



Finance & Administration Committee

Action Item III-B

January 14, 2016

**Authorization for Public Hearing on
Proposed FY2017-2022
Capital Improvement Program (CIP)**

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

Action Information

MEAD Number:
201701

Resolution:
 Yes No

TITLE:

Public Hearing on Proposed FY2017-2022 CIP

PRESENTATION SUMMARY:

Staff requests Board approval to advertise and hold a public hearing on the program of projects included in the proposed FY2017-2022 Capital Improvement Program (CIP), as required by the Federal Transit Administration.

PURPOSE:

Staff requests Board approval to advertise and hold a public hearing on the program of projects included in the proposed FY2017-2022 Capital Improvement Program (CIP), as required by the Federal Transit Administration.

DESCRIPTION:

Key Highlights:

- The GM/CEO has proposed a \$1.13 billion capital program for FY2017 that funds critical safety investments for customers and employees as well as necessary state of good repair investments to ensure the reliable and effective performance of the Metro transit system
- FTA requires that all recipients of Section 5307 grant funding develop a 'program of projects' and afford an opportunity for public hearing on those projects
- Staff will also develop and implement an outreach program (as described and guided by WMATA's Public Participation Plan) to invite additional input on the proposed capital program
- Staff will report back to the Board on the findings of the public hearing and outreach as part of the Board's deliberations on the Proposed FY2017-2022 CIP

Background and History:

In December 2015, the General Manager/Chief Executive Officer (GM/CEO) proposed an FY2017 Operating Budget and FY2017-2022 Capital Improvement Program (CIP) to the Board of Directors for the Board's review and consideration. The proposed budget funds important safety investments, including full compliance with the 91 corrective actions required by the Federal Transit Administration's (FTA) Safety Management Inspection (SMI) report, as well as National Transportation Safety Board (NTSB) recommended projects and other key safety investments such as the installation of a new rail radio system and continuation of Metro's fatigue management system for safety

sensitive positions. The budget also continues Metro's ongoing investment in state of good repair projects to ensure the reliable and effective performance of the Metrobus, Metrorail, and MetroAccess services.

The Proposed FY2017-2022 CIP includes substantial federal funding from various Federal Transit Administration (FTA) annual formula grant programs, including funding received through the Urbanized Area Formula Program (49 U.S.C. 5307, or "Section 5307"). FTA requires that all recipients of Section 5307 grant funding must annually develop, publish, afford an opportunity for public hearing on, and submit for approval, a Program of Projects to be funded by the grant (see FTA Circular 9030.1D for more information). The proposed capital investments for FY2017, as described in the Proposed FY2017-2022 CIP, constitute WMATA's Program of Projects, and therefore a public hearing on the proposed FY2017 capital program is required.

Additional public involvement in the planning and programming of capital funds occurs through Transportation Planning Board (TPB), the designated Metropolitan Planning Organization (MPO) for the Washington region. In cooperation with WMATA and transportation agencies in the District of Columbia, Maryland, and Virginia, TPB develops two important documents:

- the Financially-Constrained Long-Range Transportation Plan (CLRP), which is a comprehensive plan of transportation projects and strategies that the TPB anticipates can be implemented over the next 25 years; and
- the Transportation Improvement Program (TIP), which details the projects in the CLRP that will be implemented over the next six-year period

The projects included in WMATA approved CIP are incorporated into the TIP, and TPB holds forums for public review and comment on the TIP. These forums cover not only funding, but also critical regional issues regarding air quality conformity, land use coordination, and investments to address future population and employment growth.

Discussion:

The GM/CEO has proposed an FY2017 capital budget totaling \$1.13 billion that funds critical safety investments for customers and employees as well as necessary state of good repair investments to ensure the reliable and effective performance of the Metro transit system. Many of the key investments are continuations of projects already underway, including railcar, bus, and MetroAccess vehicle replacements, track and structure rehabilitation, rail power system rehabilitation, replacement bus facilities, and elevator/escalator rehabilitation and replacement. These proposed investments are summarized by major investment category and by funding source in Attachment A to the proposed Resolution. This information will serve as the basis for the public hearing and public outreach regarding the proposed CIP.

