3.3 Lack of Remedial Plan

This item was pointed out by the USAID QA Engineer and it was mentioned that MECC never submitted/created any remedial plan for any major deficiency. This would be a plan and history of the deficiency which occurred and how it is to be rectified.

The team agreed on the Remedial Plan to be created by MECC for any major deficiency.

MECC has a plan for rectification of the defective works, but indicated that very soon a formal mechanism developed and agreed by MECC and USAID will be put in place. (See Section 3 QA/QC-3)

2.3.4 Lack of Communication between Parties

This was brought up by a USAID representative and they mentioned that most of the delays and problems happen as a result of the lack of communication and coordination between the Contractor and IRD. IRD disagrees stating that delays in work progress are because MECC has not operated according to their own QC plan and this has caused delays in the field. IRD believes the lack of communication between MECC Kabul and Field management staff is the issue here.

The team came up with only one solution which is the Daily Meeting. MECC and IRD should hold daily meetings to discuss project issues and solve problems through the daily meetings, although both parties agreed with reservations. (See Section 3 QA/QC-4)

3.0 Afternoon Session – General Discussion

During the afternoon session representatives of the three work groups presented the issues and resolution resulting from their discussions to the offsite participants at large. The following matrix is provided as a summary of the topics discussed along with proposed action items.

Gardez to Khost Workshop Matrix

During the afternoon session representatives of each of the workshops presented the topics and proposals of their discussions for general comment and to develop a plan for moving forward. The following matrix shows the items raised key elements of the discussion that followed, and proposed actions.

SCHEDULING			
Reference No	Item Raised	Discussion	Proposed Action(s)
SCH-1	Revised BoQ	MECC developed a schedule. However, there will be changes to the BoQ.	Re-Baseline the Schedule once BoQ modifications are approved.
SCH-2	Schedule Status Reports	For purposes of the progress meeting. Review of the full schedule was a bit cumbersome.	Two-Week Look-Ahead Schedules will be generated.
SCH-3	Daily Reports & Schedule Status	There has been difficulty correlating progress reported from the field with schedule status.	Schedule Activity IDs will be referenced in daily reports when reporting progress. This will force teams to refer to and use the schedule.
SCH-4	Schedule Updates	USAID wanted better progress reporting and schedule status updates. A formalized format for schedule updates would allow USAID and IRD to better track progress and identify potential schedule delays.	Formalize and firm up schedule reporting requirements (e.g. Claim Digger Report).
SCH-5	Baseline Schedule Changes	MECC developed a schedule. However, there were significant changes made to the schedule that were not discussed and/or clearly identified.	<p>No changes will be made to the Baseline Schedule (durations or logic) without prior discussion and approval from USAID.</p> <ul style="list-style-type: none"> ▪ MECC to let USAID know if the activities shown are on the critical path, so that extra time could be considered. ▪ MECC to let USAID know if scheduled activity didn't start per schedule



SCHEDULING			
Reference No	Item Raised	Discussion	Proposed Action(s)
SCH-6	Bi-weekly Progress Meetings	Both MECC and IRD felt that the bi-weekly progress meetings were too long.	<ol style="list-style-type: none"> 1. Change the format of the bi-weekly meeting to focus mainly on the progress of the past two weeks and planned activities for the upcoming two weeks. 2. In order to streamline the bi-weekly meeting, separate offline meetings will be held to discuss progress and schedule issues at the MECC Main Office on an as needed basis.



