



Finance, Administration and Oversight Committee

Action Item III-A

June 14, 2007

**FY08 Operating and Capital Budget Summary,
Policy Review and Committee Vote**

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

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

The purpose of this action is to request Committee approval of the FY08 Budget and to forward the budget to the full Board of Directors for approval.

DESCRIPTION

The FY08 Metro budget totals \$1.9 billion. The Operating Budget of \$1.2 billion includes no fare increase, no service cuts and provides a focus on safety and customer service. The \$0.7 billion Capital Budget provides a focus on state-of-good-repair, eight-car trains, clean technology buses and improved maintenance facilities. The budget is realistic, but fragile. Major policy initiatives in the budget include: use of one-time only funding of \$40 million from a construction claim, jurisdictional subsidy consistent with the General Manager's proposal, implementation of a Living Wage, continuation of a streamlined contract approval process, an expanded advertising policy to increase non-passenger revenue, and a Claims Reserve policy that clarifies the Board policy of funding the reserve with a year-end balance equal to 20% percent of actuarially forecasted claims payouts in the upcoming fiscal year.

FUNDING IMPACT

The details of the sources of funding for the operating and capital budgets are provided in the attachments.

RECOMMENDATION

That the Committee approve the FY08 Budget and forward to the Board of Directors for approval.

PRESENTED AND ADOPTED:

SUBJECT: APPROVAL OF FY08 BUDGET

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

WHEREAS, The Board of Directors has received and considered the General Manager's \$1.9 billion proposed FY08 budget; and

WHEREAS, The FY08 operating portion of the budget totals \$1.2 billion; and

WHEREAS, The FY08 capital portion of the budget totals \$.7 billion and is in conformity with the Metro Matters Funding Agreement and the FY09 - 13 capital budget is presented for planning purposes; and

WHEREAS, the FY08 reimbursable projects portion of the budget totals \$41 million; and

WHEREAS, the FY08 debt service requirement totals \$28 million; and

WHEREAS, The General Manager has raised policy issues that relate to the proposed budget; and

WHEREAS, The Board of Directors has received public and jurisdictional comments on the proposed budget and policy issues; now, therefore, be it

RESOLVED, That the Board of Directors approves the FY08 budget of \$1.9 billion as detailed on Attachment-A; and, be it further

RESOLVED, that the Authority has received a \$40 million litigation judgment from the construction program and the Board authorizes the use of those funds to partially fund the purchase of the Series 5000 rail cars thereby freeing up \$40 million in Tax Advantaged Lease funds for transfer to the Operating Budget; and be it further

RESOLVED, that the Board approves the transfer of the \$40 million in Tax Advantaged Lease funds to the Operating Budget and amends Resolutions #98-50, #98-65, #99-10, #2002-27, #2007-28, #2002-40, and #2003-42 governing the use of proceeds from the Tax Advantaged Lease program accordingly; and be it further

RESOLVED, That the FY08 allocation of operating subsidy by jurisdiction has been calculated to be consistent with allocations displayed in the General Manager's FY08 proposed budget presented in December 2006; and be it further

RESOLVED, That the Board of Directors approves a Living Wage requirement for inclusion in all contracts for services, including construction contracts, effective January 2008, which shall be established at \$11.80 per hour, and will be adjusted annually based on the average wage rates of local jurisdictions with a Living Wage policy, and may be reduced by a contractor's per-employee cost for health insurance; and be it further

RESOLVED, That Board Resolution #2006-44 established streamlined policies and procedures for Board approval of contract actions and that for FY08, the terms of that Resolution shall be extended to include the approval of contracts in the applicable budget(s) as contained in the list of contracts in Attachment-B; and be it further

RESOLVED, That the Board of Directors' policy is clarified to establish the goal of funding the Claims Reserve with a year-end balance equal to twenty percent of the actuarially forecasted claims payouts in the upcoming fiscal year; and be it further

RESOLVED, That the proposed budget includes estimated revenue from new advertising activities and, by separate resolution, the Board of Directors will consider the modification of the Use Regulation concerning the Use by Others of WMATA Property to add the following new advertising inventory: station pylons and pillars, floor graphics, trash receptacles, larger backlit dioramas, rail car king-size displays, interior rail car doors, rail car ceilings, wall projects, wallscapes and website advertising; and be it further

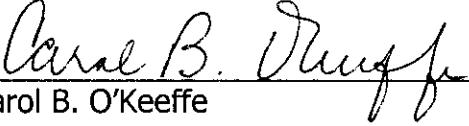
RESOLVED, That the General Manager will develop and present to the Board of Directors an indexed fare policy within six months; and be it further

RESOLVED, That in order to implement the elements of the CIP, the General Manager or the Chief of Staff is authorized to 1) conduct public hearings; and 2) file and execute grant applications on behalf of the authority for funds from the Federal government and any other public or private entity consistent with the CIP; and be it further

RESOLVED, That the Infrastructure Renewal Program element of Metro Matters is the same program as the Capital Improvement Program referenced in the TIFIA Loan Guarantee Agreement and related documentation, and be it finally

RESOLVED, That this Resolution will be effective immediately.

Reviewed as to form and legal sufficiency.



Carol B. O'Keeffe
General Counsel

Attachment-A

FY08 Annual Budget**\$ Millions**

Operating Budget:		
Revenue	\$	653.9
Expense		<u>1,153.7</u> <i>a.</i>
Subsidy	\$	499.8
Debt Service:		27.5 <i>b.</i>
Capital Budget:		730.8 <i>c.</i>
Reimbursable Projects:		41.4 <i>d.</i>
FY08 Annual Budget.....	<u>\$</u>	<u>1,953.4</u> <i>a + b + c + d</i>

ATTACHMENT B

FY 2008 PROCUREMENT ACTIONS (NEW CONTRACTS)