The proposed FY2017 capital program is the only part of the proposed FY2017 budget that requires a formal public hearing. All the proposed fare changes are decreases that do not require a formal public hearing. However, additional public outreach and Title VI analysis will be conducted when necessary on the fare proposals, such as the new pass products and changes to SmarTrip® loading on bus.

FUNDING IMPACT:

No immediate impact on funding - action is for authorization of public hearing on proposed FY2017-2022 CIP.	
Project Manager:	Thomas Webster
Project Department/Office:	CFO/OMBS

TIMELINE:

Previous Actions	December 2015 - GM/CEO proposed FY2017 Operating Budget and FY2017-2022 Capital Improvement Program (CIP)
Anticipated actions after presentation	Late January 2016 - Public hearing advertised Early February 2016 (tentative) - Public comment period begins Week of February 22, 2016 (tentative) - Public hearing March 2016 - Staff reports back to Board on findings from public hearing and outreach

RECOMMENDATION:

Authorize staff to advertise and hold a public hearing on the program of projects described in the proposed FY2017-2022 Capital Improvement Program (CIP).



Washington Metropolitan Area Transit Authority

Authorization for Public Hearing on Proposed FY2017-2022 Capital Improvement Program (CIP)

Finance & Administration Committee
January 14, 2016



Purpose

- Request Board approval for a public hearing on the program of projects in the proposed FY2017-2022 CIP





Public Hearing Requirement

- GM/CEO has proposed a \$1.13 billion capital program for FY2017 that funds critical safety and state of good repair investments
- FTA grant funds are a key source of Metro's capital funding
- FTA requires that Section 5307 grant recipients develop a 'program of projects' and hold a public hearing on those projects



Outreach Plan for CIP

WHAT

- Public hearing at Metro headquarters
- Comments via in-person, email and traditional mail
- Information page on wmata.com

HOW

- Newspaper advertisements in English and Spanish
- Station, bus and MetroAccess signage in English and Spanish
- Press release and social media posts
- *Amplify* Customer Community notification
- Outreach to community groups and jurisdictional partners

WHEN

- Public comment period beginning early February (tentative)
- Public hearing during the week of February 22 (tentative)



Additional Budget Outreach

- CIP is the only part of the proposed budget that requires a formal public hearing
- Proposed fare changes are decreases that do not require a formal public hearing
- Additional public outreach and Title VI analysis will be conducted on fare proposals such as the new pass products and changes to SmarTrip[®] loading on bus



Recommendation

- Authorize staff to advertise and hold a public hearing on the program of projects included in the proposed FY2017-2022 Capital Improvement Program (CIP)



Next Steps

- Following the public hearing and associated outreach, and prior to budget adoption, staff will report back to the Board on all comments received

SUBJECT: PUBLIC HEARING ON FY2017 PROGRAM OF PROJECTS IN PROPOSED
FY2017-2022 CAPITAL IMPROVEMENT PROGRAM

RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

WHEREAS, The General Manager/Chief Executive Officer (GM/CEO) has proposed a Fiscal Year (FY) 2017 Operating Budget and FY2017-2022 Capital Improvement Program (CIP) to the Board of Directors for the Board's review and consideration; and

WHEREAS, The proposed a \$1.13 billion capital program for FY2017 funds critical safety investments for customers and employees as well as necessary state of good repair investments to ensure the reliable and effective performance of the Metro transit system; and

WHEREAS, The proposed FY2017-2022 CIP includes substantial federal funding from Federal Transit Administration (FTA) annual formula grant programs, including funding received through the Urbanized Area Formula Program (49 U.S.C. 5307, or "Section 5307"); and