INVOICING & BOQ			
Reference No	Item Raised	Discussion	Proposed Action(s)
BOQ-1	Timeliness of invoice submission	Submission of invoices in the past have been late IRD offered to expedite review of MECC invoice documentation IRD will target a one-week turn around	Prioritize review of documentation by IRD.
BOQ-2	Accuracy and expedience of construction and material quantities	IRD noted that they don't have the means to accurately verify some construction material quantities. A survey crew was mentioned to improve accuracy of material measurement and construction quantity verification in the field. Discussion also suggested that the crew could be utilized for other purposes as needed when not verifying quantities. USAID's position is that a survey crew would be underutilized and a waste of resources, as much of the work is limited to measuring linear meter of walls or cubic meters of concrete.	This item is part of a proposed SOW provided by IRD for increased responsibility of onsite construction monitoring. This conversation was tabled for further discussion by USAID/IRD as part of work order negotiations.
BOQ-3	IRD is working outside their SOW for Quality Assurance by providing Inspection and Quantity Verification with some construction management.	IRD has provided a SOW to USAID to clarify their SOW and role on this project. Once the new work order is in place issues related to: <ul style="list-style-type: none"> • Assignment of inspectors to fixed sections of road • Methods for measurement and reporting • Development of an organizational flow chart showing lines of responsibility between USAID, MECC, and IRD. 	USAID and IRD will review the proposed SOW and revise it as necessary to address these issues.
BOQ-4	Partial quantities	Quantifying structures that have not been completed at the time an invoice is submitted may create confusion. Example, if concrete for a pier was started but not completed, that concrete that was placed would not be included in the invoice until the following month when the pier was actually completed.	Only quantify and submit for payment for items that have been completed.
BOQ-5	Shop drawings and quantities	Shop drawing review and acceptance by MECC and IRD	MECC will quantify construction materials from approved shop drawings. IRD will verify results.



INVOICING & BOQ			
Reference No	Item Raised	Discussion	Proposed Action(s)
BOQ-6	Non-construction related items on invoice	Occasionally, non-construction related items such as manuals will slow invoice review. IRD is not involved in verification of these types of items. This was thought to be a minor issue.	None.
BOQ-7	Partial review of invoice	Discussion primarily between USAID representatives regarding partially accepting an invoice by flagging questionable items for later review. Flagged items would not be paid until clarification was complete but the balance of the invoice would be paid without further delay.	Internal USAID action.
BOQ-8	Quantity Tracking	USAID voiced concern regarding the accurate tracking of quantities.	IRD will compile the quantities measured by their inspectors and compile logs.



QUALITY ASSURANCE/ QUALITY CONTROL			
Reference No	Item Raised	Discussion	Proposed Action(s)
QA/QC-1	Foremen, Foremen Assistant and Lead Men	IRD insisted on having these personnel at the site. IRD added that MECC can only have a quality product when they have these personnel onsite who should also mentor them prior to assigning them.	The team agreed that MECC should work on the organization chart to indicate the assignment of the experienced and mentored supervisors such as foremen and lead men at the site.
QA/QC-2	Frequency of Tests	MECC QC [REDACTED] believed that IRD QA Engineers at the site requires MECC to conduct too many tests without considering the specification's requirements for conducting tests per linear meter or square meter of the road.	<ol style="list-style-type: none"> 1.The team agreed upon creating Method Statements including testing and reporting requirements for each set of quality control activities related to defined portions of work. MECC should create them and have them at the site. 2.IRD should be able to develop an independent testing schedule based on the flow of work.
QA/QC-3	Lack of Remedial Plan	USAID QA Engineer mentioned that MECC never submitted/created any remedial plan for any major deficiency. This would be a plan and history of the deficiency which occurred and how it is to be rectified.	The team agreed on the Remedial Plan to be created by MECC for any major deficiency. MECC indicates that they have a plan for rectification of the defective works, but that very soon a formal mechanism developed and agreed by MECC and USAID will be put in place.
QA/QC-4	Lack of Communication Between Parties	<p>A USAID representative mentioned that most of the delays and problems happen as a result of the lack of communication and coordination between MECC and IRD.</p> <ul style="list-style-type: none"> • MECC claims that delays are caused by lack of response to RFIs and delays in notifications by IRD regarding deficiencies requiring additional time and expense to correct. • IRD claims MECC has not operated according to their own QC plan 	<p>MECC and IRD should hold daily meetings to discuss project issues and solve problems through the daily meetings. The meetings should be led by the construction manager or deputy construction manager.</p> <p>Meetings should be higher level</p>



