



Finance, Administration and Oversight Committee

Action Item VI-C

February 12, 2009

**District of Columbia Bus Item – Purchase
Additional Buses for DC Circulator**

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 100261	Resolution: <input checked="" type="radio"/> Yes <input type="radio"/> No
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TITLE:

DC Circulator Bus Service Program

PURPOSE:

Request Board of Directors approval to expand the DC Circulator bus service program on behalf of DDOT including: 1. Amend and increase the FY09 Circulator Capital Budget by \$1,750,000 to be funded by transferring \$900,000 from the District of Columbia to the FY09 Circulator Capital budget and \$850,000 from the FY09 Operating Reimbursable budget for the DC Circulator. 2. Amend and reduce the FY09 Operating Reimbursable budget for DC Circulator by \$850,000. 3. Authorize staff to initiate and award a contract for the procurement of four (4) additional Van Hool buses and the ancillary equipment under the existing contract with ABC Bus Companies. 4. Authorize the General Manager to execute an amendment to the reimbursable project agreement with the District of Columbia to provide for the purchase of additional buses.

DESCRIPTION:

The Downtown DC Circulator bus service (the Circulator), was developed by the District of Columbia Department of Transportation (DDOT), the National Capital Planning Commission (NCPC), and the Downtown Business Improvement District (DBID), in cooperation with Metro serving as the technical advisor. The Circulator is designed to provide high-quality, frequent and convenient shuttle bus service from the area of the National Mall, tourist landmarks, and employment centers to entertainment destinations in the heart of D.C. Ridership continues to grow on the Circulator's existing routes and additional routes are being considered for future expansion of the Circulator service.

DDOT wishes to transfer \$900,000 to the Circulator Capital Budget to be used in the procurement of 4 additional Van Hool 30-foot buses. Additionally, the Circulator operating account has \$850,000 of additional funds that may be utilized with the appropriate authorization in the Circulator capital account to be used in the procurement of the 4 buses. Metro will procure the 4 Van Hool 30-foot buses on behalf of DDOT and DDOT will own the buses.

FUNDING IMPACT:

Budget:	FY 2009 Capital, DC Circulator, DC_CIRC_BPR0101
Office:	DC Circulator
Account:	DC Circulator
This Action:	\$1,750,000
Remarks:	This item is budgeted in the FY2009 Capital budget for the purpose of procuring additional Van Hool buses including ancillary equipment, related procurement and inspection services.

	FY09	
Budget	\$6,000,000	
This Action:	\$1,750,000	\$850,000 of these funds are currently in the Circulator operating budget. \$900,000 will be received from the District to the Circulator capital budget.
Revised Budget:	\$1,750,000	
Prior Approval:	\$6,000,000	
Remaining Budget:	\$ 0	

Budget:	FY2009 Operating Reimbursable Budget for the DC Circulator
Office:	DC Circulator
Account:	DC Circulator
This Action:	Amend the FY09 Circulator Operating Reimbursable Account by \$850,000 to the FY09 Circulator Capital Account.
Remarks:	Amend the budget to decrease the Circulator Reimbursable Operating budget by \$850,000 and increase the Circulator Capital budget by \$1,750,000 (\$850,000 plus \$900,000).

All costs associated with the procurement of equipment will be fully reimbursed by the District of Columbia. Therefore, there will be no funding impact from this action. DDOT will be providing local funds to be used for this purchase.

RECOMMENDATION:

Approval to:

1. Amend and increase the FY09 Circulator Capital Budget by \$1,750,000 to be funded by transferring \$900,000 from the District of Columbia to the FY09 Circulator Capital budget and \$850,000 from the FY09 Operating Reimbursable budget for the DC Circulator project for the procurement of four (4) additional Van Hool buses and the ancillary equipment under the existing contract with ABC Bus Companies.

2. Amend and reduce the FY09 Operating Reimbursable budget for DC Circulator by \$850,000.
3. Authorize staff to initiate and award a contract for the purchase of 4 additional 30-foot Van Hool buses including ancillary bus equipment, related procurement and inspection services.
4. Authorize the General Manager to execute an amendment to the reimbursable project agreement with the District of Columbia to provide for the purchase of additional buses.



DC CIRCULATOR

Presented to the Board of Directors:

**Finance, Administration and Oversight
Committee**

February 12, 2009





PURPOSE

To request Board of Director's approval to expand the DC Circulator bus service program for the purchase of 4 additional Van Hool 30-foot buses.





BACKGROUND

- Ridership continues to grow on the Circulator's existing 3 routes; therefore, additional routes are being considered for future expansion of the Circulator service.
- Fourteen (14) buses are in the process of procurement by Metro on behalf of DDOT and will be owned by DDOT. The buses are scheduled for delivery in February 2009.
- The contract provision to procure the additional buses expires on February 28, 2009.