OFFICE CODE	POC	DESCRIPTION OF REQUIREMENT	EST VALUE
BUS			
BMNT	Donald Savoy	Bus Fire Suppression	\$750,000
GENERAL COUNSEL			
COUN	Mark Pohl	On Call Legal Services Program	\$550,000
COUN	Mark Pohl	Bond Counsel for Clean Renewable Energy Bonds	\$200,000
COUN	Mark Pohl	Bond Counsel for Metro Matters Bonds and Renewal of Commercial Paper Facility	\$275,000
COUN	Mark Pohl	Bond Counsel for Securitization of Parking Revenues	\$600,000
COUN	Susan Serrian	Online Legal Research (1 year contract with 5 option years)	\$410,000
COUN	Susan Serrian	Court Reporting Services (1 year contract with 5 option years)	\$300,000
FINANCIAL SERVICES			
PRMT	Adrian Sclawy	Scrap Metal	>\$100,000
PRMT	Fred Voellm	Radiators	\$975,000
PRMT	Fred Voellm	Bike racks	\$975,000
PRMT	Fred Voellm	Belts	\$900,000
PRMT	Fred Voellm	Belt Tensioners	\$800,000
PRMT	Fred Voellm	Hoses	\$850,000
PRMT	Fred Voellm	Windows	\$975,000
PRMT	Fred Voellm	Bulbs	\$900,000
PRMT	Fred Voellm	Gaskets	\$900,000
PRMT	Fred Voellm	Miscellaneous Bus Consumables for Preventive Maintenance	\$1,000,000
PRMT	Fred Voellm	Miscellaneous Rail Consumables for Preventive Maintenance	\$1,000,000
PRMT	Perry Peckham	Rhor Rail Car Brake Pads	\$230,000
PRMT	Perry Peckham	Breda Rail Car Brake Pads	\$442,000
PRMT	Perry Peckham	CAF Rail Car Brake Pads	\$430,000
PRMT	Perry Peckham	Rohr Rail Car Traction Motor Brush	\$156,000
PRMT	Perry Peckham	Rail Car Bearings	\$600,000
PRMT	Perry Peckham	Rail Car Axle	\$320,000
PRMT	Perry Peckham	Rail Car Flooring (carpet/other)	\$820,000
PRMT	Perry Peckham	Toilet Paper and Wipes	\$600,000
PRMT	Perry Peckham	Rail Car Collector Shoes	\$850,000
PRMT	Perry Peckham	Various Industrial Gases and Cylinders	\$150,000
PRMT	Perry Peckham	Fuses for CMNT, PLNT and TSSM	\$600,000
PRMT	Cyndi Zieman	Contract Development and Contract Management Systems	\$250,000

ATTACHMENT B

FY 2008 PROCUREMENT ACTIONS (NEW CONTRACTS)

OFFICE CODE	POC	DESCRIPTION OF REQUIREMENT	EST VALUE
PRMT	Ray Griswold	Subscription: Monthly Analysis of Inventory	\$250,000
TRES	Keith Chunephisal	Coin cylinders for automatic fare collection machines	\$500,000
TRES	Keith Chunephisal	Fare media	\$1,000,000
TRES	Keith Chunephisal	Financial advisor services	\$200,000
TRES	Keith Chunephisal	Debit/credit software for fare collection system	\$200,000
TRES	Keith Chunephisal	Replace and update security system for revenue collection facility	\$500,000

HUMAN CAPITAL

ODEV	Stan Jones	IT Consulting - PeopleSoft and Legacy system support	\$300,000
ODEV	Stan Jones	IT Consulting - eLearning Management Installation (data migration)	\$200,000
ODEV	Stan Jones	IT Consulting - PeopleSoft HRPR EPM support	\$200,000
ODEV	Lauren Scott	WMATA Training Contracts	\$300,000
ODEV	Stan Jones	Managing Organizational Issues	\$250,000
HRMS	Jeane Fahnbulleh	Chemical Testing (drug tests)	\$1,000,000
HRMS	James Wynne	Background Investigations	\$1,000,000
HRMS	Jeane Fahnbulleh	Police Psychological Testing	\$120,000
CIVR	Bruce Heppen	Title VI of the Civil Rights Act - federally mandated program support	\$167,500
CIVR	Bruce Heppen	Limited English Proficiency - spanish training for front line service providers	\$200,000

INFORMATION TECHNOLOGY

OIT	Bonnie Johnson	Enterprise Performance Management (EPM) - Upgrade 9.0	\$320,000
OIT	Adams Young	Enterprise Architecture (Network Operations Center)	\$650,000
OIT	Adams Young	Enterprise Infrastructure Management System (Tivoli/Quest Monitoring)	\$600,000
OIT	Adams Young	Internet and Intranet	\$300,000
OIT	Adams Young	Enterprise Document Management System - Licenses (Documentum)	\$800,000

OPERATIONS SERVICES

IRPG	Dave Couch	Redesign Coin Vault	\$250,000
IRPG	Dave Couch	Install 150 BHU, including purchase	\$525,000
IRPG	Dave Couch	Redesign Coin Vault	\$250,000
IRPG	Dave Couch	Install 150 BHU, including purchase of necessary hardware, modify doors	\$525,000
IRPG	Dave Couch	Procure 300 PIN Pads - Specific Part Number	\$100,000
PLNT	Linwood West	COG contract for procurement of 50-pound bags of calcium chloride for snow removal operations	\$150,000
PLNT	Linwood West	COG contract for procurement of bulk salt for snow removal operations	\$500,000
PLNT	Linwood West	Rail station canopy cleaning	\$150,000
PLNT	Thomas Morrison	COG contract to service 21 Storm Water Ponds	\$125,000

ATTACHMENT B

FY 2008 PROCUREMENT ACTIONS (NEW CONTRACTS)

OFFICE CODE	POC	DESCRIPTION OF REQUIREMENT	EST VALUE
PLNT	Thomas Morrison	Repair overhead doors throughout the Authority (facilities)	\$150,000 per year/ 5 yrs
OPAS	Cynthia Gannaway	CMNT Contractor Training	\$99,000
OPAS	Cynthia Gannaway	BMNT Contractor Training	\$45,000
OPAS	Cynthia Gannaway	OPER TRNG	\$50,000
OPAS	Cynthia Gannaway	PLNT Outside Training	\$68,000
OPAS	Cynthia Gannaway	TSSM Contractor Training	\$95,000
OPAS	Cynthia Gannaway	ELES Contractor Training	\$76,000
OPAS	Cynthia Gannaway	Operator Training Bus and Rail	\$45,000

PLANNING AND JOINT DEVELOPMENT

LAND	Nat Bottigheimer	General Real Estate Consulting Services	\$144,425
BPPD	T Harrington	Bus Passenger Survey	\$800,000
BPPD	Thomas Harrington	Regional Bus Stop Database Web Application	\$500,000
BPPD	James Hamre	Prepare Metrobus garage and facilities plan	\$170,000
BPPD	James Hamre	Comprehensive Metrobus business process review	\$200,000
BPPD	James Hamre	White Oak Transit Center	\$200,000
BPPD	James Hamre	Corridor Development-Viers Mill	\$200,000
BPPD	James Hamre	Corridor Development-Benning Rd-H St.	\$200,000
BPPD	James Hamre	Next Bus System Applications	\$200,000
BPPD	James Hamre	Regional Bus Shelter Maps	\$500,000