QUALITY ASSURANCE/ QUALITY CONTROL			
Reference No	Item Raised	Discussion	Proposed Action(s)
		and this has caused delays in the field and that lack of communication between MECC Kabul and Field management staff is the issue.	(Management) meetings dealing with daily construction and inspection schedule, measurement of quantities, required QA plan and reviewing the previous days' progress. The purpose of this meeting is for project coordination and improved communication between IRD and MECC. It is not intended that this meeting require minutes or that the results be summarized for inclusion in reports.
QA/QC-5	Surveying	USAID and IRD expressed need for a surveying crew to support their QA function, Quantity Measurement. IRD requested survey services be included in their contract to independently and accurately verify stockpiled quantities and work completed. IRD performs their QA estimation utilizing a tape measure and manual calculations in the field to estimate quantities used for each specific task.	Requires coordination between USAID and IDR under the new Work Order. USAID thinks this is a poor use of resources but indicated that this was a possibility and would be discussed further.
QA/QC-6	IRD Inspector	Wayne from IRD mentioned that the completed items need to be inspected by IRD per MECC's request. USAID stated IRD should assign inspectors to specific work zones instead of shifting them from Section A to section B or vice versa.	MECC to submit IRD the Request for Work Inspection (RFWI). This will be based on the two week look ahead prepared under Scheduling. IRD to assign inspectors to specific work zones. It was agreed that IRD would put more inspectors on the project as part of a contract MOD with USAID.



QUALITY ASSURANCE/ QUALITY CONTROL			
Reference No	Item Raised	Discussion	Proposed Action(s)
			Inspectors will be assigned to specific areas of the road to provide continuity of inspections and situational knowledge.
QA/QC-7	Lack of Onsite Management	USAID/IRD identified a lack of supervision/foremen available on the road crews.	MECC will provide an Organization Chart showing the entire construction crew including number of crews, supervisors, foremen along with the number and position of the men on each crew.

Appendices

Appendix A
Meeting Summary Memo
February 20, 2013



To: [REDACTED] USAID
From: [REDACTED] P.E., AESP
Date: February 20, 2013 (REVISED)
Re: WO-LT-0067 GK Road Value Engineering Meeting Summary

Tetra Tech AESP (Tt) met with MECC on December 30, 2012, *and again on February 17, 2013* and subsequently, USAID on December 31, 2012 *and on February 9, 2013* in preparation for the offsite project conference. *In addition Tt met with IRD on January 16th, 2013.* These meetings were held in order to investigate and understand critical elements of the project, including, schedule, communication, conflicts, reporting, workmanship, and quality control; and to ascertain a general sense regarding those elements that are working well for both parties, versus those elements that are hindering progress. *In order to help clarify the evolving nature of revisions to the memo, revisions are shown in italics.*

Tetra Tech AESP does not offer solutions or opinions to the issues identified herein, as these solutions will be generated by the implementing partners at the offsite project conference. Our intent here is to identify issues that could affect the project, be they contractual, technical, managerial or interpersonal. Progress is ongoing, construction quality is acceptable and no elements of the project are in what we would consider “in crisis mode”. Areas identified as project hindrances include:

- Scheduling

MECC schedule has been worked on extensively but was not being used as a tool to track progress and billing. The current status of the project schedule needs to be established so that all parties share the same confidence and understanding of the schedule.

MECC maintains that their schedule is up to date but was presented with a list of delays shown between the November and January schedule that showed considerable work being put off until March. They provided some clarifications and agreed to be prepared to address the additional workload at the offsite.

- Communications/Expectations

This area seems to be the most problematic area of the working relationship. Issues related to the capacity of MECC to provide sufficiently detailed submittals to USAID is an ongoing problem. Conversely, USAID’s attempt to provide adequate guidance has led to frustration on both sides.

