



**Finance & Administration Committee**

**Information Item III-A**

**May 12, 2011**

## **Capital Improvement Program Update**

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

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

Update on Capital Improvement Program

**PURPOSE:**

To provide the Board with an update on the Capital Improvement Program.

**DESCRIPTION:**

The \$5B Capital Improvement Program (CIP) is a six-year base program derived from on the 10-year \$11.4B Capital Needs Inventory (CNI) prioritization results, committed project funding, and other policy considerations. The six year base program that was derived from the CNI was the FY2011-2016 CIP. The goal of this CIP is to implement infrastructure projects to maintain state of good repair and enhance customer and employee safety.

The CIP is the fundable, executable CNI program that provides a blueprint of annually planned work and associated cost. The CIP addresses Metro`s physical asset requirements and divided into nine categories: (1) Vehicles/Vehicle Parts, (2) Rail system Infrastructure Rehabilitation, (3) Maintenance Facilities, (4) System Technology, (5) Track and Structure, (6) Passenger Facilities, (7) Maintenance Equipment, (8) Other Facilities, and (9) Management and Support.

Funds to support the CIP come from three primary sources: Federal appropriations, state and local contributions, and long and short-term borrowing. Federal appropriations include two Federal Transit Administration formula grants and dedicated Federal funds. The dedicated federal funds were approved under the Passenger Rail Investment and Improvement Act (PRIIA) of 2008. It authorized \$1.5B over 10 years for Metro`s capital and preventative maintenance projects, to be matched dollar-for-dollar by Metro Compact jurisdictions. The Appropriations Act placed certain conditions on the use of funds, requiring that Metro place the highest priority on "investments that will improve the safety of the system, including but not limited to fixing the track signal system, replacing the 1000 series rail cars, installing guarded turnouts, buying equipment for wayside worker protection, and installing rollback protection on cars that are not equipped with this safety feature."

**FUNDING IMPACT:**

This is a status update for the CIP to be approved with the FY2012 budget in June.