FINANCIAL & OTHER IMPACT

- Funds are available in the operating account and can be decreased by \$850,000 to fund the capital account to be used in the procurement of four (4) additional Van Hool buses for the District.
- The District also wishes to transfer \$900,000 to the Circulator capital budget to be used in the procurement of the additional buses.
- The total amount of this action is \$1,750,000.
- All costs associated with this action including the procurement of the equipment and management of the Circulator will be reimbursed by the District of Columbia.
- There will be no funding impact to Metro from this action.



RECOMMENDATIONS

1. Amend and increase the FY09 Circulator Capital budget by \$ 1,750,000 (\$900,000 DC transfer + \$850,000 from FY09 Operating Reimbursable budget for DC Circulator).
2. Amend and reduce the FY09 Operating Reimbursable budget for DC Circulator by \$850,000.
3. Authorize staff to initiate and award a contract for the purchase of 4 additional 30-foot Van Hool buses including ancillary bus equipment, related procurement and inspection services.
4. Authorize the General Manager to execute an amendment to the reimbursable project agreement with the District of Columbia to provide for the purchase of additional buses.



Proposed	
DC Circulator Capital Budget FY 09	
Purchase price for 14 buses	\$ 5,268,592.00
Fareboxes	\$ 200,000.00
Contingency	\$ 531,408.00
Total for 14 Buses	\$ 6,000,000.00
Budgeted for FY09 14 buses	\$ 6,000,000.00
Expenses to date	\$ (1,612,624.80)
Available Balance	\$ 4,387,375.20
Purchase price for 4 buses	\$ 1,595,630.70
Fareboxes	\$ 57,144.00
Contingency	\$ 97,225.30
Total for 4 additional buses	\$ 1,750,000.00
Total Estimated Project Budget	\$ 7,750,000.00
Total FY09 Budget	\$ 6,000,000.00
Shortfall	\$ 1,750,000.00
New Funding from DC	\$900,000
Funding from Circulator Operations Budget	\$850,000
Total actions taken	\$1,750,000

**THIRD AMENDMENT
TO THE
AGREEMENT BETWEEN
THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
AND
THE DISTRICT OF COLUMBIA DEPARTMENT OF TRANSPORTATION
TO CONTRACT FOR AND MANAGE THE DC CIRCULATOR SERVICE**

The Agreement between the Washington Metropolitan Area Transit Authority and the District of Columbia Department of Transportation to Contract for and Manage the DC Circulator Service, entered into on May 11, 2005, as amended by Amendment No. 1 agreed to by the Parties on March 23, 2007, and as further amend by Amendment No. 2 agreed to by the Parties on December 13, 2007 (“Amended Agreement”), is hereby further amended by this Third Amendment (“Third Amendment”).

RECITALS

WHEREAS The Parties wish to expand the scope of the Amended Agreement through this Third Amendment to authorize the purchase of four (4) additional buses (“Four Bus Purchase”) by the Washington Metropolitan Area Transit Authority (“WMATA”).

WHEREAS It is the intent of the Parties that WMATA purchase a total of eighteen (18) buses; and

WHEREAS The Parties wish to memorialize the relationship between WMATA and the District Department of Transportation (“DDOT”) with respect to the Additional Bus Purchase.

NOW, THEREFORE, the Parties hereby agree to amend the Amended Agreement as follows:

THIRD AMENDMENT

1. Defined Terms. Except as otherwise provided herein, all terms used in this Second Amendment shall have the same meanings as provided in the Amended Agreement.
2. The parties agree to revise Section 3 of the Amended Agreement to read as follows:
 - “3. Buses/Equipment.
 - A. WMATA has purchased twenty-nine (29) Van Hool buses for use in DDOT’s DC Circulator Service. The buses were purchased using DC Riders Trust funds, and are owned by WMATA. Title for the buses shall remain with WMATA. WMATA shall lease the buses to the selected contractor to operate the DC Circulator Service for one dollar (\$1.00) each and such lease payments shall be for the use of the buses for the term of the contract. Such leases shall expire/terminate upon the expiration or termination of WMATA’s contract with the Contractor, at

which point, the Contractor will be required to return the buses to WMATA immediately. WMATA shall ensure that a fare box will be provided and installed in each bus and will also provide fare box vaulting equipment to the Contractor (the “Original Bus Purchase”).

