



Finance, Administration and Oversight Committee

Action Item III-A

April 12, 2007

**Amend FY07 SEP for Largo Project Close Out
Legal Fees**

**Washington Metropolitan Area Transportation Authority
Board Action/Information Summary**

<input checked="" type="checkbox"/> Action <input type="checkbox"/> Information	MEAD Number: N/A	Resolution: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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PURPOSE

The purpose of this action is to request Committee and Board of Directors approval of a resolution to increase the FY07 System Expansion Program (SEP) by \$2,340,000, from \$7,614,000 to \$9,954,000 for Largo Extension litigation costs. This action will also increase the overall budget for Largo from \$457,050,000 to \$459,390,000.

DESCRIPTION

There is a \$32 million claim on the Largo Extension project and the litigation is before the Armed Services Board of Contract Appeals. The claim is being litigated by outside counsel and because the original contract work was performed pursuant to a reimbursable agreement, Maryland is funding the litigation costs. The funds have been received and placed into the Largo account. Board of Directors approval is needed to amend and increase the SEP so that work may continue on the claim.

FUNDING IMPACT

Budget: FY07 System Expansion Program
Project Title: Largo Extension

Budget Information:
Current Budget: \$457,050,000
Proposed Budget: \$459,390,000
This Action: \$2,340,000
Prior Actions: \$455,874,789
Subtotal: \$458,214,789
Remaining Budget: \$1,175,211

RECOMMENDATION

That the Committee approve the resolution amending the FY07 SEP for Largo Extension and forward to the Board of Directors for approval.

PRESENTED AND ADOPTED:

SUBJECT: AMEND FY07 SYSTEM EXPANSION PROGRAM (SEP) FOR LARGO
EXPANSION LITIGATION COSTS

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

WHEREAS, On July 20, 2006, the Board of Directors amended the FY07 System Expansion Program (SEP) totaling \$7,614,000; and

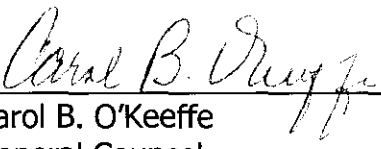
WHEREAS, The Largo Extension project has a \$32 million claim in litigation before the Armed Services Board of Contract Appeals and pursuant to a reimbursable agreement, Maryland is funding the outside counsel litigation costs; and

WHEREAS, Maryland has provided \$2,340,000 to WMATA to fund the anticipated litigation costs; now, therefore be it

RESOLVED, That the Board of Directors approves amending and increasing the FY07 SEP by \$2,340,000 from \$7,614,000 to \$9,954,000 as detailed on Attachment A; and be it further

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Carol B. O'Keeffe
General Counsel

Attachment A: System Expansion Program FY 2007-2012 Projects Obligations

(in millions \$)

<u>Major Jurisdiction / Sponsor / • Project</u>	<u>Approved FY06 & Prior</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>Total FY 2007-12</u>	<u>Total Project</u>
All WMATA Jurisdictions									
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• Project Development	\$ 16.338	\$ 3.000	\$ 3.000	\$ 3.000	\$ 3.000	\$ 3.000	\$ 3.000	\$ 18.000	\$ 34.338
Subtotal	\$ 16.338	\$ 3.000	\$ 3.000	\$ 3.000	\$ 3.000	\$ 3.000	\$ 3.000	\$ 18.000	\$ 34.338
District of Columbia									
District of Columbia Government									
• Anacostia Corridor Demonstration Project	8.270							-	8.270
Vehicle Procurement	8.900							-	8.900
Anacostia LRT Line	7.200	3.900						3.900	11.100
• New York Avenue Metrorail Station 1/	109.950							-	109.950
Subtotal	\$ 134.320	\$ 3.900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3.900	\$ 138.220
Maryland									
Maryland Mass Transit Authority (MD-MTA)									
• Largo Extension and Parking 1/	456.400	2.990						2.990	459.390
• Purple Line DEIS	10.600							-	10.600
Subtotal	\$ 467.000	\$ 2.990	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.990	\$ 469.990
Virginia									
Arlington Co. Project Development (Columbia Pike)	0.040	0.064						0.064	0.104
VA Dept. of Rail & Public Transportation									
• Dulles PE/NEPA	64.750							-	64.750
Subtotal	\$ 64.790	\$ 0.064	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.064	\$ 64.854
Total SEP Obligations	\$ 682.448	\$ 9.954	\$ 3.000	\$ 3.000	\$ 3.000	\$ 3.000	\$ 3.000	\$ 24.954	\$ 707.402

1/ Includes \$500K for litigation support and \$150K for real estate condemnations, \$2.34M outside counsel/litigation.
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