

PRESENTED AND ADOPTED: July 1, 2010

SUBJECT: APPROVAL OF PRIIA FUNDING AGREEMENT WITH THE VIRGINIA DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION

2010-36

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

WHEREAS, The Washington Metropolitan Area Transit Authority (Metro) and the Virginia Department of Rail and Public Transportation (DRPT) have reached agreement on the scope of the Capital Improvement Program (CIP) for FY2011 and a process for determining the scope of future years Capital Improvement Programs as well as a process for assuring that the jurisdictional share of the match required under the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) is provided; and

WHEREAS, The agreement is embodied in the PRIIA Funding Agreement, appended as Attachment A; and

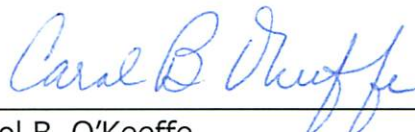
WHEREAS, DRPT has submitted the PRIIA Funding Agreement in the form appended as Attachment A to the Secretary of Transportation of the Commonwealth of Virginia for approval and authority to execute such agreement; now, therefore be it

RESOLVED, That the Board of Directors approves the terms of the PRIIA Funding Agreement, provided that the following changes are incorporated into the final agreement: (1) the amounts invoiced for PRIIA matching funds will be available until expended; and (2) the PRIIA matching funds will be capped as follows: \$50 million in WMATA FY2011; and an additional cumulative \$50 million annually as follows: \$100 million through FY2012; \$150 million through FY2013; \$200 million through FY2014; \$250 million through FY2015; and \$300 million through FY2016; and be it further

RESOLVED, That upon approval of the PRIIA Funding Agreement by the Secretary of Transportation of the Commonwealth of Virginia, the General Manager is authorized to execute on behalf of Metro the PRIIA Funding Agreement; 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

Motioned by Mr. Benjamin, seconded by Mr. Downey

Ayes: 7 - Mr. Benjamin, Mrs. Hudgins, Ms. Hewlett, Mr. Zimmerman, Mr. Graham, Mr. Downey and Mr. Brown

PRIIA FUNDING AGREEMENT

Between

**The Commonwealth of Virginia Acting By and Through
The Virginia Department of Rail and Public Transportation**

And

The Washington Metropolitan Area Transit Authority

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FY2011**

ATTACHMENT 2 Miscellaneous Provisions

PRIIA FUNDING AGREEMENT

THIS PRIIA FUNDING AGREEMENT (Agreement) is made and entered into this ____ day of _____, 2010, by and between the **Washington Metropolitan Area Transit Authority (WMATA)**, a body corporate and politic created by interstate compact between Maryland, Virginia, and the District of Columbia and **Commonwealth of Virginia (Commonwealth)** acting by and through the **Department of Rail and Public Transportation**.

RECITALS

1. The WMATA transit system has played a critical role in the growth and prosperity of the National Capital Region and environs, and WMATA's continued economic vitality is essential to the regional transportation system and the environmental quality, economic, educational and cultural life of the Washington region.
2. The WMATA system was built and is operated through the substantial investment of public funds by the Federal Government and by State and local governments in the region.
3. The lack of sufficient secure and reliable funding to rehabilitate and maintain the WMATA transit system and to replace rail cars, buses, and other key transit assets is creating a transportation crisis, threatening the continued health and vitality of the system and jeopardizing the public investment.
4. The Federal Government passed the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) (Pub. L. 110-432) to provide WMATA with \$1.5 billion over a 10-year period but conditioned the receipt of funds on an equal amount of funds being pledged by the District of

scope, schedule, and budget (expressed in both obligation and expenditure terms) of projects that advance the Authority's strategic objectives. See Attachment 1 for the FY2011-2016 CIP. The CIP is not considered a payment schedule. The CIP shall be updated annually as described in this Agreement.

(6) "Commonwealth" means the Commonwealth of Virginia acting by and through the Virginia Department of Rail and Public Transportation.

(7) "Contributing Jurisdictions" means the State of Maryland acting by and through the Washington Suburban Transit District and the Department of Transportation; the District of Columbia; Arlington County, Virginia; Fairfax County, Virginia; the City of Alexandria, Virginia; the City of Fairfax, Virginia; and the City of Falls Church. These Contributing Jurisdictions have entered into a Capital Funding Agreement.