As the project has evolved USAID and MECC agree they have made strides in communication and have a better understanding of what is required. However, tensions continue to dominate much of the meeting time between the two partners.

- Contract/Bill of Quantities (BOQ)

The BOQ provided as part of the contract, is currently under review by MECC in anticipation of a contract modification, adjusting the quantities, but costs will remain the same. This will require negotiations on the part of the partners and the partners have different expectations as to how this should proceed.

The parties continue to disagree over discrepancies in the BOQ with MECC indicating there are discrepancies between the BOQ and the design plans and USAID maintaining that the discrepancies have been worked out.

- Autonomy of the Implementing Partners

The parties seem to be operating within their respective roles, MECC operating as General Contractor and USAID as Construction Management without any perceived interference by the parties. MECC has taken issue with the volume of paperwork required on the project and finds it an interference with how they would normally do business, but seems willing to accept this as a learning experience.

- Quality Control

Quality control programs are in place and seem to be working. Some issues have arisen such as the quality of supervision provided to the local hires and the need for an Owners Representative onsite. Concerns of the local community

The local community appears to support the project and MECC has demonstrated a willingness and commitment to foster good relations.

- Security

Security on the project has improved since MECC has taken the project over. However, security concerns do reduce work hours on a daily basis. MECC has spent approximately half of its security budget and may be slightly over budget on this item.

More recently Taliban have been moving up from Pakistan and security on the road is deteriorating. Security cost continues to be a major factor in the cost of the project and will increase if security continues to deteriorate.

The following is a comparative summary of the two meetings

SCHEDULING

USAID Point of View

USAID believes the project is about a month behind schedule due to a late start caused by a combination of an inability to adequately prepare required submittals (Work Plan, Safety Plan, Schedule, etc.) and MECC's request for use of a subcontractor who did not pass the vetting process.

MECC Point of View

MECC indicated that they are on schedule and expect to finish the project 20 days prior to the due date. *MECC maintains that the use of the precast structures will help them finish on time because the work shown on the plans is greater than the BOQ and their schedule does not include work outside the BOQ.*

In response to questions about the schedule MECC indicated that several culverts, due to be reconstructed have been removed from the schedule after an inspection revealed that the culverts do not need replacement.

IRD Point of View

IDR believes MECC is behind schedule due to a late start on Section 2B along with a shortage of personnel and equipment.

Tetra Tech AESP Point of View

Our understanding of the schedule is inconclusive at this point. MECC provided a detailed schedule that has not been subject to weekly progress reviews, so the two organizations do not agree on the status of the schedule. It has noticed some proposed culverts which are indicated as behind schedule on the project schedule provided by MECC. MECC claims these culverts are on schedule and that they need to update the schedule submission.

It still has reservations about a number of items in the schedule and that MECC is truly on schedule. We do not doubt MECC's tenacity or belief that they are on schedule, but note that a QA of the schedule left several questions unanswered. It left a copy of our QA with MECC along with notifying them that a review of their plan, including manpower estimates, would be the subject of discussion at the offsite and that they will need to be prepared.

COMMUNICATION/EXPECTATIONS

USAID Point of View

Bi-weekly meetings with MECC to review project progress are being held. USAID feels that the meetings are too long and grueling, so is seeking strategies to better manage the demands placed on meeting time and to improve efficiency. USAID seems frustrated that MECC has been unable to provide documentation in a timely manner. Submission of deficiency reports, requests for information, shop drawings and other required documents seem to present a challenge to MECC in both scope and content requiring coaching and multiple revisions.

According to [REDACTED], MECC was working on GK Road under a subcontract with the Louis Berger Group (LBG). MECC was unprepared for the level of management and communication required under a direct contract with USAID, as this function was formerly handled by LBG.

According to Omar Davis communication has improved and MECC has made big strides in meeting expectations in reporting and submissions.

MECC Point of View

MECC is equally frustrated by the communication on this project. Their complaints are that submissions take too long to process and are subject to arbitrary review criteria. The review criteria changes with each submission and the whole process is time consuming and overly burdensome.

