



PROJECT UPDATE - Work Continues...

The Dulles Corridor Metrorail Project has embarked on an exciting new phase in its progress. This project will provide a seamless connection to the Washington metropolitan area's Metro system, extending to Tysons Corner and beyond Dulles International Airport.

Having received the necessary approvals from the state and local authorities and the Washington Metropolitan Area Transit Authority, the Project has begun utility relocation work along Route 7 in anticipation of approval from the federal government to begin construction of the rail line later this year.

Bonds and Bonding

From time to time, small and large businesses including Disadvantaged Business Enterprises (DBE) will be asked to bond their work in advance. This is especially true for firms that anticipate performing construction and contracting services. What is a bond? How do you get one? What does it do?

Simply put, a bond (sometimes referred to as a surety bond) is a third party obligation promising to pay if a Contractor/Subcontractor does not fulfill its valid obligations under a Contract/Subcontract. A bond is a financial guarantee that your company will honor a business contract. Frequently a customer will require that your company be bonded.

There are various types of bonds such as:

- A **PERFORMANCE** bond is a guarantee that a company will perform work in accordance with the terms of a Contract.
- A **BID** bond is a guarantee that a company will perform work if the Bid is won by your company.
- An **INDEMNITY** bond promises to reimburse loss incurred if the company fails to perform or if the company fails to pay other Suppliers/Subcontractors in the performance of the Contract.

- A **LICENSE** bond is required in some states for certain businesses. In some cases the company pays the state rather than obtaining a bond.
- A **PAYMENT** bond promises that a company will pay all Suppliers and Subcontractors utilized in the performance of a Contract.

A bond is not an insurance policy. This is important to remember. A bond only provides assurance that the contracted work will be satisfactorily completed. For example, the company's bond will not pay for property damage or personal injury resulting from performance of the Contract. For this, the company needs conventional insurance coverage.

Your local yellow pages will list companies that provide bonding services under "Surety Bonds". One resource is Bond-By-Fax, Commercial Surety Department at 1-800-395-CBIC.

Another resource is the Small Business Administration's (SBA) Surety Bond Guarantee Program. Although SBA does not issue bonds, SBA does provide a guarantee for bid, performance, and payment bonds issued by participating surety companies. SBA's contractual relationship as it pertains to the guarantee, is directly with the Surety Company or its agent and/or managing general agents. It is the surety who issues the bond to a small business contractor. Therefore, a small contractor must first find an agent or surety company. There is no limit to the number of bonds that can be guaranteed for any one contractor. Individual contracts of \$2 million or less are eligible for SBA's bond Guarantee.

For additional information on the SBA's Surety Bond Guarantee Program please visit the following website:

<http://app1.sba.gov/faqs/faqindex.cfm?areaID=20>

Generally speaking, bonding companies will only provide bond coverage in an amount that the firm can cover with existing liquid assets. Before a company purchases a bond from a bonding company, have the bond documentation reviewed by the firm's attorney and ensure that it is clearly understood exactly what the bond can and cannot protect against – for the firm and for the potential customer! ❖

Featured DBE Contractor

Technique Shaft Construction

By: Mr. Dennis Russell, P.E.

Richard Goettle, Inc. - Prince Construction Company

On November 1, 2008 Dulles Transit Partners awarded Richard Goettle, Inc. (Goettle) the Technique Drilled Piers and Load Test Project for the Dulles Corridor Metrorail Project.

The project included construction of three drilled shafts, O-cell testing of two of the shafts, statnamic testing of one of the shafts, lateral testing of two of the shafts, and CSL testing of all three shafts. Tests were conducted up to 2,300 tons in axial capacity and 190 tons in lateral capacity.

Goettle is a Cincinnati, Ohio based foundation contractor specializing in drilled piers, piling, tieback anchors, sheeting, shoring, and marine work. Richard Goettle Inc. has been in continuous operation for over 50 years and employs expert engineering and construction personnel for exactly this type of project.



Along with the requirement for four different types of testing and reporting procedures, the contract also required a minimum 15% DBE participation.

After careful evaluation, Goettle chose Prince Construction Company Inc. (Prince) of Washington D.C. to provide on-site construction services. Prince's scope of work included site preparation, rebar purchase and rebar fabrication. Site preparation included road construction, site grading, environmental mitigation, drainage, and site restoration. Rebar work entailed the detailing and purchase of rebar, and on-site fabrication of three rebar cages. Prince furnished and tied some 25 tons of reinforcing steel; provided initial site preparation, on-going environmental site maintenance and mitigation, and final site restoration.

Prince Construction Company is wholly owned by Mr. Alberto Gomez, President. Prince has performed construction work in the Washington D.C. area for over 20 years.

"The working relationship and on-site cooperation between Goettle and Prince Construction worked out extremely well. Prince often exceeded expectations and responded rapidly to the evolving site constraints."

-- Mark Milton, Subcontract Technical Representative



Goettle employed specialized drilling techniques utilizing a Bauer BG28 drill, soil augers, and rock augers to build the project. Specially designed clean out tools assured a clean surface at the bottom of the holes.

The Goettle / Prince team completed the entire project in 40 calendar days – ahead of schedule and on budget. Not only was the project on time and within budget, but the Goettle / Prince team recorded no accidents, no recordable injuries, no near misses, and achieved 40 of 40 successful drug tests.

The Goettle / Prince team exceeded the contract requirement for minority subcontract participation, and received positive evaluations for environmental stewardship.

We congratulate the team on a job well done – safe, on schedule, environmentally conscious, and on budget. ❖

CONTACT US:

For further information on DBE opportunities with Dulles Transit Partners:

Carrie Brittain, DBE Liaison
(703) 852-6094

Carrie.Brittain@DullesTransitPartners.com

Gabe Najarian, Acquisitions Manager
(703) 852-6053

Gabriel.Najarian@DullesTransitPartners.com

Project Website:

www.dullestransitpartners.com