(8) "Days" means calendar days, unless otherwise specifically provided.

(9) "Debt" means any bond, security, debt issuance, certificate of participation, or other evidence of indebtedness issued by a public body, and includes commercial paper, lines of credit, and letters of credit to finance the program of projects to be completed under the terms of this Agreement. Debt shall be classified as either Short-Term Debt or Long-Term Debt.

(10) "Dedicated Funding" (PRIIA) means those federal funds provided to WMATA under the Passenger Rail Investment and Improvement Act of 2008 (Pub. L. 110-432). The PRIIA matching funds will be made available to WMATA pursuant to the applicable laws of the District of Columbia, Maryland, and the Commonwealth of Virginia, the provision of which by the Commonwealth is the purpose of this Agreement.

(11) "Discretionary Grant" means any award of discretionary Federal financial assistance for a new or existing fixed guideway system from the capital investment grant

program authorized under Section 5309 of Title 49 of the U.S. Code, or from any other discretionary grant program from any federal agency under which funds are provided on other than a formula basis.

(12) "Federal grant" means an award of financial assistance, including formula grants, discretionary grants, and cooperative agreements, in the form of money, or property in lieu of money, by the Federal Government through the Federal Transit Administration or any other federal agency to an eligible grantee. The term does not include technical assistance which provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, interest subsidies, insurance, or direct appropriations. Also, the term does not include assistance, such as a fellowship or other lump sum award, which the grantee is not required to account for.

(13) "FTA" means the Federal Transit Administration.

(14) "Formula grant" means any award of Federal financial assistance from the urban formula program authorized under Section 5307 of Title 49 of the U.S. Code or the fixed guideway modernization program authorized under Section 5309 of Title 49 of the U.S. Code, or similar successor programs.

(15) "Funding Sources" shall be the various categories of funds to be used to pay for the projects covered in the CIP. These funds may be either from federal or non-federal sources. Where the Agreement requires a more detailed description of the funding source, then the following categories shall be used: Dedicated Funding, Dedicated Funding matching funds, Formula Grants, Formula Grants matching funds, Other Federal Grants, Other Federal Grants matching funds, System Performance Funds, and Other funds.

(16) "Interim Funding Sources" means one or more letters of credit or lines of credit and related reimbursement agreements, standby bond purchase agreements, commercial paper, or similar agreements or obligations, or any combination of the foregoing, issued to or for WMATA or entered into with WMATA by a bank, insurance company, or other financial institution, or other evidence of indebtedness of WMATA.

(17) "Long-Term Debt" means Debt with a maturity greater than 1 year.

(18) "Non-Federal funds" means funds provided by State and local sources and debt sources.

(19) "Party" or "Parties" means WMATA and the Commonwealth of Virginia acting by and through the Department of Rail and Public Transportation.

(20) "Preventive Maintenance" means upgrades to, repairs to, and maintenance of, capital assets that provides additional value to the capital asset. The FTA definition of "preventive maintenance" is separate from and not connected to Preventive Maintenance as defined herein.

(21) "Reprogramming" means a change to an Annual Work Plan or Capital Budget that occurs outside of the Annual Work Plan process.

(22) "Short-Term Debt" means Debt with a maturity of 1 year or less.

(23) "WMATA" or "Authority" means the Washington Metropolitan Area Transit Authority.

SEC. 2 AGREEMENT OF THE PARTIES

(a) **Agreement of the Parties.** -- Both WMATA and the Commonwealth further agree to comply with the terms and conditions of this Agreement and to fully and faithfully carry out their respective obligations under this Agreement. Any commitment or agreement of the

Commonwealth required by this Agreement shall be subject to the annual appropriation and allocation of funds and other limitations on expenditures or obligations under the law of the Commonwealth of Virginia or under other applicable law. This Agreement shall not constitute an indebtedness of the Commonwealth until funds are duly appropriated and allocated and quarterly payments become due pursuant to Section 5(b)(3)(C) of this Agreement, nor shall it constitute an obligation for which the Commonwealth is obligated to levy or pledge any form of taxation or for which the Commonwealth has levied or pledged any form of taxation.