MECC concurs that strides have been made and is pleased with the progress but is frustrated that the requirements for content of the reports sometimes changes after

submission. As an example it took ten revisions to get their last invoice approved and new requirements for the weekly report will increase the size of the report by some 350 pages. MECC states that the meetings still become quite uncivil at times when dealing with the USAID LN staff.

Tetra Tech AESP Point of View

Our impression is that this area is a major point of contention. Unmet expectations on both sides are creating a strain in communications. At the meeting held on January 2, 2013, between USAID and MECC, it was observed that civil and courteous interaction broke down, resulting in harsh disagreement and shouting. Omar Davis brought the meeting back to order and returned to the agenda. Inattention to mutual professional respect and ill will on the part of the parties appear to be an obstacle in creating a collaborative environment.

Tetra Tech AESP's role as facilitator is to coordinate a Management Offsite (team building session) for project partners; USAID, IRD and MECC. The objective of the offsite will be to open effective lines of communication and develop a common language and context for the successful completion of the project. To be successful this will require all parties to put the success of the project and the subsequent willingness to work together ahead of other considerations; in essence agreeing to let the success of the project become the most important consideration.

While progress has been made terms of expectations we found nothing to alter our original point of view.

CONTRACT/BILL OF QUANTITIES (BOQ)

USAID Point of View

USAID maintains that there are sufficient quantities in the contract BOQ to complete the project and that any quantities that are short can be made up through a modification of the contract consisting of a realignment of the BOQ items; shifting quantities and their associated costs to different payment items. This concept was introduced to MECC at the at the January 2, 2013 meeting, along with a request that MECC provide an updated BOQ with projected quantities.

USAID maintains that its original understanding was correct and that MECC is now in agreement that the BOQ is representative of the project quantities.

MECC Point of View

MECC has raised questions about the accuracy of quantities in the BOQ and identified the need to discuss this with USAID. As of our December 30, 2012 meeting MECC was non-committal about their position regarding this matter.

In discussions with [REDACTED] MECC understood that the contract is fixed price but based on a unit price for materials installed. If the contractor has not met the required unit price for the bid item, USAID will give them more work so they can meet the fixed price contract.

MECC continues to believe that the BOQ is not representative of the work as shown on the drawings and that constructing the project in accordance with the plans will

represent a change that will increase the duration of the project including labor, security and facilities, and have a larger impact on cost than just the additional length of stone masonry would suggest. MECC appears to be cooperating on a solution to this item in supplementing the precast concrete sections to reduce time and cost.

Tetra Tech AESP Point of View

While no irreconcilable conflicts appear to exist between the parties relative to the BOQ, it is evident that the quantities are in question and that a modification will need to be issued. *We found that the parties continue to have different understandings of the project and found nothing to alter our original point of view.*

INVOICING AND PAYMENT

USAID Point of View

USAID indicated that there are no issues with invoicing and payments. Invoices are being submitted in a timely manner and paid promptly.

MECC Point of View

MECC indicated that there are no issues with invoicing and payment. Invoices are being submitted in a timely manner and paid promptly.

MECC identified recent difficulty in getting invoices paid citing a recent example wherein the invoice was rejected ten times before it was approved.

Tetra Tech AESP Point of View

While this recent development relates to invoicing this seems to be a symptom of issues raised under Communication/Expectations.

AUTONOMY OF THE IMPLEMENTING PARTNERS

USAID Point of View

MECC is working largely unsupervised in their means and methods. USAID is not interfering with MECC's role as the General Contractor. There is a concern about MECC's capacity to provide the required paperwork but USAID has maintained their role as a reviewing agency without becoming involved in the production itself.

MECC Point of View

MECC is left alone to do their job on the construction of the road. They do have concerns about the level of paperwork and reporting. They feel overwhelmed by the effort involved and demands of USAID.