RAIL

CMNT	Richard Fain	Install automatic (with remote control) rear entry access gate to the West Falls Church rail yard. To include a pedestrian turnstyle, security cameras, and yard access road speedbumps.	\$100,000
CMNT	Robert Ernst	Non Revenue Vehicles	\$270,000
CMNT	Robert Ernst	5K Air Compressors	\$150,000
CMNT	Robert Ernst	5K Front Couplers	\$120,000
CMNT	Robert Ernst	KAEMR Relays & Terminal Block ROHR Fleet	\$463,000
CMNT	Robert Ernst	Blanket Purchase Agreement for Training	\$186,000
CMNT	Robert Ernst	CNC Water Jet Cutter	\$149,000
CMNT	Daniel Hagan	Blanket Purchase Agreement Service Heavy Rail Equip.	\$450,000
CMNT	Robert Ernst	Pilot Program MAXIMO bar coding	\$250,000
CMNT	Robert Ernst	J Bearing Overhaul	\$140,000
CMNT	Robert Ernst	Floorboard Replacement ROHR Fleet	\$300,000
RRTS	Randy Robinson	Energy Management Strategic Plan	\$150,000

ATTACHMENT B

FY 2008 PROCUREMENT ACTIONS (NEW CONTRACTS)

OFFICE CODE	POC	DESCRIPTION OF REQUIREMENT	EST VALUE
CENV	Leslie Durrant	Wrong Side Door Openings & 1K Structural Repairs	\$753,000
CENV	Leslie Durrant	Maintenance Efficiency, System Wide IETM	\$568,000
CENV	Leslie Durrant	Sundry Equipment & Enhanced Training	\$895,000
CENV	Leslie Durrant	Reliability Improvements -Brake Compressors & HVAC Systems	\$698,000
CENV	Leslie Durrant	Energy Savings - Wayside Storage, Invertors	\$514,000
CENV	Dan Hanlon	Engineering Support for Sundry Projects	\$200,000
TRAC	Wes Albright	Tie Plates	\$300,000
TRAC	Tony Adams	Hi-Rail Vehicles w/cranes	\$240,000
TRAC	Wes Albright	Ballast Removal Equipment	\$725,000
TRAC	Wes Albright	Grapple Truck	\$200,000
TRAC	Wes Albright	Ballast Regulator	\$275,000
TRAC	Gaetano Brooks	Track Wrenches-Geismar	\$222,000
TRAC	Frederick Minniefield	Forklifts	\$255,000
TRAC	David Knights	RAILSIM	\$250,000
TRAC	Frederick Minniefield	Frogs (Diamond & Turnout)	\$500,000
TRAC	Wes Albright	Lease Of Heavy Equipment	\$500,000
TRAC	Val Hodges	Third Rail De-Icer	\$300,000
TRAC	Wes Albright	Concrete Crossties for Pilot Pro	\$396,000
TRAC	Wes Albright	Ballast Cars	\$100,000
STRC	Clay Bunting	Manlifts	\$110,000
STRC	Clay Bunting	Leak Chemicals	\$300,000
STRC	Clay Bunting	Cement Materials	\$150,000
STRC	Clay Bunting	Prime Mover	\$900,000
STRC	Clay Bunting	Flat Car	\$175,000
STRC	Clay Bunting	Batch Plant	\$175,000
POWR	Donald Harris	High Rail Vehicle	\$300,000
POWR	Donald Harris	Hi Ranger Bucket Truck	\$100,000
POWR	Donald Harris	Transformers (Dry)	\$200,000
POWR	Donald Harris	Transformers (Oil)	\$200,000
POWR	Donald Harris	Generators (200KW)	\$190,000
POWR	Donald Harris	ETS System ELS Cable	\$300,000
POWR	Donald Harris	Generator Cable (350MCM)	\$200,000
POWR	Donald Harris	Gene Telescopic Boom Lifts	\$200,000
POWR	Donald Harris	Generator Tow Trucks	\$220,000
POWR	Donald Harris	UPS Battery Banks	\$120,000
POWR	Donald Harris	Cable Pulling Equipment	\$100,000

ATTACHMENT B

FY 2008 PROCUREMENT ACTIONS (NEW CONTRACTS)

OFFICE CODE	POC	DESCRIPTION OF REQUIREMENT	EST VALUE
POWR	Donald Harris	Track Bed Light Fixtures	\$171,000
POWR	Donald Harris	Lighting Enhancement	\$500,000
POWR	Donald Harris	JOC - Lighting Equip Replc	\$300,000
POWR	Donald Harris	JOC - ETS System Cable Replc	\$300,000
POWR	Donald Harris	JOC - Low Voltage Cable Replc	\$300,000
POWR	Donald Harris	Warehouse Storage	\$100,000
AFC	David Newman	Coodinator modules - WMATA Stock no: F64-17-1045	\$110,000
COMM	Al Nabb	Yard Security System Technical Service Agreement	\$300,000
COMM	Al Nabb	FIA Technical Service Agreement	\$300,000
ATC	Lester Delago	Switch Machines	\$250,000

SAFETY, SECURITY AND EMERGENCY MANAGEMENT

MTPD	Deputy Chief Michael Daly	Remote Controlled Robot for Bomb Squad	\$110,000
MTPD	Act. Dep. Chief Jeff Delinski	16 Police Sedans	\$402,000
MTPD	Act. Dep. Chief Jeff Delinski	7 Police SUV's, 1 Prisoner Van, 1 Ammo Truck	\$339,000
MTPD	Act. Dep. Chief Jeff Delinski	Northern Virginia Criminal Justice Training Academy	\$455,360
MTPD	Act. Dep. Chief Jeff Delinski	Office furniture for new District 1 Substation	\$200,000
MTPD	Act. Dep. Chief Jeff Delinski	Police Professional Advancement Prep. and Testing	\$75,000
MTPD	Dep. Chief Jeri Lee	800 Personal Protective Suits - Level 3	\$128,000
MTPD	Dep. Chief Jeri Lee	Armored Truck	\$220,000

ATTACHMENT B FY 2008 PROCUREMENT ACTIONS (CONTRACT MODIFICATIONS)