3. CAPITAL IMPROVEMENT PROGRAM

WMATA and the Contributing Jurisdictions hereby have agreed to and adopted the Capital Improvement Program attached as Attachment 1.

(a) Elements of Capital Improvement Program.

(1) Program Elements. – The PRIIA portion of the Capital Improvement Program proposed to be funded in part by this Agreement consists of those projects identified for funding along with the sources of that funding in the annually approved CIP as they are updated in accordance with this Agreement. The CIP may include any capital project or purchase eligible for capital funding and may include, for example, projects in any of the following categories:

- (A) Vehicles and Vehicle Parts, such as replacement or purchase of new rail cars, buses, paratransit vehicles and/or service vehicles, rehabilitation of rail cars and buses and replacement parts to maintain the rail fleet.
- (B) Rail System Infrastructure Rehabilitation, such as multiple systems and equipment within the rail stations and tunnels that enable safe, reliable Metrorail service.
- (C) Maintenance Facilities, such as rehabilitation, maintenance, replacement and/or new bus garages and rail yards to support repairs to vehicle fleet.

- (D) Systems and Technology, such as technology systems, software and equipment supporting transit operations and business functions.
- (E) Track and Structures, such as steel running rail that guides Metrorail trains, the cross ties and fasteners that hold the rail in place, the ballast bed that supports the cross ties and the third rail that provides power to the train. Structures include the retaining walls that protect the track bed and underground tunnels, the concrete pads that keep the track bed properly elevated and the bridges that span roads and bodies of water.
- (F) Passenger Facilities, such as facilities at Metrorail stations, including bus loops, bus stops, parking garages, surface lots, Kiss-and-Ride spaces, access roads and bus loops, bike racks and lockers.
- (G) Maintenance Equipment such as equipment to rehabilitate track and maintain the vehicle fleet (rail and bus).
- (H) Other Facilities, such as facilities that house administrative offices, training rooms, revenue processing activities, material storage, police work and a print shop.
- (I) Program Management and Support including Credit Facility and Other Financial Fees and Expenses and Program Contingencies.
- (J) Safety and Security Projects.
- (K) Preventive Maintenance as defined in this Agreement.

(2) Description. -- The specific projects and activities and the sources of funding to support those specific projects and activities will be set forth in the Annual Work Plan.

(b) Cost. -- The estimated program cost of the initial Capital Improvement Program is approximately \$5,000,000,000 in year of expenditure dollars inclusive of projects to be funded with Dedicated Funding and covering a six-year period. The initial CIP covering FY 2011-2016 is provided as Attachment 1.

(c) **Schedule.** -- The initial Capital Improvement Program will be implemented over the period beginning WMATA fiscal year 2011 and ending fiscal year 2016. There will be an Annual Work Plan for each fiscal year, as more specifically described in Section 5 of this Agreement.

(d) **Agreement to Fund PRIIA Projects Contained in the Capital Improvement Program.** – Subject to allocation and appropriation, the Commonwealth hereby agrees to provide its share of the PRIIA matching funds, which will be available until expended for Dedicated Funding for any PRIIA award made during the term of this Agreement, up to a maximum of \$50 million in FY2011 and an additional cumulative \$50 million annually as follows: \$100 million through FY2012; \$150 million through FY2013; \$200 million through FY2014; \$250 million through FY2015 and \$300 million through and beyond FY2016 solely for the purpose of Dedicated Funding for any PRIIA award made during the term of this Agreement, in order that WMATA is able to obtain federal Dedicated Funding amounts necessary for the PRIIA funded projects in the Capital Improvement Program. Under no circumstance shall the total Dedicated Funding provided by the Commonwealth exceed a total of \$300 million under this Agreement.

SEC. 4 CAPITAL IMPROVEMENT PROGRAM FINANCIAL PLAN

(a) **Funding Sources.**

The projects and activities in the Capital Improvement Program shall be funded in the most cost effective manner from one or more of the following sources: (A) Funding Sources; (B) the issuance of Short-Term Debt by WMATA, with WMATA's debt service to be paid with funds received from the Contributing Jurisdictions and the Commonwealth; and (C) such other funding sources, cash management strategies or financing methods as the WMATA Board

determines to be appropriate to accomplish the goals of the Capital Improvement Program. The specific amounts estimated from each Funding Source will be set forth in each Annual Work Plan.