MECC is actually looking for more involvement from USAID in terms of an Owner's Representative on site to provide input and directions on field fitting of elements that vary from the plan and for the correction of deficiencies.

MECC reiterated their request to have an Owners Representative on site capable of approving design modifications, quantity changes and reducing communication time. They also would like a streamlined decision making process and seek a more trusting relationship between USAID, IRD and MECC to improve the approval process.

Tetra Tech Point of View

While frustrations exist for both parties, the differences on these issues are definable and both parties have expressed interest in working together to resolve the differences.

Since our meeting with the parties, MECC has made progress in completion and submission of the required paperwork. Outstanding deficiencies have been reduced; the schedule and BOQs have been updated.

While MECC's requests have merit, Tt understands the need for the Construction Manager to have a checks and balances system built into the approval process.

QUALITY CONTROL

USAID Point of View

Originally unhappy with the progress on deficiencies, during the January 2, 2013 meeting, it was determined that only a few deficiencies remain and progress is largely on track. In a report provided by IRD, in their capacity as QA inspector, it was noted that materials are passing with a very high rate of success but the workmanship produced by local labor is lacking, indicating a lack of experienced supervision.

MECC Point of View

MECC is pleased with the quality of construction and materials and believe it would be improved if an Owner Representative were onsite to provide input on deficiencies and field modifications required due to the outdated survey.

MECC also noted that there will be a problem meeting the asphalt testing requirement under the specification because the specified material is unavailable in Afghanistan or Pakistan.

MECC has identified the need to provide more supervision on the work crews to improve workmanship.

Tetra Tech AESP Point of View

In comparing both words and deeds it appears that there is a shared priority for the quality of construction. *We found nothing to alter our original point of view.*

CONCERNS OF THE LOCAL COMMUNITY

USAID Point of View

USAID indicated that MECC seems to have a good relationship with the communities along the road.

MECC Point of View

MECC indicates that they have a good relationship with the local communities and that they have worked diligently to promote the relationship by hiring local workers. They are providing a water truck and support to control dust and repairs made to areas outside the contract at the request of the local population. As evidence, they point out that there have been very few security issues since they have been working on the road.

MECC did note that an issue exists in the area of Bazzare Kohna (Section 2B) in regards to widening the road which is called for on the plan but opposed by the village.

Tetra Tech AESP Point of View

Community relations seem to be an area that is under control and presents little challenge in terms of the working relationship of the implementing partners. The issue of the road widening in Bazzare Kohna may require USAID's involvement. *We found nothing to alter our original point of view.*

SECURITY

USAID Point of View

USAID appears to recognize and understand the security constraints imposed on MECC by the situation in the field.

MECC Point of View

MECC indicates security is sufficient and that there have been few incidences. Current security requires that workday begins at 9:00 to 10:00AM, which reduces the workday, but indicates that this has been accommodated in the schedule.

MECC identified an increased regional threat and noted the three IEDs were recently found on the road indicating a need for elevated security. They suggested that USAID may be able to work with the Afghan government to provide additional security and to work with the local governors to discourage the Taliban.

Tetra Tech AESP Point of View

A review of the budget shows that MECC has used approximately half of their security budget.

The suggestion to petition the Afghan Government may have merit as it is widely believed, by local Afghans, that the locals have considerable influence in these matters.