OFFICE CODE	POC	CONTRACT #	DESCRIPTION OF MODIFICATION ACTION REQUIRED	EST VALUE
BUS				
BMNT	Donald Savoy	CO5023	Voice Annunciator and Speakeasy Microphones	\$350,000
GENERAL COUNSEL				
COUN	Susan Serrian	10872	Additional Discovery/Document Review (Driven)	\$250,000
COUN	Mark Pohl	Unknown	Bond Counsel for Clean Renewable Energy Bonds	\$200,000
COUN	John Thomas	1E0081	Pursuant to Settlement	\$975,000
INFORMATION TECHNOLOGY				
OIT	Iris Fantroy	9208	Trapeze, MRO Interface	\$329,830
OIT	Iris Fantroy	8322, CQ7067	DLT - Oracle Maintenance	\$962,809
OIT	Iris Fantroy	10566	Novell Site License Software & Mainenance	\$406,438
OIT	Iris Fantroy	CO4038	Expert Technical computer assistance(McDonald Bradley)	\$403,073
OIT	Iris Fantroy	9542	Annual Mntn - Computer Associates	\$260,372
OIT	Iris Fantroy	C04140	Annual Mntn - Cisco Smartnet Hardware and Software	\$285,598
OIT	Iris Fantroy	N08852	Annual Hardware Mntn w/IBM Corp/Mainline	\$500,662
OIT	Iris Fantroy	N08851	Annual Software Lease w/IBM Corp/Mainline	\$958,751
INSPECTOR GENERAL				
OIG	Helen Lew	CO3026	KPMG LLP - Performance Audit WMATA CIP Funding	\$120,000
OPERATIONS SERVICES				
IRPG	Dave Couch	FN5020	Deferral of Construction Phase 1	\$600,000
IRPG	Dave Couch	FH8126	Contract Close-Out	\$800,000
IRPG	Dave Couch	C05136	Software Mod to vendors to accept and dispense Dollar Coin	\$350,000
IRPG	Dave Couch	C05136	Development of SmarTrip Dispenser First Article	\$600,000
IRPG	Dave Couch	FO5121	Replace additional length of ROW Fence between Rockville and Shady Grove	\$700,000
IRPG	Dave Couch	FL0014	Closeout / Mod. To delete parapet reveal work and add concrete coating and misc.glass and metal work	\$0
IRPG	Dave Couch	FN3021	Modification for Fleet Watch System at Four Mile Run - Hanover	\$120,000
IRPG	Dave Couch	FP5162	Modification To Pipe Lining Work - Cutting in Laterals - At West Falls Church and	\$180,000
IRPG	Dave Couch	FN3032	Closeout of Bridge Painting	\$130,000
IRPG	Dave Couch	F14398	(A.C. Switchgear) Extension of contract	\$500,000
IRPG	Dave Couch	FK0275	Credit Mod - (Stinger) Closeout	(\$600,000)
IRPG	Dave Couch	FO5144	RTU Modification	\$750,000

ATTACHMENT B FY 2008 PROCUREMENT ACTIONS (CONTRACT MODIFICATIONS)

OFFICE CODE	POC	CONTRACT #	DESCRIPTION OF MODIFICATION ACTION REQUIRED	EST VALUE
IRPG	Dave Couch	FN5015	M3 Switch Machines / M3 Option	\$329,891
IRPG	Dave Couch	FO5143	AF Track Circuits - 22 locations / Tools	\$283,963
IRPG	Dave Couch	FO5143	AF Track Circuits - 22 locations / Track Circuits	\$548,174
IRPG	Dave Couch	FO5145	PA & CCTV Replacement / CCTV Design	\$850,000
IRPG	Dave Couch	FN3020	Intercom System - Change Order Costs	\$1,000,000
IRPG	Dave Couch	FO6036	Vehicle Troubleshooting	\$110,400
IRPG	Dave Couch	C23050	ROCS Upgrade program	\$400,000
IRPG	Dave Couch	P2D	Regional Bus Stop Inventory Database System Development	\$500,000
IRPG	Dave Couch	FN5069	Fan Overhaul Repairs	\$900,000
IRPG	Dave Couch	P2D	IRP-38 Bus System Integration Phase II	\$500,000
PLNT	Thomas Morrison	C06065/DYB	Modify existing snow contract, readvertise entire package	\$500,000
PLNT	Kenneth Ervin	C04090	Enhanced Custodial Services (vacuuming 3x per week, carpet cleaning & floor care after normal hours, additional cleaning of restrooms).	\$149,632

RAIL				
OFFICE CODE	POC	CONTRACT #	DESCRIPTION OF MODIFICATION ACTION REQUIRED	EST VALUE
CENV	George Wenner	C05102	5000 Series Procurement Support (BAH)	\$450,000
CENV	George Wenner	C05102	Vehicle Engineering Support (Rohr Car HVAC) (BAH)	\$900,000
CENV	George Wenner	C05102	8-Car Precision Station Stop Support (BAH)	\$400,000
CENV	George Wenner	C05102	Anacostia Streetcar Procurement Support (BAH)	\$200,000
CENV	George Wenner	C05102	1000 Series Crack Investigation (BAH)	\$150,000
CENV	George Wenner	C05102	7000 Series Procurement Support (BAH)	\$700,000
CENV	George Wenner	C05102	Review of Maintenance Procedures (BAH)	\$100,000
CENV	George Wenner	C05102	Safety Certification Programs (BAH)	\$150,000
CENV	George Wenner	C05102	Expert Review Panels (BAH)	\$150,000
CENV	Ronald Clark	FK0154	2K/3K Additional Spare Parts	\$1,000,000
CENV	Debo Ounrinde	TC6000	6K Modification - Rail Wheel Test Equipment	\$96,000
CENV	Debo Ounrinde	TC6000	6K Modification - Side Bearing Replacement	\$500,000
CENV	Debo Ounrinde	TC6000	6K Modification - Car Equalization Test	\$31,000
CENV	Debo Ounrinde	TC6000	6K Modification - Radio Variable Attenuators	\$270,000
CENV	Debo Ounrinde	TC6000	6K Modification - Electrical Regeneration	\$130,000
CENV	Debo Ounrinde	TC6000	6K Modification - Base Contract CO for Option Cars	\$525,000
CENV	Debo Ounrinde	TC6000	6K Modification - Settlement of Sundry Change Orders	\$123,000
CENV	Debo Ounrinde	TC6000	6K Modification - Sundry Tech Changes	\$332,000
CENV	Debo Ounrinde	TC6000	6K Modification - Installation of Left Side Microphone in Cab (Mod 8)	\$47,472
CENV	Debo Ounrinde	TC6000	6K Modification - Scope Modification of VMS	(\$450,000)
CENV	Debo Ounrinde	TC6000	6K Additional Provisional Spare	\$500,000
CENV	Kenneth Morford	FL0712	Rohr HVAC Rehab Modification for Asbestos Abatement	\$224,000

ATTACHMENT B FY 2008 PROCUREMENT ACTIONS (CONTRACT MODIFICATIONS)

OFFICE CODE	POC	CONTRACT #	DESCRIPTION OF MODIFICATION ACTION REQUIRED	EST VALUE
CENV	Dennis Lemke	F-05032	AC Traction Motor Rewind - Unit Price Increase	\$300,000
COMM	Val Hodges	F05114	Running Rail - 39' Lengths	\$465,000

SAFETY, SECURITY AND EMERGENCY MANAGEMENT

MTPD	Act. Dep. Chief Jeff Delinski	C07062	Option Year 1 to police uniforms contract	\$166,000
MTPD	Act. Dep. Chief Jeff Delinski	15275	Yearly upgrade/maintenance to MTPD CAD/RMS	\$70,000