(b) **Formula for Commonwealth Funding.** – Subject to allocation and appropriation of funds, the Commonwealth shall provide a maximum of \$50 million in FY2011 and an additional cumulative \$50 million annually as follows: \$100 million through FY2012; \$150 million through FY2013; \$200 million through FY2014; \$250 million through FY2015 and \$300 million through and beyond FY2016, solely for the purpose of Dedicated Funding for any PRIIA award made during the term of this Agreement, in order that WMATA is able to cover one-third of all PRIIA matching funds required to obtain the federal share of PRIIA funds. The other two-thirds are to be paid by the District of Columbia and the State of Maryland in equal shares. Under no circumstance shall the total Dedicated Funding provided by the Commonwealth exceed a total of \$300 million under this Agreement.

SEC. 5 IMPLEMENTATION OF CAPITAL IMPROVEMENT PROGRAM

(a) **Programmatic Aspects.**

(1) **Long Term Programming.** Based on comments received from the Commonwealth and the Contributing Jurisdictions, the WMATA Board of Directors will approve a six-year capital program each year, with such program covering potential funding sources, a description of the project prioritization process, an explanation of how the CIP would further the strategic goals of WMATA, and an identification of the performance metrics by which the outcome of the CIP will be measured. The prioritization process shall rank and select projects based on the projects' support of WMATA's strategic goals and funding availability.

The annual documentation of the capital program will describe qualitatively and quantitatively the broad outlines of the proposed capital spending and sources for that spending for the forthcoming fiscal year and the outcomes expected to be achieved by the proposed program. The documentation of the proposed spending shall include at least the following: (i) the sources of funds for the proposed spending, (ii) expenditures by mode (e.g. bus, rail, paratransit), (iii) expenditures by project phase (e.g. planning, design, land acquisition, construction), (iv) the indicators of the outcomes to be achieved by the proposed projects, and (v) projected spending compared to prior year actual spending rate.

(2) **Annual Work Plan.** -- WMATA shall, as a part of its annual budget process each year during this Agreement, develop and submit to the Contributing Jurisdictions and the Commonwealth a draft Annual Work Plan for the Capital Improvement Program which shall include the preliminary results of the Budget Reconciliation process contained in Section 6 of this Agreement. The Annual Work Plan shall be based upon and be consistent with the updated Capital Improvement Program prepared pursuant to the reconciliation process under Section 6 of this Agreement. The Annual Work Plan along with the Capital Improvement Program will be approved by the WMATA Board of Directors prior to the start of the fiscal year covering the specific Annual Work Plan.

(3) **Contents of Plan.** -- The Annual Work Plan shall include --

(A) an identification of the projects and activities in the Capital Improvement Program for which funds will be obligated or expended during the next WMATA fiscal year;

(B) a budget for the Annual Work Plan that includes a cost estimate and source of funds for each project and activity in the Plan, by CIP category and shall include the projects proposed to be funded by Dedicated Funding;

(C) a statement of the Commonwealth's share of the Dedicated Funding matching amounts based on a schedule of projected quarterly cash needs including an identification of what portion of that contribution is a direct capital contribution, and what portion (if any) is to be used by WMATA to pay debt service on WMATA Short-Term Debt (to be stated separately in the Plan);

(D) a summary of the CIP projects and activities undertaken in the then-current WMATA fiscal year, together with the costs incurred to date and the estimated remaining costs for those projects and activities; and

(E) the preliminary results of the Budget Reconciliation process contained in section 6 of this Agreement and a revised proposed CIP.

(4) **Schedule for Approval of CIP and Annual Work Plan.** To ensure a coordinated program, the Parties agree that each annual program will be developed and approved under the following schedule:

(A) The updated six-year CIP will be provided to the Contributing Jurisdictions and the Commonwealth no later than the 10th business day in October.