WHEREAS, FTA requires that all recipients of Section 5307 grant funding annually develop, publish, afford an opportunity for public hearing on, and submit for approval, a Program of Projects; and

WHEREAS, WMATA intends to apply for Federal FY2016 grants under the recently-passed Fixing America's Surface Transportation (FAST) Act and the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) to support the agency's ongoing capital investments; and

WHEREAS, The proposed capital program for FY2017, as described in the proposed FY2017-2022 CIP, constitutes WMATA's Program of Projects; and

WHEREAS, The process by which WMATA undertakes public hearings is described in Section 62 of the WMATA Compact; and

WHEREAS, In order to ensure timely incorporation of public hearing and public participation results into the Board of Directors deliberations on the FY2017 proposed

budget, staff must begin work immediately following adoption of this Resolution; now therefore be it

RESOLVED, That in accordance with Section 62 of the WMATA Compact, the Board of Directors will conduct a public hearing to solicit public comment on WMATA's proposed FY2017 capital program, as described in Attachment A to this Resolution; and be it further

RESOLVED, That staff is directed to develop and implement an outreach program (as described in and guided by the Board-adopted Public Participation Plan) that will invite additional public input on the proposed capital investments through means including written email or website submissions, social media, and outreach to community groups, all of which shall become part of the public record of the hearing; and be it further

RESOLVED, That the Board of Directors directs the GM/CEO to report on the findings of the public hearing and other outreach efforts, and that the Board shall consider these findings in its deliberations on the proposed FY2017-2022 CIP; and be it finally

RESOLVED, That in order to ensure timely incorporation of public hearing and public participation results into the Board of Directors deliberations on the FY2017 proposed budget, this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Mark R. Pohl
Acting General Counsel

WMATA File Structure No.:
18.8 Public Hearings and Meetings

Attachment A: Proposed FY2017 Capital Improvement Program and Federal FY2016 Grant Applications

WMATA intends to apply for Federal Fiscal Year 2016 grants under the recently-passed *Fixing America's Surface Transportation (FAST) Act* and the *Passenger Rail Investment and Improvement Act of 2008 (PRIIA)* to support the agency's ongoing capital investments. These applications will be filed under the provisions of FAST (P.L. 114-94) and PRIIA (P.L. 110-432).

Based on preliminary information provided by the Federal Transit Administration (FTA), the Washington DC Metropolitan Region expects to receive approximately \$360 million in FTA formula funding under the FAST Act in Federal FY2016. If fully appropriated, this would represent an increase of approximately eight percent over Federal FY2015 funding levels. This regional funding is distributed between WMATA, the Potomac and Rappahannock Transportation Commission (PRTC), and the Maryland Transit Administration (MTA) subject to a pre-existing agreement. Under this agreement, in Federal FY2015, WMATA received approximately 86 percent of the total FTA formula funding for the region. If WMATA's funding share remains consistent with the prior year, WMATA will receive approximately \$310 million in formula funding.

Additionally, WMATA estimates \$148.5 million will be available to the agency through the PRIIA program in Federal FY2016 as a result of recent positive action by Congress. As part of the *Omnibus Appropriations Act for Fiscal Year 2016* passed in December 2015, the federal government will provide its full annual PRIIA contribution to WMATA, to be matched by an equal amount of jurisdictional funding from the District of Columbia, Maryland, and Virginia. This funding partnership, which has been in effect since 2009 and is authorized for ten years, provides critical resources to WMATA for safety improvements, railcar purchases, and other important state of good repair investments.

WMATA intends to apply for these grant funds within four weeks of the Board's adoption of the capital budget, which is currently scheduled for April 2016. WMATA also intends to submit the final Program of Projects to the National Capital Region Transportation Planning Board (TPB) as input to the updated Transportation Improvement Program (TIP) for the Washington Metropolitan area.