PRESENTED & ADOPTED:

SUBJECT: Revisions to The Regulation Concerning the Use by Others of WMATA Property

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

WHEREAS, In 1980, the Board adopted Board Resolution #80-19, in which it declared that it would allow the use of WMATA property by others for a limited number of activities, including some commercial activity, but clearly stated its intent to closely monitor/control commercial use; and

WHEREAS, In 1987, the Board adopted Board Resolution #87-02, adopting the Regulation Concerning the Use By Others of WMATA Property (the Use Regulation), codifying the policy expressed in Board Resolution #80-19, but allowing some additional activities; and

WHEREAS, The Use Regulation prohibits any uses of WMATA property that are not approved therein, and specifically requires Board approval of advertising inventory; and

WHEREAS, Staff wishes to generate revenue by adding new areas to the existing advertising inventory; and

WHEREAS, Staff recommends that the Board adopt revisions to Appendix A of the Use Regulation, attached hereto as Exhibit A, to allow additional advertising inventory in the following areas, subject to Staff obtaining any permits required:

- (1) Metrorail stations: station pylons and pillars, floor graphics, trash receptacles, wall projections and larger backlit dioramas;
- (2) Railcars: exterior railcars king-size displays, interior railcar doors (excluding bulkhead doors), railcar ceilings;
- (3) Wallscapes;
- (4) WMATA Web site; now, therefore, be it

RESOLVED, That the Board of Directors of the Washington Metropolitan Area Transit Authority revises Appendix A of the Use Regulation, attached hereto as Exhibit A, to expand WMATA's advertising inventory to include the following areas, subject to Staff obtaining any required permits:

- (1) Metrorail stations: station pylons and pillars, floor graphics, trash receptacles, wall projections and larger backlit dioramas;

- (2) Railcars: exterior railcar king-size displays, interior railcar doors (excluding bulkhead doors), railcar ceilings;
- (3) Wallscapes; and
- (4) WMATA Web site; 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

Appendix A

LIST OF BOARD APPROVED ADVERTISING INVENTORY

A. Buses

- (1) Queen-size frames
- (2) King-size frames
- (3) Rear frames
- (4) Exterior Headliners
- (5) Video monitors
- (6) Partial exterior wraps
- (7) Interior bus cards

B. Railcars

- (1) Interior car cards (21" x 22")
- (2) Interior Headliners
- (3) Video monitors
- (4) Partial exterior wraps
- (5) Exterior railcar King-size displays **(New Item)**
- (6) Interior railcar doors (excluding bulkhead doors) **(New Item)**
- (7) Railcar Ceilings **(New Item)**

C. Metrorail Stations

- (1) Dioramas (back-lighted advertising display)
- (2) Two-Sheet Posters (non-backlighted advertising display)
- (3) Station banners
- (4) Larger dioramas **(New Item)**

(5) Pylons and Pillars (New Item)

(6) Floor Graphics (New Item)

(7) Trash Receptacles (New Item)

(8) Wall Projections (New Item)

D. Tunnels

E. Bus Shelters


F. Wallscapes (New Item)

G. Web Site Advertising (New Item)

- (2) Railcars: exterior railcar king-size displays, interior railcar doors (excluding bulkhead doors), railcar ceilings;
- (3) Wallscapes; and
- (4) WMATA Web site; 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

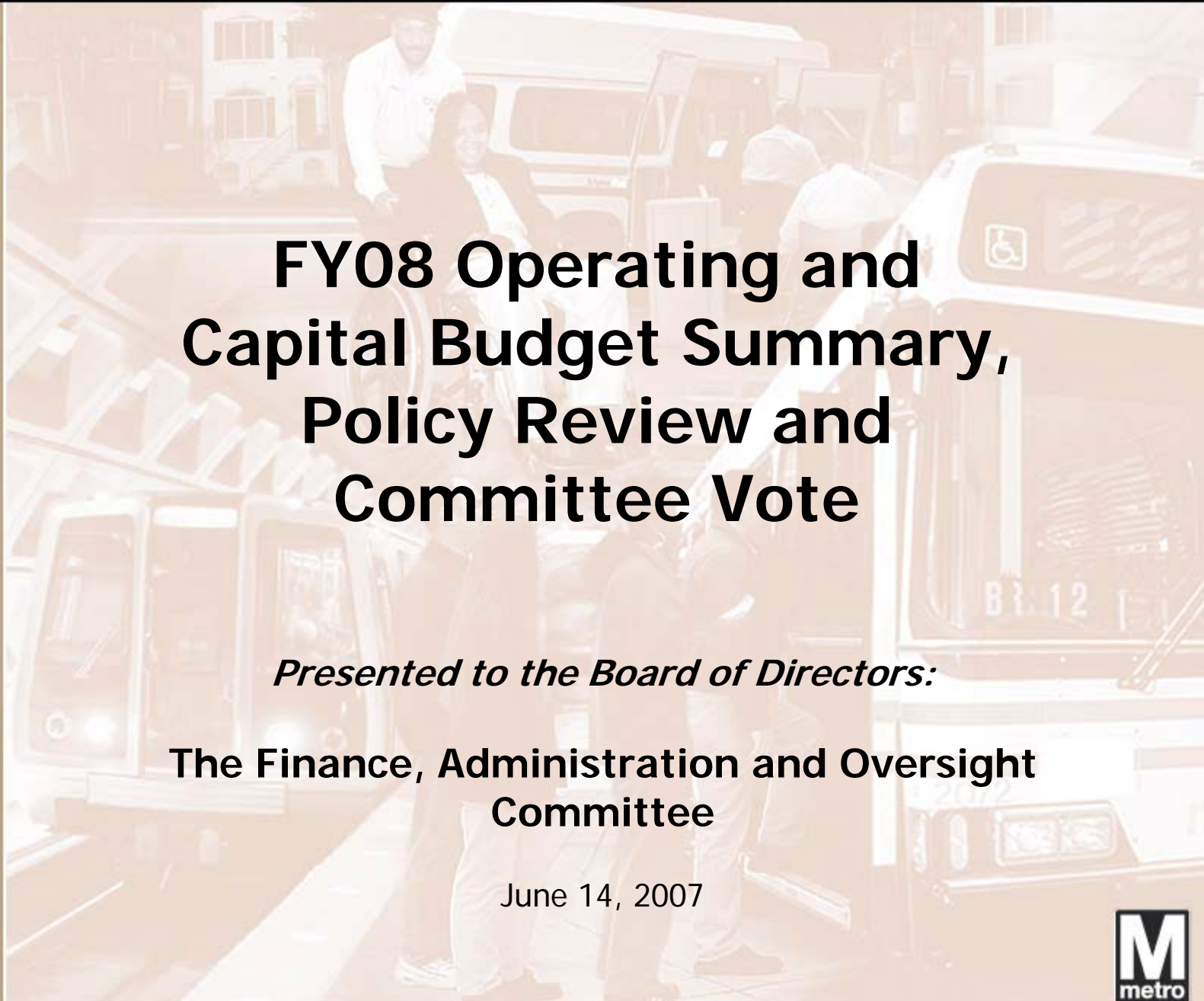


FY08 Operating and Capital Budget Summary, Policy Review and Committee Vote

Presented to the Board of Directors:

