

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

Action
 Information

MEAD Number:
N/A

Resolution:
 Yes No

PURPOSE

To obtain approval from the Board of Directors for a reduction of the budget for the Anacostia Streetcar Project from \$20.0 million to \$16.1 million and decrease the FY07 SEP from \$7,614,000 to \$3,714,000.

DESCRIPTION

The District of Columbia Department of Transportation (DDOT) and WMATA have been developing a streetcar project for a corridor east of the Anacostia River. Initially the plan was to utilize an existing CSX railroad right-of-way since the rail line was no longer in use. Extensive negotiations with CSX for property acquisition were futile and the plan to implement the streetcar service in the railroad right-of-way was abandoned. So as not to abandon the proposed transportation improvements, DDOT decided to construct the streetcar line on city streets serving the same communities as the original plan. To effect this change, DDOT assumed responsibility from WMATA for the design and construction of the streetcar line and stations. WMATA retained responsibility for managing the delivery of the streetcar vehicles and for selecting a contractor for and the subsequent management of the maintenance facility Design/Build contract. As the project progressed, DDOT also asked that WMATA procure materials and equipment for the streetcar line. The materials and equipment are deemed long lead items and DDOT believes WMATA can procure these items at an earlier time than DDOT's procurement process would permit.

As per a DDOT letter dated April 11, 2007, WMATA's role in the streetcar project will be reduced to the management of the assembly and testing of the streetcars and procurement support for materials and equipment for the streetcar line. As a result, the budget can be reduced from its current level of \$20.0 million to \$16.1 million. Therefore, Board approval is being sought to decrease the project budget from \$20.0 million to \$16.1 million, i.e., equal to the funds on hand. All actions taken for this project are being incorporated into a funding agreement with DDOT.

FUNDING IMPACT

Budget: FY07 System Expansion Program
Project Title: Anacostia Streetcar Project

BUDGET INFORMATION:

Proposed Budget: \$16,100,000
This Action: (\$3,900,000)
Prior Obligations: \$20,000,000
Subtotal: \$16,100,000
Remaining Budget: \$0

RECOMMENDATION

That the Board of Directors approve a reduction of the budget for the Anacostia Streetcar Project from \$20.0 million to \$16.1 million and decrease the FY07 SEP from \$7,614,000 to \$3,714,000.

PRESENTED AND ADOPTED:

SUBJECT: AMENDED FISCAL 2007 SEP FOR ANACOSTIA CORRIDOR PROJECT

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

WHEREAS, The Board of Directors (the "Board") on September 16, 2004, in Resolution 2004-47, authorized the General Manager ("GMGR") to enter into a contract for procurement of light rail vehicles, proceed with acquisition of certain real property and award a site clearing contract for the Anacostia Corridor Demonstration Project ("Anacostia Project") in advance of final execution of a reimbursable project agreement, and provided authority for certain other matters related to the Anacostia Project, to be accomplished contingent upon the negotiation and execution of a reimbursable agreement with the District of Columbia (the "District") and the availability of funds from the District; and

WHEREAS, The District has previously identified and provided \$16,100,00 in funds for the Anacostia Project (\$10,000,000 from the District TIIF fund and \$6,100,000 in direct District funds from the FY 2004 Capital Budget) and the District and the Authority divided those funds among the proposed scope of Authority work as identified in Resolutions 2004-08 and 2004-47; and

WHEREAS, The District has asked WMATA to procure and deliver, but not install, materials and equipment for the streetcar line; and

WHEREAS, On July 20, 2006, the Board approved the Fiscal 2007 System Expansion Program (SEP) totaling \$7,614,000, which included \$3,900,000 in anticipated funding for the Anacostia Project; and

WHEREAS, The District will provide all additional funds necessary for the acquisition and delivery of materials and equipment for the streetcar line and maintenance facility. These activities will be conducted in accordance with the terms of the funding agreement to be executed by the Authority and the District; and

WHEREAS, The District has requested a change in the scope of duties to be performed by the Authority for the Anacostia Corridor streetcar project with a resultant decrease in the Fiscal 2007 SEP of \$3,900,000.00; and

WHEREAS, By letter dated April 11, 2007, the DDOT requested that the Authority amend its scope of work on the Anacostia Project to (i) continue to provide the railcars for the Anacostia Project, (ii) provide continued vehicle engineering support service through its consultants, (iii) cancel the previously requested contract for the construction of an Operations and Maintenance Facility, (iv) cease work on the requested contract for the solicitation of an Operations Contractor, (v) continue to provide procurement support for the procurement of certain materials and parts, including, but not limited to a Traction Power Sub-Station, subject to the availability of funding; and

WHEREAS, The current Anacostia Project Budget of \$16.1 Million in existing funding and \$3.9 Million of anticipated funding needs to be amended to reflect a revised Project Budget of \$16.1 Million; and

WHEREAS, The Anacostia Project Budget is currently divided into two (2) separate accounts; one for the vehicle portion of the project and the other for the capital portion of the project. As a result of these changes by the District, the current budget needs to be revised to reflect the current state of the streetcar project and the fact that the course of events have impacted the delivery schedule for the vehicles as well as the scope of work to be performed by the Authority; and

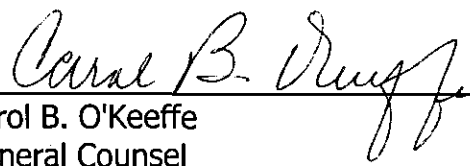
WHEREAS, The District has requested a pooling of the funds that make up the Anacostia Project Budget so that those funds can be used to purchase both the vehicles and any materials, parts or other services or equipment needed for the project; now, therefore be it

RESOLVED, That the Board of Directors approves amending and decreasing the Fiscal 2007 SEP by \$3,900,000 from \$7,614,000 to \$3,714,000; and be it further

RESOLVED, That the Anacostia Project Budget shall be \$16,100,000; 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