**RECOMMENDATION:**

None - information item



# Washington Metropolitan Area Transit Authority

## Capital Improvement Program Update

Finance and Administration Committee

May 12, 2011

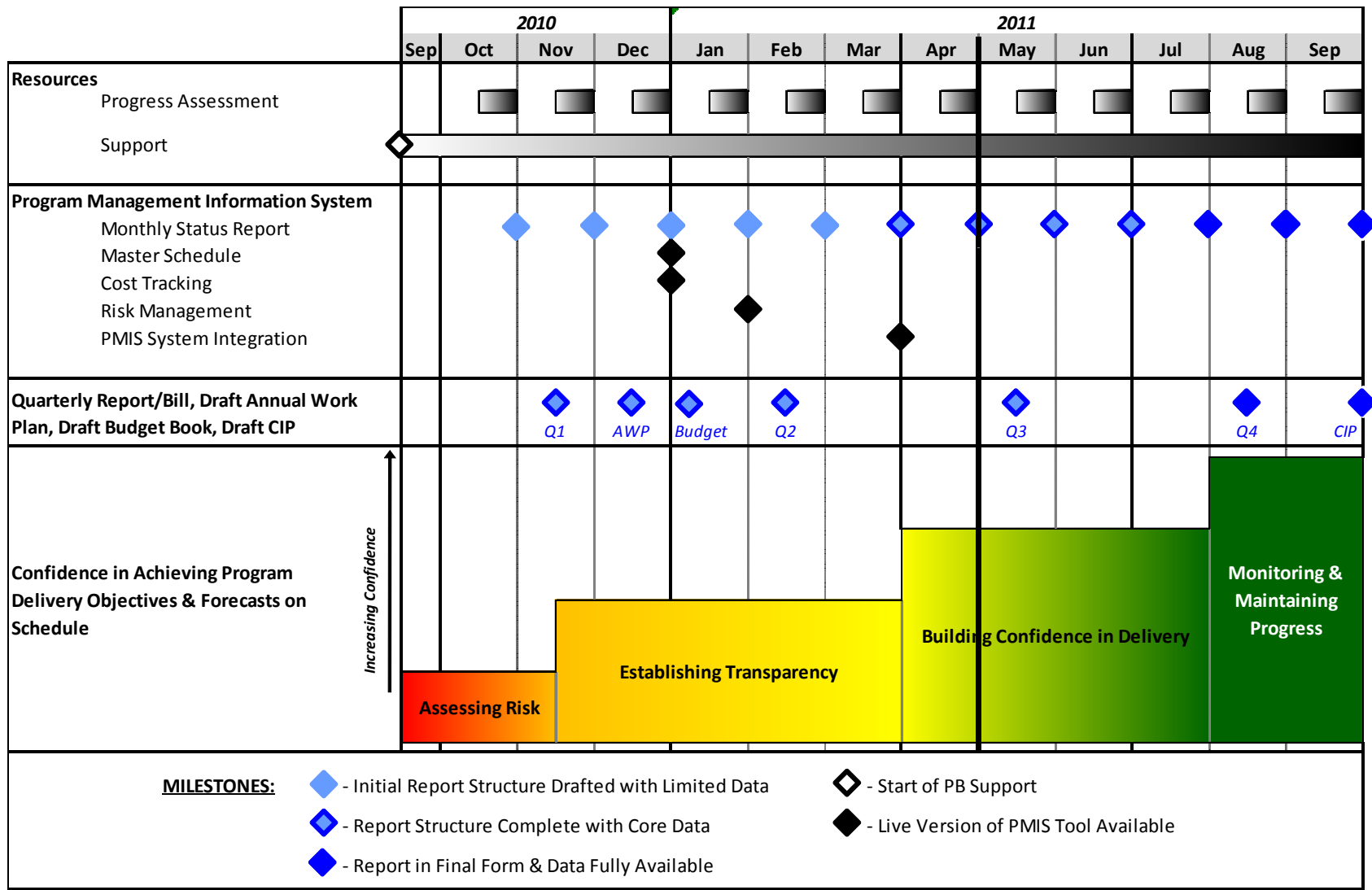


## Agenda

- Review of team approach to improve program performance
- Current dashboards
  - Expenditures & obligations to date
  - CIP monthly expenditure performance vs. FY2010 Metro Matters
  - Historical annual expenditure performance
- Progress since January update
  - Improvements in program reporting
  - Initiating the Program Strategy Team (Processes & Procedures)
  - Additional resources to support/supplement staff
- Next steps



# Building confidence in program delivery through progressive tools & transparency





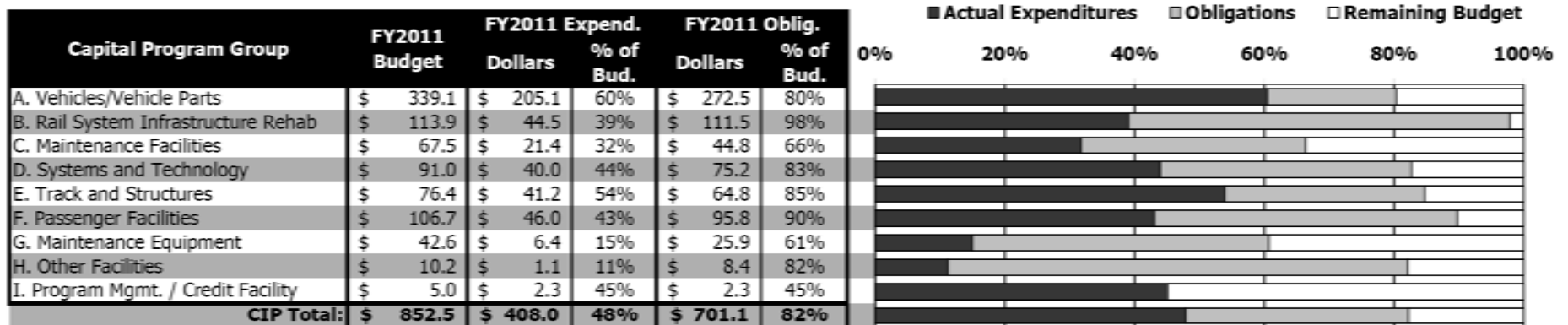
# Capital Program Dashboards

## Expenditures & Obligations to Date

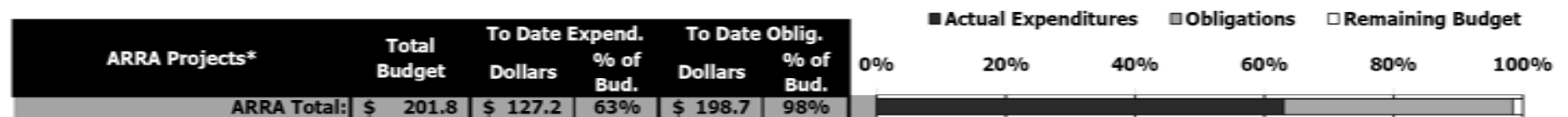
(as of April 23, 2011)