- B. WMATA has ordered and will complete the purchase of fourteen (14) Van Hool buses, and other equipment and provide services associated with the purchase including WMATA staff time, travel and titling (the “Fourteen Bus Purchase”), as authorized by D.C. Official Code § 50-921.32 (2007 Supp.). Title to the 14 buses shall be held by the District of Columbia. WMATA shall ensure that a fare box will be procured and installed in each bus.
 - C. WMATA shall complete the Four Bus Purchase, including four (4) Van Hool buses, and other equipment and provision of services associated with the purchase including WMATA staff time, travel and titling, as authorized by D.C. Official Code 50-921.32 (2007 Supp.). Title to the Four Buses shall be held by the District of Columbia.
 - D. The estimated costs of the Four Bus Purchase and the Fourteen Bus Purchase are shown on Exhibit A, attached hereto and incorporated herein by reference. The funding for the Fourteen Bus Purchase and the Four Bus Purchase shall be provided by DDOT.
 - E. DDOT has placed on account with WMATA \$6,000,000 and the WMATA Board of Directors has authorized the expenditure of an additional \$1,750,000 (One million seven hundred and fifty thousand dollars) for the Four Bus Purchase (“Budget Amendment”). The Budget Amendment brings the Project Budget to \$7,750,000.00. In the event of an anticipated or actual shortfall in the Project Budget, WMATA shall not enter into or award any contract in furtherance of this Third Amendment or the Bus Purchase unless:
 - a. The scope of the project is reduced, in writing, by DDOT, or
 - b. Additional funding is provided by DDOT, or
 - c. Any combination of a and b above.”
3. Effective Date of Third Amendment. This Third Amendment shall be effective on the date the last signature is affixed hereto.
4. General. This Third Amendment amends certain terms and conditions of the Amended Agreement. All other terms and conditions of the Amended Agreement that are not modified by this Third Amendment shall remain in full force and effect. Should there be any conflict between the terms and conditions in this Third Amendment and the Amended Agreement the terms and conditions of this Third Amendment shall control.

5. Counterparts. This Agreement may be executed in counterparts, which shall have the full force and effect of an original document.

6. Recitals. The recitals are incorporated by reference.

(Signatures follow on the next page)

IN WITNESS THEREOF, the Parties hereto have caused this Third Amendment to the Agreement to be executed by their duly authorized officials.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

By: _____ Date: _____
John B. Catoe, Jr.
General Manager

DISTRICT OF COLUMBIA DEPARTMENT OF TRANSPORTATION

By: _____ Date: _____
Frank Seales
Acting Director

SUBJECT: AMENDED FISCAL 2009 CAPITAL BUDGET FOR THE DC CIRCULATOR PROJECT

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

WHEREAS, By letters dated September 20, 2008 and October 31, 2008, the District of Columbia, through the Director of the Department of Transportation, requested assistance from Metro for the DC Circulator Project; and

WHEREAS, Metro has previously agreed to undertake the procurement of fourteen (14) 30-foot Van Hool buses as agreed pursuant to Resolution 2007-52; and

WHEREAS, The District of Columbia has now asked Metro to procure and have delivered four (4) additional 30-foot Van Hool buses along with ancillary equipment for the Circulator Project; and

WHEREAS, Metro will procure a total of eighteen (18) 30-foot Van Hool buses to be owned by the District of Columbia; and

WHEREAS, These activities will be conducted in accordance with the terms of the reimbursable project agreement executed by Metro and the District of Columbia; and

WHEREAS, This change in the scope of duties to be performed by Metro requires an increase in the Fiscal 2009 Circulator Capital Budget of \$1,750,000; and

WHEREAS, The District of Columbia has identified and will provide \$900,000 in funds for the Circulator Project; and

WHEREAS, This change, in the scope of duties to be performed by Metro, requires an \$850,000 change in the Fiscal 2009 Circulator Operating Budget and the Fiscal 2009 Circulator Capital Budget; and

WHEREAS, The District of Columbia has assured Metro that the funds are eligible for use in the purchase of buses for the Circulator Project; now, therefore be it

RESOLVED, That the Board of Directors authorizes Staff to negotiate and award the purchase of four (4) 30-foot Van Hool buses along with ancillary equipment for the Circulator Project on behalf of the District of Columbia; and be it further

RESOLVED, That the four (4) 30-foot Van Hool buses purchased for the Circulator Project will be owned by the District of Columbia; and be it further

RESOLVED, That the Board of Directors approves amending and increasing the Fiscal 2009 Circulator Capital Budget by \$1,750,000, to be funded by transferring \$900,000 from the District of Columbia to the Fiscal 2009 Circulator Capital Budget and \$850,000 from the Fiscal 2009 Operating Reimbursable Budget for the DC Circulator Project; and be it further

RESOLVED, That the Board of Directors approves amending and reducing the Fiscal 2009 Operating Reimbursable Budget for the DC Circulator Project by \$850,000; and be it further

RESOLVED, That the Board of Directors authorizes the General Manager to execute an amendment to the reimbursable project agreement with the District of Columbia to provide for the purchase of additional buses; and be if further

RESOLVED, That Metro shall not incur any expenses concerning acquisition of these buses until funds have been received from the District of Columbia; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Carol B. O'Keeffe
General Counsel

EXHIBIT A

DC Circulator Capital Budget FY 09

Purchase price for 14 buses	\$	5,268,592.00
Fareboxes	\$	200,000.00
Contingency	\$	531,408.00
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Total FY09 Budget	\$	6,000,000.00
Shortfall	\$	1,750,000.00
New Funding from DC		\$900,000
Funding from Circulator Operating Budget		\$850,000
Total actions taken		\$1,750,000
Total Project Budget		\$7,750,000.00

1/28/2009