Appendix B
Team Offsite Workshop Summary Sign-in Sheet

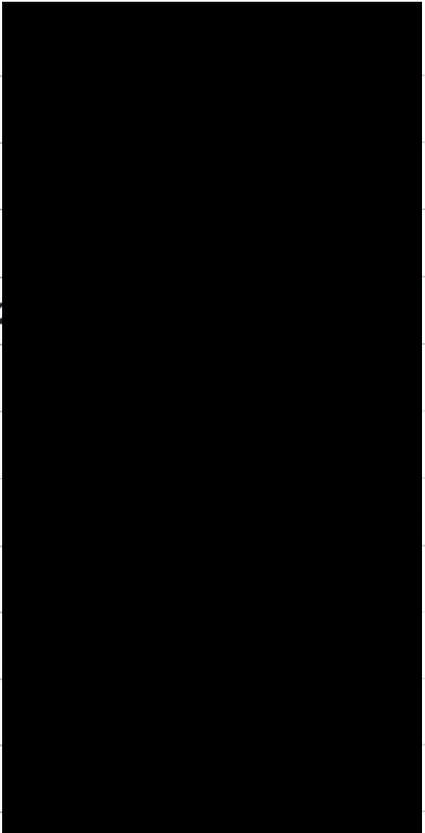
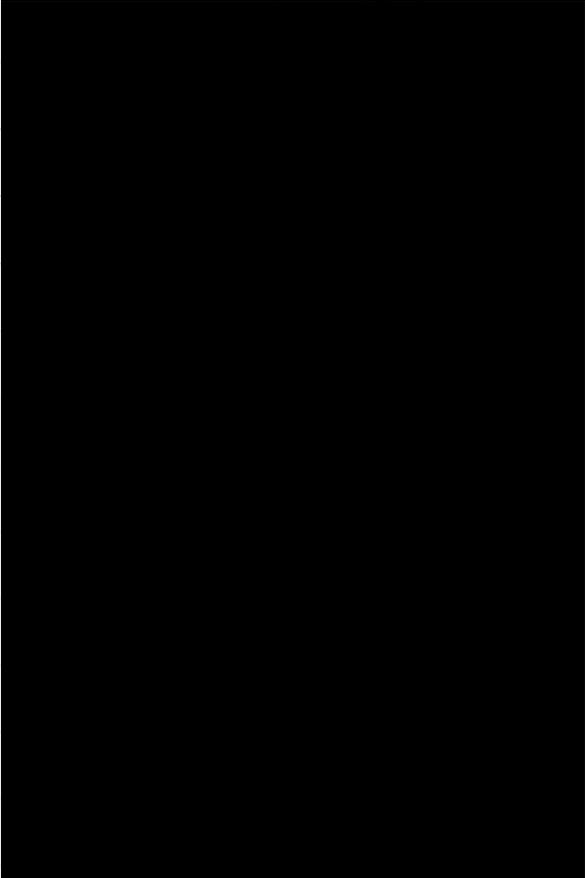
1 scheduled
 2 BO
 3 QA OC

Gardez- Khost Road Phase 3 (13 km)

Offsite Meeting- Mar 7th 2013- 9:00- 4:30 @ Conf. Room

Attendees

Name	Division/Title	Organization	Email Address	Phone	Signature
2	Contracting Officer	USAID			
1	Engineering Officer/COR-GK	USAID			
3	Sr. Engineer Roads/(ACOR) GK	USAID			
1	Engineer	USAID			
3	Sr. Engineer Roads/GK	USAID			
2	Contracting Specialist	USAID			
2	Program Manager	IRD			
		IRD			
3	N.M Team Lead	IRD			
1		IRD			
1	Chief of Party	MECC			

Name	Division/Title	Organization	Email Address	Phone	Signature		
1	Program Director	MECC					
2	07	MECC					
2	Design Engineer	MECC					
3	QC Manager	MECC					
1	Planning Eng	MECC					
	Transportation Lead	Tetra Tech					
2	Civil/Structural Engineer	Tetra Tech					
3	DCoP	Tetra Tech					
1	Technical Services Manager	Tetra Tech					
2	MIS Manager	Tetra Tech					
3	Architect Junior Level	Tetra Tech					
1	Civil Engineer Junior Level	Tetra Tech					
3							

Appendix C
Team Offsite Workshop Invitation

GARDEZ TO KHOST ROAD PHASE 3 (13km)

TEAM OFFSITE

MARCH 7, 2013

OFFSITE OVERVIEW

USAID has partnered with Tetra Tech (Tt) to facilitate a workshop for the implementing partners on the Gardez to Khost Road Project. This workshop is intended to provide a venue to unify as a group, evaluate progress and to plot a course to complete the project on time, on budget with the quality standards required.