### CIP Projects By Category (since inception in FY2011 in millions)

Key statistics: 82% of \$852M budget obligated, 48% of budget expended

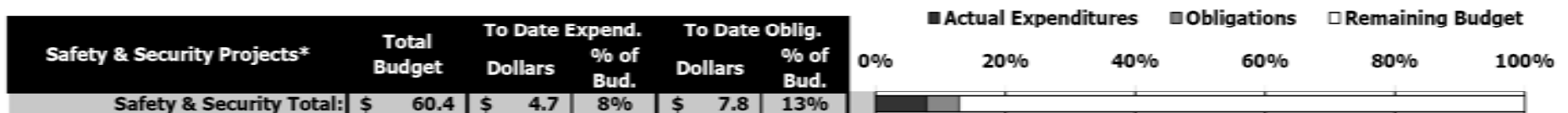


### ARRA Projects (since inception in FY2009 in millions)



\*Expenditure and obligation data is recorded from the inception of ARRA program in FY2009

### Safety & Security Grant Projects: in Ramp-up (since inception in FY2010 in millions)



\*Expenditure and obligation data is recorded from the inception of Safety & Security program in FY2010

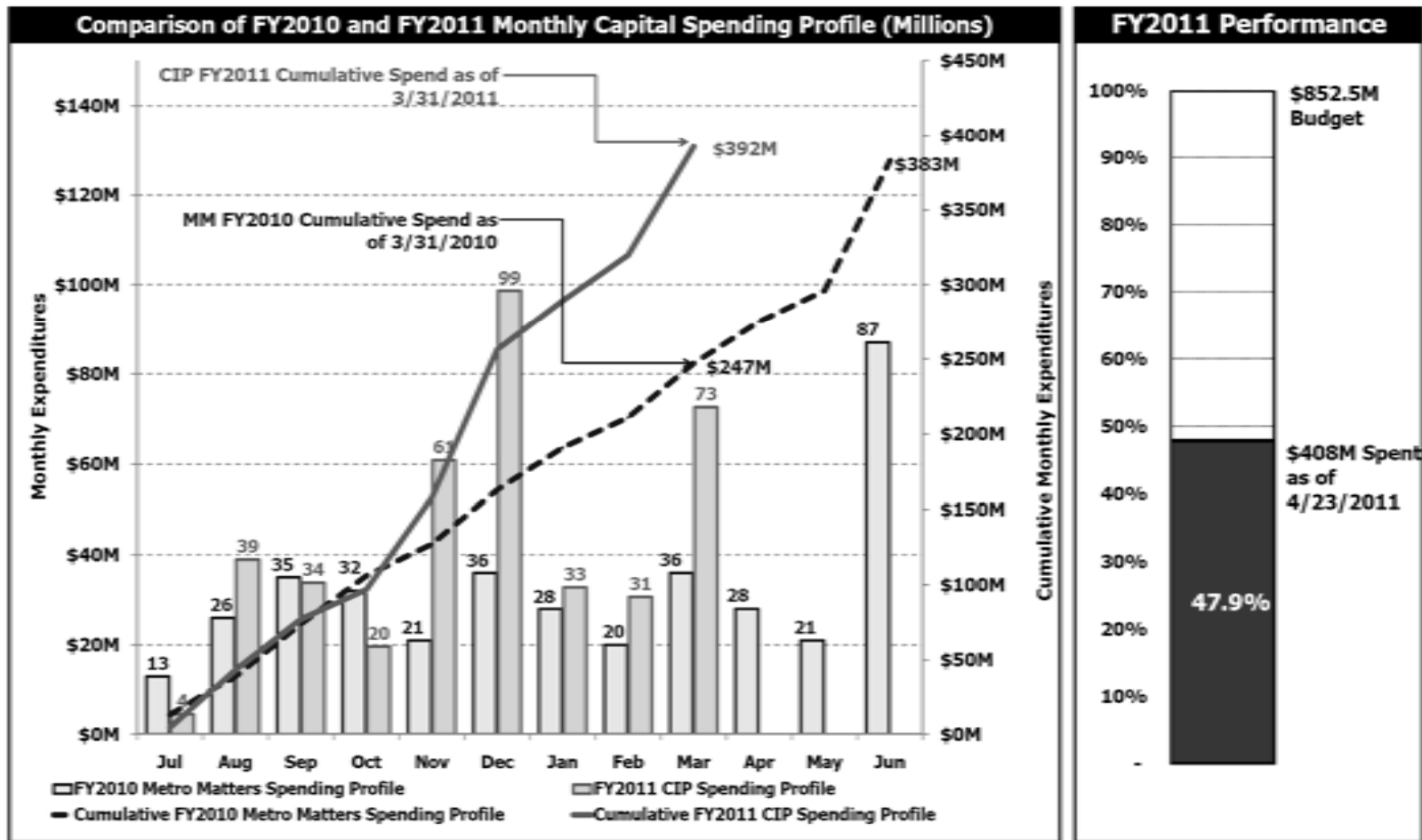