**The Finance, Administration and Oversight
Committee**

June 14, 2007





FY08 Total Metro Budget \$1.9 Billion

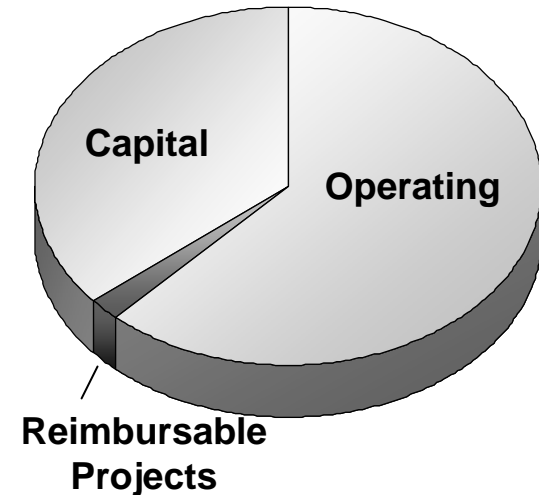
\$1.2 Billion Operating Budget:

- No Fare Increase
- No Service Cuts
- Organization Focus on
Safety and Customer Service

\$0.7 Billion Capital Budget:

- End of Major Construction Era
- Focus on State-of-Good-Repair
 - Eight-Car Trains
 - Clean Technology Buses
 - Improved Maintenance Facilities

\$0.04 Billion Reimbursable Projects





Improved Budget Process:

- **More Open and Transparent**
Had to Overcome Challenges of Coordination
- **Orientation on Budget Policy Issues**
Regional Issues and Macro View
- **Support and Encouragement from:**
 - **Local Jurisdictions –**
 - Favorable Comments on Avoiding Fare Increases and Service Reductions
 - Continued Commitment to Metro Matters and Capital Funding Needs
 - **Jurisdictional Coordinating Committee –**
 - Recognized Metro's Accomplishment of Many Prior Recommendations
 - Looking Forward to More Accomplishments
 - **Riders' Advisory Council and Other Constituent Groups –**
 - Comprehensive Policy Review With Recommendations On Future Budget Improvements



Operating Budget Summary

<u>\$ Millions</u>	<u>FY07 Approved Budget</u>	<u>FY08 Proposed Budget</u>	<u>Change</u>	
Revenue	\$ 644	\$ 654	\$ 10	2%
Expense	<u>1,105</u>	<u>1,153</u>	<u>48</u>	4%
Subsidy	\$ 461	\$ 500	\$ 39	8%

Budget is Realistic but Fragile
Budget Incorporates Major Policy Initiatives



Budget Policy Initiatives:

- **Use of One-Time-Only Funding**
 - \$40 Million Construction Claim Being Transferred to Operating Budget
 - Requires Board Authorization

- **Allocation of Subsidy by Jurisdiction**
 - Consistent with Allocations from Dec '06 General Manager's Budget Proposal
 - Jurisdictional Budgets Accommodate Metro's FY08 Subsidy Request



Budget Policy Initiatives (Continued):

- **Living Wage Implementation**

- Included in All Contracts, Effective January 2008
- Rate of \$11.80 per hour
- To Be Adjusted Annually Based on Jurisdictional Averages
- Hourly Rate May Be Reduced to be Inclusive of Benefit Costs

- **Streamlined Contract Approvals**

- Continues Approach Begun in FY07
- Budgeted Contractual Procurements Are Pre-Authorized
- Contract Listing will be Published with FY08 Budget



Budget Policy Initiatives (Continued):

- **Expand Advertising Policy to Increase Non-Farebox Revenue**
 - Reduce Quantity Restrictions on Station Banners, Railcar Headliners, Exterior Bus Headliners and Vehicle Wraps
 - Add New Types of Advertising on the Interior and Exterior of Railcars
 - Add additional types of advertising inside Rail Stations
 - Advertise on the Exterior of the Jackson Graham Building
 - Revise the “Use Regulation” Concerning Use of Metro Property
 - Approve Web Site Advertising

- **Claims Reserve Policy**
 - Clarify Board Policy to Establish Goal of Funding Reserve with Year-End Balance Equal to 20% of Actuarially Forecasted Claims Payouts for the Upcoming Fiscal Year
 - Future Reductions in Claims is Identified as the Funding Source for Major Safety Initiative



FY08 Capital Budget \$731 Million

- **FY08 is Third Year of “Metro Matters”**
- **Jurisdictional Contributions Agreed Through FY10**
- **All Jurisdictional Contributions Being Made**
- **Examples of Projects Being Delivered:**

Expansion from Six-Car to Eight-Car Trains

By December 2008, 50% of Rush Hour Trains Will be Eight-Car

Expansion of the Clean Energy “CNG” Bus Fleet

Improvements to Bus and Rail Maintenance Facilities
to Increase Reliability and Safety



FY08 Reimbursable Projects Budget \$41 Million (Operating & Capital)

Complete Listing Published in FY08 Budget Book

Examples Include:

Yellow Line Extension to Ft. Totten

Elimination of Red Line Turnbacks

BWI Airport Express

DC Circulator

Bond Funded Installation of Solar Power Equipment

Jurisdictional Project Development



Appendix

- **Subsidy Allocation By Jurisdiction**
- **FY07 vs FY08 Subsidy By Jurisdiction**
- **FY06 Audit Adjustment**
- **History of Year End Budget Results**
- **Capital Budget Table**
- **Reimbursable Budget Table**