WHEN

Thursday, March 7, 2013
9:00 a.m. to 4:30 p.m.

WHERE

Tetra Tech's Office at House #2, Street # 1
Shash Darak, Kabul, District Nine.

AGENDA

Morning Session

- Retreat Purpose
- Introductions
- Discoveries
- Partner's Perception
- Teamwork Session
 - Schedule
 - QA/QC
 - BoQ

Afternoon Session

- Present Solutions
- Round Robin Discussion
- Plot a Course For the Future



PARKING/ACCESS

Parking is restricted;
Please make arrangements to be
dropped off and picked up.



CONTACT INFORMATION

Please provide [REDACTED] the following
information:

- Names of attendees
- Vehicle make, model and plate number
(This is required by security)

For additional information contact
[REDACTED] Workshop Facilitator:
[REDACTED]



TETRA TECH



Appendix D
Team Offsite Workshop Agenda

**Gardez to Khost Road
Team Offsite Outline
March 7, 2013**

Day 1 – Introduction - 20 Min (9:00-9:20)

Welcoming Remarks: - Welcome to the GK Road Offsite. This is the result of a task we started about 1 month ago. The object was to develop a team building exercise “to open effective lines of communication and develop a common language and context for the successful completion of the project.” This team building exercise will be focused on moving beyond the current dynamic and defining a successful future for this project.

- **Retreat Purpose** *(Up on Board)*

To define shared goals and develop a unified approach between construction management, general contracting and quality assurance, so that the project is completed on time, on budget and to satisfactory standards. *(Very specific to the construction project, do we want to expand this to the larger purpose?)*

- **Review days agenda**

Run through the agenda and format of the Offsite:

- **Discussion not Debate!**

Facilities

Bathrooms location – Basement Floor safe room

Chief of Party’s Office

Meals -
meeting room

Lunch will be provided around Noon, here in the

Snacks will be provided in the serving room

Extra rooms-

Set up a room for prayers Basement Floor safe room

Connex – meeting room to accommodate workgroups for the technical discussions if we want to break into two groups.

Phone protocols - This is a team building exercise and the phone is an enormous distraction. I ask that you turn your phones off while in here. If you need to phone or text someone, **please take it outside.**

Personal Introductions of the Participants – 20 min (9:20-9:40)

Introductions from all Offsite attendees

Findings of the Investigation: Review Tt's Findings – 15 minutes (9:40-9:55)

- Scheduling
- Communications/Expectations
- Contract/Bill of Quantities (BOQ)
- Autonomy of the Implementing Partners
- Quality Control
- Concerns of the Local Community
- Security

Break – 15 minutes (9:55-10:10)

Participant Interaction - 30 minutes (10:10-10:40)

- This portion will offer key participants an opportunity to project their personal view of how the project with respect to the above categories (or other such categories as they may clearly define). This will be limited to statements of individual truth. Interaction will be encouraged and questions allowed to clarify participants understanding of one another; but not to explain why "it" is different. (At this point we only discuss how this project occurs, no explanations of why, stories or fixes and no right vs. wrong.)

Break into teams *90 minutes (10:40-12:10)*

Team section – Break into 3 Teams

Break into mixed teams to discuss solution to the following areas, to align them with the purpose of the retreat.

- Scheduling
- Bill of Quantities (BOQ)
- Quality Control

Lunch – *55 minutes (12:15-12:45)* *Prayers (12:45 – 13:05)*

Afternoon – *110 minutes (13:10 – 16:30)*

Present Solutions – Round Robin Discussion *(35 minutes each, or adjust as needed)* Needs to include follow on assignments

Closing

USAID/Afghanistan
U.S. Embassy Cafe Compound
Great Massoud Road
Kabul, Afghanistan
Tel: 202.216.6288
<http://afghanistan.usaid.gov>