# Capital Program Dashboards

## Monthly Expenditure Performance vs. FY2010

(as of April 23, 2011)

- FY2011 spending as of April 23rd= \$408M or 48% of budget
  - Exceeds all of FY2010 (\$383M)





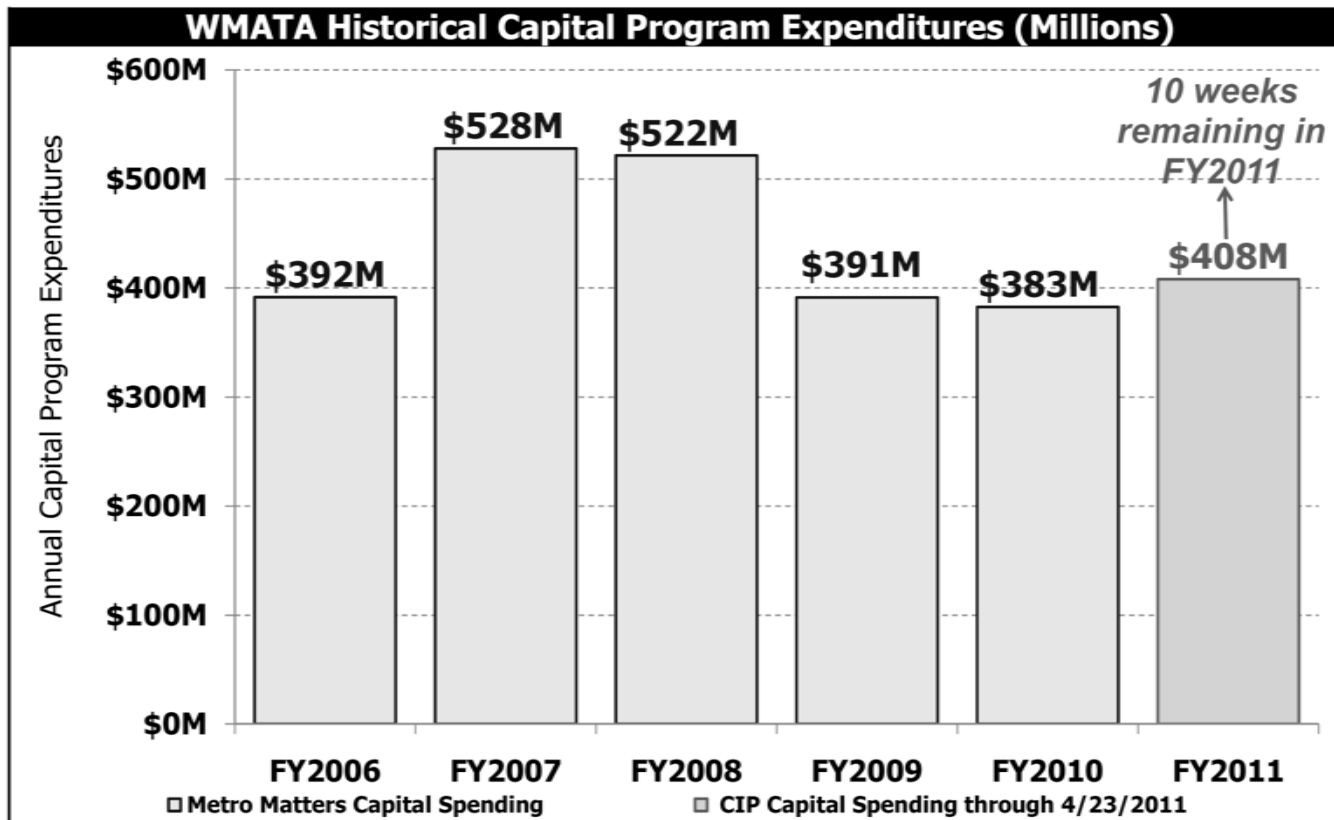


# Capital Program Dashboards

## Historical Annual Expenditure Performance

*(as of April 23, 2011)*

- Metro Matters Annual Expenditures (see approved FY11 Annual Budget book p. 297)
  - Average = \$443M between FY2006 and FY2010
  - Peak = \$528M in FY2007
- FY11 CIP Expenditures = \$408M through April 23, 2011