WMATA FY2017 CAPITAL IMPROVEMENT PROGRAM

The Washington Metropolitan Area Transit Authority's proposed FY2017 Capital Improvement Program (CIP) is a \$1.13 billion capital investment plan focused on safety improvements, the rebuilding of the Metro system, and improving the effectiveness of the current rail and bus network. Metro is advancing the most aggressive program of capital investments since the construction of the Metro system – the vast majority of the planned investment advances the safety, rehabilitation, and replacement of Metro's infrastructure, facilities, equipment, systems, railcars, buses, and Metro Access vehicles.

The proposed FY2017 program will be funded through investments from the federal government, state and local governments, and other sources. The proposed program assumes federal sources make up \$469.5 million of the \$1,128.3 million program. The remaining portion of the program is funded with \$364.6 million of state and local sources, \$287.7 million in planned long-term financing, and \$6.6 million of other sources.

The Capital Improvement Program consists of the following project elements:

- **Vehicles/Vehicle Parts**, including bus replacement and rehabilitation; rail car replacement and rehabilitation, rail car safety and reliability enhancements, MetroAccess vehicle replacement, replacement parts, and preventive maintenance;
- **Rail System Infrastructure Rehabilitation**, including rail line segment rehabilitation;
- **Maintenance Facilities**, including bus garage rehabilitation and replacement, and rail yard rehabilitation and capacity improvements, and maintenance facility rehabilitation;
- **Systems and Technology**, including power system upgrades, operations support software, business support software and equipment, and rail fare equipment;
- **Track and Structures**, including track rehabilitation, station and tunnel leak mitigation;
- **Passenger Facilities**, including elevator and escalator facilities, and station rehabilitation;
- **Other Improvements**, including station capacity project development, bus priority corridors, and bicycle and pedestrian facility improvements;
- **Maintenance Equipment**, including rail and bus maintenance, and business facility equipment;
- **Other Facilities**, including business and transit police support facilities; and
- **Project Management and Support**

Multi-Year CIP Investments: FY2017-2022

(dollars in millions)