FISCAL 2008 Proposed General Manager's Budget- June 14, 2007

SUMMARY OF STATE/LOCAL OPERATING REQUIREMENTS

	DISTRICT OF COLUMBIA	MONTGOMERY COUNTY	PRINCE GEORGE'S COUNTY	CITY OF ALEXANDRIA	ARLINGTON COUNTY	FAIRFAX CITY	FAIRFAX COUNTY	FALLS CHURCH	TOTAL
METROBUS OPERATING SUBSIDY									
REGIONAL SUBSIDY	\$107,765,118	\$37,567,463	\$41,517,343	\$12,836,175	\$19,587,908	\$472,342	\$30,314,115	\$1,054,445	\$251,114,911
NON-REGIONAL	\$25,714,514	\$7,798,353	\$15,426,193	\$684,220	\$963,015	\$0	\$5,650,363	\$0	\$56,236,658
TOTAL BUS OPERATING	\$133,479,632	\$45,365,816	\$56,943,536	\$13,520,395	\$20,550,924	\$472,342	\$35,964,478	\$1,054,445	\$307,351,569
	43.4%	14.8%	18.5%	4.4%	6.7%	0.2%	11.7%	0.3%	
METRORAIL OPERATING SUBSIDY									
BASE ALLOCATION	\$43,463,770	\$23,583,894	\$23,341,221	\$5,932,579	\$12,439,660	\$381,434	\$18,083,652	\$342,190	\$127,568,400
MAX FARE SUBSIDY	\$321,152	\$2,570,538	\$1,127,760	\$128,673	\$88,878	\$49,262	\$1,183,215	\$14,808	\$5,484,286
TOTAL RAIL OPERATING	\$43,784,922	\$26,154,431	\$24,468,981	\$6,061,252	\$12,528,538	\$430,696	\$19,266,867	\$356,998	\$133,052,686
	32.9%	19.7%	18.4%	4.6%	9.4%	0.3%	14.5%	0.3%	
PARATRANSIT SUBSIDY	\$14,106,900	\$13,841,080	\$22,803,550	\$636,320	\$685,660	\$132,430	\$7,087,680	\$143,910	\$59,437,530
	23.7%	23.3%	38.4%	1.1%	1.2%	0.2%	11.9%	0.2%	
SUBTOTAL OPERATING SUBSIDY	\$191,371,454	\$85,361,327	\$104,216,067	\$20,217,967	\$33,765,122	\$1,035,468	\$62,319,025	\$1,555,353	\$499,841,785
DEBT SERVICE	\$10,331,300	\$4,867,500	\$4,872,900	\$1,418,200	\$2,740,200	\$46,700	\$3,168,900	\$38,500	\$27,484,200
TOTAL APPROVED SUBSIDY	\$201,702,754	\$90,228,827	\$109,088,967	\$21,636,167	\$36,505,322	\$1,082,168	\$65,487,925	\$1,593,853	\$527,325,985
	38.3%	17.1%	20.7%	4.1%	6.9%	0.2%	12.4%	0.3%	

Subsidy Allocation by Jurisdiction:

\$ Millions	FY07 Approved Budget	FY08 Proposed Budget	Change
District of Columbia	\$ 175	\$ 191	\$ 16
Montgomery County	82	85	3
Prince George's County	93	104	11
City of Alexandria	19	20	1
Arlington County	30	34	4
City of Fairfax	1	1	-
Fairfax County	60	62	2
City of Falls Church	2	2	-
Total	\$ 461	\$ 500	\$ 39

FISCAL 2006 BILLINGS AND AUDIT ADJUSTMENT

Includes Adjustment for Metro Memorial Initiative and Correction for Richmond Highway Express (REX)
27-Mar-07

	DISTRICT OF COLUMBIA	MONTGOMERY COUNTY	PRINCE GEORGE'S COUNTY	CITY OF ALEXANDRIA	ARLINGTON COUNTY	FAIRFAX CITY	FAIRFAX COUNTY	FALLS CHURCH	TOTAL
METROBUS OPERATING ASSISTANCE:									
A. REGIONAL APPROVED Fiscal 2006 (REX service not included)	\$90,221,087 43.60%	\$31,372,125 15.00%	\$34,084,087 16.50%	\$10,222,428 4.90%	\$16,023,702 7.70%	\$393,980 0.20%	\$24,141,479 11.70%	\$818,193 0.40%	\$207,277,081 100.00%
B. Corrected Metrobus Regional Assistance (new Metrobus distriution, including REX) <i>Difference</i>	\$89,467,000 43.16% (\$754,087)	\$30,837,880 14.88% (\$534,245)	\$33,880,267 16.35% (\$203,820)	\$10,503,809 5.07% \$281,381	\$15,903,473 7.67% (\$120,229)	\$393,353 0.19% (\$627)	\$25,477,237 12.29% \$1,335,758	\$814,061 0.39% (\$4,132)	\$207,277,081 100.00% \$0
C. Fiscal 2006 Regional Metrobus Audit Adjustment	\$2,155,855 43.16%	\$743,090 14.88%	\$816,401 16.35%	\$253,107 5.07%	\$383,220 7.67%	\$9,478 0.19%	\$613,916 12.29%	\$19,616 0.39%	\$4,994,683 100.00%
D. Actual Regional Metrobus Operating Assistance (B+C)	\$91,622,855	\$31,580,970	\$34,696,668	\$10,756,916	\$16,286,693	\$402,831	\$26,091,153	\$833,677	\$212,271,764
NON-REGIONAL	\$21,638,233	\$6,390,927	\$13,005,325	\$575,889	\$430,131	\$0	\$7,088,415	\$0	\$49,128,920
Implement 3 routes for Anacostia High School	14,000	0	0	0	0	0	0	0	14,000
Implement 9S, Crystal City Potomac Yard	0	0	0	0	84,000	0	0	0	84,000
E. BUDGETED NON-REGIONAL	\$21,652,233 43.98%	\$6,390,927 12.98%	\$13,005,325 26.42%	\$575,889 1.17%	\$514,131 1.04%	\$0 0.00%	\$7,088,415 14.40%	\$0 0.00%	\$49,226,920 100.00%
F. Non-Regional Metrobus Audit Adjustment	\$474,412	\$140,028	\$284,953	\$12,618	\$11,265	\$0	\$155,311	\$0	\$1,078,587
G. Actual Non-Regional Operating Assistance (E+F)	\$22,126,645	\$6,530,955	\$13,290,278	\$588,507	\$525,396	\$0	\$7,243,726	\$0	\$50,305,507
H. Actual Metrobus Operating Assistance with adjustments (D+G)	\$113,749,500	\$38,111,925	\$47,986,946	\$11,345,423	\$16,812,089	\$402,831	\$33,334,879	\$833,677	\$262,577,271
METRORAIL OPERATING ASSISTANCE:									
BASE ALLOCATION APPROVED FY06	\$42,610,624	\$23,126,201	\$23,899,597	\$5,810,110	\$12,289,022	\$377,557	\$17,836,616	\$333,224	\$126,282,951
MAX. FARE SUBSIDY APPROVED FY06	274,906	2,200,380	965,363	110,144	76,080	42,169	1,012,832	12,675	4,694,549
I. Budgeted Metrorail Operating Assistance	\$42,885,530	\$25,326,581	\$24,864,960	\$5,920,254	\$12,365,102	\$419,726	\$18,849,448	\$345,899	\$130,977,500
Audit Adjustment Metrorail Metro Memorial Scholarship Fund and Funding for Memorials Metrorail Audit Adjustment	(\$3,469,788)	(\$2,049,126)	(\$2,011,777)	(\$478,997)	(\$1,000,437)	(\$33,959)	(\$1,525,073)	(\$27,986)	(\$10,747,143) \$150,000 (\$10,597,143)
J. Actual Metrorail Subsidy with adjustments	\$39,415,742	\$23,277,455	\$22,853,183	\$5,441,257	\$11,364,665	\$385,767	\$17,324,375	\$317,913	\$120,380,357
PARATRANSIT OPERATING ASSISTANCE:									
K. BUDGETED PARATRANSIT OPERATING ASSISTANCE	\$10,773,075	\$13,510,111	\$15,690,842	\$654,989	\$467,421	\$127,678	\$5,840,510	\$153,374	\$47,218,000
Paratransit Audit Adjustment	414,483	519,787	603,689	25,200	17,984	4,912	224,708	5,901	1,816,664
L. Actual Paratransit Subsidy with adjustments	\$11,187,558	\$14,029,898	\$16,294,531	\$680,189	\$485,405	\$132,590	\$6,065,218	\$159,275	\$49,034,664
Budgeted Subsidy (A+E+I+K)	\$165,531,925	\$76,599,744	\$87,645,214	\$17,373,560	\$29,370,356	\$941,384	\$55,919,852	\$1,317,466	\$434,699,501
Debt Service	10,331,309	4,867,451	4,872,948	1,418,184	2,740,174	46,723	3,168,927	38,478	27,484,194
M. Budgeted Subsidy with Debt Service	\$175,863,234	\$81,467,195	\$92,518,162	\$18,791,744	\$32,110,530	\$988,107	\$59,088,779	\$1,355,944	\$462,183,695
Actual Subsidy with Adjustments (D+G+J+L)	\$164,352,800	\$75,419,278	\$87,134,660	\$17,466,869	\$28,662,159	\$921,188	\$56,724,472	\$1,310,865	\$431,992,291
Debt Service	10,331,309	4,867,451	4,872,948	1,418,184	2,740,174	46,723	3,168,927	38,478	27,484,194
N. Actual Subsidy with Adjustments and Debt Service	\$174,684,109	\$80,286,729	\$92,007,608	\$18,885,053	\$31,402,333	\$967,911	\$59,893,399	\$1,349,343	\$459,476,485
Amount refunded to jurisdictions (N-M)	(\$1,179,125)	(\$1,180,466)	(\$510,554)	\$93,309	(\$708,197)	(\$20,196)	\$804,620	(\$6,601)	(\$2,707,210)