# Progress since January update

## Improvements in program reporting

- Initiated weekly progress reports tracking real time spending
- Started monthly progress reports to track department progress
- Enhancing quarterly progress reports to include:
  - American Recovery and Reinvestment Act (ARRA) Grants
  - Safety & Security Grants
- Pilot testing Program Management Information System (PMIS)

The screenshot displays the WMATA PMIS interface. The main content area shows a Gantt chart for a project titled "Master Schedule - Summary". The chart is organized into a hierarchical tree structure with columns for months from December 2010 to July 2012. A red vertical line indicates the current date is 12/31/2010. The project is broken down into several phases: Capital Improvement Projects, Planning, Design, and Construction / Implementation. Each phase has associated activities with start and finish dates and progress percentages.

ID	Activity Name	%	Start	Finish	2010	2011	2012
	▼ Master Schedule - Summary		0 5/25/2001	11/1/2011			
	▼ Capital Improvement Projects		0 5/25/2001	11/1/2011			
	▼ Vehicles / Vehicle Parts		0 5/25/2001	11/1/2011			
	▼ Replacement. Of Metro Access V		0 5/3/2010	9/1/2017			
	▼ CIP015 MetroAccess Fleet Re		0 5/3/2010	9/1/2017			
	▼ Procurement		0 8/4/2010	9/21/2011			
CIP015_MS1010	Start Procurement	100	8/4/2010	8/4/2010			
CIP015_MS1140	Finish Procurement	0	9/21/2016	9/21/2016			
	▼ Planning		0 5/3/2010	8/16/2011			
CIP015_MS2010	Start Planning	100	5/3/2010	5/3/2010			
CIP015_MS2140	Finish Planning	0	8/16/2016	8/16/2016			
	▼ Design		0 6/1/2010	9/14/2011			
CIP015_MS3010	Start Design	100	6/1/2010	6/1/2010			
CIP015_MS3140	Finish Design	0	9/14/2016	9/14/2016			
	▼ Construction / Implementa		0 10/13/2010	6/29/2011			



Progress since January update

## **Initiating the Program Strategy Team**

- Initiated to improve performance
- Clear team goals identified:
  - Map all critical processes to deliver projects from planning to operational startup
    - Example: Existing project development & prioritization process
  - Identify areas for needed improvements and initiate improvements quickly
  - Establish clear management expectations
  - Develop strong team-oriented problem solving capabilities
- Expected outcomes summarized:
  - Achieve expected project outcomes on schedule
  - Increase spending performance relative to budget
  - Real-time issue resolution and timely escalation as needed
- Provides PMs with a map to all key processes/procedures
  - Procurement improvements and integrated project plans are early focal points



Progress since January update

## **Additional resources to support/supplement staff**

- Technical team dedicated to support Metro PMs
  - Focused on support to key capital project managers
  - Conduit for swift resolution of project issues
  - Example: Acceleration of escalator repairs
  
- Temporary staff augmentation to accelerate projects
  - Program wide:
    - Contract administration support to meet program needs
    - Process and procedure updates – Resident Engineer's manual, Project Management Plans
    - Maximo/Trapeze support to achieve more reliable bus/rail service, maintenance & parts inventory
    - Mileage based rail vehicle project management system development
    - Master schedule and cost estimating support to improve project planning
  - Project:
    - Timely contract modifications processing for Red Line
    - Orange/Blue Line project support
    - JOC results for Bus 1



## Next Steps

- Fill open Metro staff capital positions (escorts, engineers & contract admin)
- Acquire additional track time to maintain schedule
- Rollout PMIS to all project managers
- Enhance master schedule including look-aheads
- Improve and streamline internal reporting requests
- Complete procurement process review
- Address key issues identified by Program Strategy Team
- Develop Program Strategy Manual
- Track reimbursable projects
- Enhance safety & security project forecasts