	FY2016 Forecast	FY2017 - FY2022 Plan						FY2017-2022 Total
		FY2017 Proposal	FY2018 Plan	FY2019 Plan	FY2020 Plan	FY2021 Plan	FY2022 Plan	
A Vehicles/ Vehicle Parts								
Replacement of Rail Cars	\$154.9	\$202.3	\$160.7	\$227.7	\$200.0	\$212.7	\$190.2	\$1,193.6
Replacement of Buses	147.7	65.0	50.8	50.8	102.7	102.7	102.7	474.8
Rehabilitation of Rail Cars	83.9	130.3	91.3	93.1	95.0	96.9	98.9	605.6
Rehabilitation of Buses	51.9	82.9	62.3	64.5	65.8	68.2	69.2	412.9
Replacement of MetroAccess Vehicles	12.4	12.1	9.8	10.3	10.9	11.5	13.4	68.0
Replacement of Service Vehicles	7.9	2.0	1.8	2.3	1.9	2.0	4.8	14.8
Rail Car Fleet Expansion	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bus Fleet Expansion	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bus Enhancements	3.9	3.1	2.6	3.6	3.4	3.6	3.6	19.9
Subtotal	\$462.9	\$497.7	\$379.3	\$452.4	\$479.7	\$497.6	\$482.8	\$2,789.6
B Rail System Infrastructure Rehabilitation								
Rail Line Segment Rehabilitation	83.5	69.5	45.5	9.5	10.6	11.0	26.5	172.5
Rail System Safety Rehabilitation	34.5	17.2	18.4	10.9	11.1	11.1	11.2	79.9
Subtotal	\$118.0	\$86.7	\$63.9	\$20.4	\$21.6	\$22.0	\$37.7	\$252.4
C Maintenance Facilities								
Rehabilitation and Replacement of Bus Garages	46.6	63.0	85.8	25.4	23.9	25.2	17.3	240.5
Maintenance of Bus Garages	11.5	1.0	0.0	0.0	0.0	0.0	0.0	1.0
Maintenance of Rail Yards	40.5	31.2	15.6	0.0	0.0	0.0	0.0	46.8
Rail Maintenance Facilities	45.7	12.7	0.0	0.0	0.0	0.0	0.0	12.7
Environmental Compliance Projects	6.4	8.6	14.8	14.6	17.7	13.7	9.9	79.3
Maintenance Bus and Rail Facilities	7.1	3.9	1.3	1.0	1.0	1.0	1.0	9.3
Expansion of Bus Garages	1.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Subtotal	\$159.3	\$120.4	\$117.5	\$41.0	\$42.6	\$39.9	\$28.2	\$389.6
D Systems and Technology								
Power System Replacement/Upgrades - Rail	65.0	57.1	55.6	57.0	58.4	45.0	73.9	347.0
Operations Support Software	28.5	32.9	26.4	26.2	30.8	29.0	29.2	174.4
Business Support Software & Equipment	28.6	27.4	23.4	19.5	12.2	20.2	13.8	116.5
Rail Fare Equipment	31.5	21.8	34.3	49.9	35.4	9.7	0.0	151.2
Subtotal	\$153.6	\$139.2	\$139.7	\$152.6	\$136.7	\$104.0	\$116.9	\$789.1
E Track and Structures								
Track Rehabilitation	75.1	70.5	76.1	77.0	79.8	82.1	86.3	471.7
Station/Tunnel Rehabilitation	6.0	7.1	10.0	8.6	9.1	9.6	10.8	55.3
Subtotal	\$81.1	\$77.6	\$86.1	\$85.6	\$88.9	\$91.6	\$97.1	\$527.0
F Passenger Facilities								
Elevator/Escalator Facilities	54.9	52.6	55.9	60.5	62.3	27.3	28.5	287.2
Maintenance of Rail Station Facilities	38.4	53.3	37.2	24.3	30.0	29.5	29.5	203.9
Bicycle & Pedestrian Facilities	2.0	2.4	3.3	3.6	3.6	3.6	3.6	19.9
Rail Station: Capacity/Enhancements	5.2	13.9	18.2	24.2	16.6	20.9	8.4	102.1
Bus Priority Corridor Improvements	9.8	2.5	7.5	0.0	0.0	0.0	0.0	10.0
Rail Station Equipment	0.3	0.2	0.2	0.2	0.2	0.2	0.2	1.2
Subtotal	\$110.5	\$124.8	\$122.3	\$112.7	\$112.7	\$81.5	\$70.2	\$624.3
G Maintenance Equipment								
Rail Maintenance Equipment	18.3	52.6	78.5	99.8	66.9	43.7	39.5	381.1
Bus Repair Equipment	5.1	2.3	3.8	3.8	4.5	5.0	5.0	24.4
Business Facilities Equipment	0.2	0.1	0.2	0.2	0.2	0.2	0.2	1.1
Subtotal	\$23.6	\$55.0	\$82.5	\$103.7	\$71.6	\$49.0	\$44.8	\$406.6
H Other Facilities								
Business Support Facilities	11.1	4.4	6.7	7.2	3.8	5.2	3.0	30.2
MTPD Support Facilities	2.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	1.2	1.2	1.2	1.2	1.2	1.2	7.2
Subtotal	\$13.3	\$5.6	\$7.9	\$8.4	\$5.0	\$6.4	\$4.2	\$37.4
I Project Management and Support								
Credit Facility	4.1	5.0	1.8	1.8	1.8	1.8	1.8	14.0
Planning	0.5	0.6	0.0	0.0	0.0	0.0	0.0	0.6
Project Management and Other	14.7	15.7	40.6	36.2	31.2	22.8	22.9	169.4
Subtotal	\$19.3	\$21.2	\$42.4	\$38.0	\$33.0	\$24.6	\$24.7	\$184.0
Total	\$1,141.7	\$1,128.3	\$1,041.7	\$1,014.8	\$992.0	\$916.7	\$906.5	\$6,000.0