Year End Operating Subsidy
\$Surplus/(\$Shorfall)

FY06 \$ 3

FY05 14

FY04 2

FY03 (3)

FY02 4

FY01 25

FY00 16

FY99 21

FY98 19

\$101 million

Capital Improvement Program: FY08-13

(dollars in millions)

CIP Program Elements	FY 08 Budget	FY 09 Projection	FY 10 Projection	FY 11 Projection	FY 12 Projection	FY 13 Projection	FY 08-13 Total
A. Infrastructure Renewal Program							
• Rolling Stock: Bus	\$ 49.110	\$ 59.974	\$ 41.014	\$ 37.952	\$ 32.676	\$ 30.775	\$ 251.501
• Rolling Stock: Rail	0.339		5.000	3.065	3.686	92.325	104.415
• Passenger Facilities	54.305	64.634	58.871	68.997	59.285	52.228	358.320
• Maintenance Facilities	42.111	31.526	26.105	60.802	59.106	39.806	259.456
• Systems	40.120	90.449	88.303	152.084	75.260	61.002	507.218
• Track and Structures	40.214	44.968	45.479	51.716	44.725	41.597	268.699
• Information Technology	22.227	12.450	10.000	10.000	10.000	10.000	74.677
• Preventive Maintenance	20.700	20.700	20.700	20.700	20.700	20.700	124.200
Subtotal	\$ 269.126	\$ 324.701	\$ 295.472	\$ 405.316	\$ 305.438	\$ 348.433	\$ 1,948.486
B. Eight-Car Train Capital Initiative							
• Rail Cars	85.743	1.413	3.714	2.837	0.239		93.946
• Facilities	41.267	6.466					47.733
• Systems	54.635						54.635
Subtotal	\$ 181.645	\$ 7.879	\$ 3.714	\$ 2.837	\$ 0.239	\$ -	\$ 196.314
C. Bus Improvement Capital Initiative							
• Buses	26.500	20.700	34.610				81.810
• Garage	16.097	0.103					16.200
• Customer Facilities	5.580	5.360	1.460				12.400
Subtotal	\$ 48.177	\$ 26.163	\$ 36.070	\$ -	\$ -	\$ -	\$ 110.410
D. Expansion and Improvement Projects							
• Southeast Bus Garage Relocation & Metro Transit Police Training Facility							-
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
▶ Metro Matters Security Program	11.000	11.000					22.000
Subtotal: Capital Projects	\$ 509.948	\$ 369.743	\$ 335.256	\$ 408.153	\$ 305.677	\$ 348.433	\$ 2,277.210
E. Program Management							
• Program Management & Support	12.884	11.458	8.197	9.002	10.101	26.053	77.695
• Credit Facility	2.000	2.000	2.000	2.000	2.000	2.000	12.000
• Financing Expenses	206.000	97.568	6.000		39.036		348.604
• Debt Service			121.411	75.417	121.348	125.867	444.043
Subtotal	\$ 220.884	\$ 111.026	\$ 137.608	\$ 86.419	\$ 172.485	\$ 153.920	\$ 882.342
Total CIP	\$ 730.832	\$ 480.769	\$ 472.864	\$ 494.572	\$ 478.162	\$ 502.353	\$ 3,159.552

**SUMMARY
REIMBURSABLE PROJECTS
FY08**

Service	Budget
College Park - Bethesda	\$ 727,500
Crofton - New Carrollton	\$ 300,500
Greenbelt - BWI	\$ 1,689,300
Charles County Service	\$ 1,193,200
Falls Church Bus Service (GEORGE)	\$ 373,000
Springfield Circulator/Metro Park Shuttle	\$ 786,400
Georgia Ave Rapid Bus	\$ 1,435,400
DC Circulator WMATA Costs	\$ 592,200
DC Circulator Contract Costs	\$ 5,996,600
DC Circulator (EXPANSION)	\$ 264,000
Trans Tech School	\$ 318,000
Maintain Pike Road Signal	\$ 2,900
Access-to-Jobs	\$ 5,100,000
South East Shuttle Project	\$ 256,300
Yellow Line Extension to Fort Totten	\$ 3,159,000
Grosvenor Turnback	\$1,538,000
Project Development	\$ 3,000,000
Solar Power Equipment Project	\$ 14,670,000
Total	\$ 41,402,300