Washington Metropolitan Area Transit Authority
 FY2017-2022 Proposed Capital Improvement Program (CIP)

	FY2017 - FY2022 Plan								FY2011-2022 Total
	FY2016 Forecast	FY2017 Proposed	FY2018 Plan	FY2019 Plan	FY2020 Plan	FY2021 Plan	FY2022 Plan	FY2017-2022 Total	
Federal									
Federal Formula Programs	\$439.9	\$285.6	\$285.6	\$285.6	\$285.6	\$285.6	\$285.6	\$1,713.6	\$3,396.4
Federal PRIIA	\$200.2	\$170.0	\$148.5	\$148.5	\$148.5	\$148.5	\$148.5	\$912.5	\$1,810.2
Resiliency Grant	\$1.9	\$12.2	\$7.4					\$19.6	\$21.6
Other Federal Grants	\$34.1	\$1.7	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$4.9	\$63.4
Subtotal Federal	\$676.1	\$469.5	\$442.1	\$434.7	\$434.7	\$434.7	\$434.7	\$2,650.6	\$5,291.4
State and Local									
Match to Federal Formula	\$110.0	\$71.4	\$71.4	\$71.4	\$71.4	\$71.4	\$71.4	\$428.4	\$858.3
System Performance	\$61.0	\$118.1	\$125.9	\$137.7	\$135.4	\$143.5	\$150.6	\$811.2	\$1,430.8
State and Local PRIIA	\$200.2	\$148.5	\$148.5	\$148.5	\$148.5	\$148.5	\$148.5	\$891.0	\$1,788.7
Rail Power System Upgrades	\$17.7						\$0.0		\$17.7
Other State and Local	\$8.5	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$1.0	\$10.8
Subtotal State/Local before Carryover	\$397.3	\$338.1	\$346.0	\$357.8	\$355.5	\$363.6	\$370.7	\$2,131.6	\$4,106.4
State and Local PRIIA - Carryover		\$21.5						\$21.5	\$21.5
Subtotal State and Local	\$397.3	\$359.6	\$346.0	\$357.8	\$355.5	\$363.6	\$370.7	\$2,153.0	\$4,127.8
Other Sources									
MetroMatters				\$0.0	\$0.0	\$0.0	\$0.0		\$109.8
Insurance Proceeds	\$2.3	\$2.5	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$5.6	\$31.6
Land Sale Proceeds	\$16.0			\$0.0			\$0.0		\$28.3
Joint Development Proceeds	\$3.5			\$0.0	\$0.0	\$0.0	\$0.0		\$3.5
Miscellaneous	\$0.6	\$4.1	\$2.5		\$0.0	\$0.0		\$6.5	\$22.7
Subtotal Other Sources	\$22.4	\$6.6	\$3.1	\$0.6	\$0.6	\$0.6	\$0.6	\$12.1	\$195.9
Financing									
Planned Long-Term Financing		\$287.7	\$249.5	\$221.7	\$201.1	\$117.7	\$100.5	\$1,178.3	\$1,178.3
Subtotal Financing		\$287.7	\$249.5	\$221.7	\$201.1	\$117.7	\$100.5	\$1,178.3	\$1,178.3
Metro 2025 Investment									
Metro 2025 Investment	\$46.0	\$5.0	\$1.0					\$6.0	\$75.0
Subtotal Metro 2025	\$46.0	\$5.0	\$1.0	\$0.0				\$6.0	\$75.0
Total	\$1,141.7	\$1,128.3	\$1,041.7	\$1,014.8	\$992.0	\$916.7	\$906.5	\$6,000.0	\$10,868.4