(B) Prior to December 1, a presentation will be offered to the Virginia Department of Rail and Public Transportation.

(C) WMATA will also present the capital program and the Annual Work Plan information to affected legislative bodies as requested.

(D) The draft Annual Work Plan shall be submitted to the Contributing Jurisdictions and the Commonwealth by December 15.

(E) Comments are due from the Contributing Jurisdictions and the Commonwealth no later than February 15th. WMATA may not be able to consider comments received after February 15th in the development of the proposed Annual Work Plan.

(F) The proposed Annual Work Plan shall be provided to the Contributing Jurisdictions and the Commonwealth immediately following the March WMATA Board meeting and shall be used to consult with WMATA Board representatives. The final CIP and Annual Work Plan will be adopted by the WMATA Board no later than the June meeting.

(5) WMATA Implementation Responsibilities.

(A) General. -- WMATA will administer the Capital Improvement Program and carry out all necessary procurement actions and management oversight. All procurement actions will be undertaken in accordance with WMATA procurement policies and applicable law.

(B) Federal Grants. -- To the extent that Federal financial assistance is provided for any project or activity in the Capital Improvement Program, WMATA will develop the required Federal grant applications and/or other necessary documentation to meet FTA or other Federal program requirements, and will carry out the federally assisted project or activity in compliance with all applicable Federal requirements.

(C) Use of Commonwealth Funding. -- In accordance with Federal requirements, WMATA shall use the Commonwealth's and the Contributing Jurisdictions' Dedicated Funding as dollar for dollar match to the PRIIA funds from the federal government. When Commonwealth Dedicated Funding is spent, a comparable amount of the matching funds

from the federal government and the Contributing Jurisdictions shall also be spent. In no circumstance should the Commonwealth's Dedicated Funding be expended unless a proportionate amount of matching funding is also expended at the same time.

(6) **Funding Methodology For Projects in the Annual Work Plan.** New projects for the Annual Work Plan will be listed with their funding identified by both year and Funding Source. A project may be funded by more than one type of funding. If a project is a multi-year project, then in the second and succeeding years, that project will continue to use the same funding source unless another funding source is identified. In every case, funds needed for debt service including Short Term Debt and Interim Financing on projects in the Annual Work Plan paid for with Dedicated Funding shall have priority. Projects which are underway but which have remaining amounts budgeted for them in the CIP shall have the unexpended funds "rolled over" to the succeeding fiscal year. The unexpended funds shall be in addition to the succeeding year's CIP funding requirements, subject to the provisions of Section 6.

(b) **Financial Aspects.**

(1) **Cash Sources.**

(A) **Federal Funds.** -- WMATA commits to take all necessary and appropriate actions to secure Federal funding in the CIP (including Federal formula and discretionary grant funds under the Federal transit/highway program, the Passenger Rail Investment and Improvement Act of 2008, and such other Federal financial assistance as may be made available during the term of this Agreement) to assist in the funding of the Capital Improvement Program. WMATA will manage the Capital Improvement Program within the funding amounts agreed to by the Contributing Jurisdictions and the Commonwealth.

(B) Jurisdictional Commitments. To the extent applicable, the Commonwealth agrees to make its Allocated Contribution to fund the Dedicated Funding matching funds component of the CIP; provided, however, that in no case will the Allocated Contribution be more than a maximum of \$50 million in FY2011 and an additional cumulative \$50 million annually as follows: \$100 million through FY2012; \$150 million through FY2013; \$200 million through FY2014; \$250 million through FY2015 and \$300 million through and beyond FY2016 to be used solely as Dedicated Funding for any PRIIA award made during the term of this Agreement. Under no circumstance shall the total Dedicated Funding provided by the Commonwealth exceed a total of \$300 million under this Agreement. Such contributions shall be made in accordance with the requirements and procedures in subsection (3) of this Section. The source of funds for such capital contributions is in the discretion of Commonwealth; provided that such funds must qualify as local match under PRIIA. WMATA agrees to provide the Commonwealth with its estimated Allocated Contribution by the 10th business day in October each year.

(2) Debt Sources.

(A) General. -- In accordance with the Annual Work Plan, all or any portion of the Dedicated Funding component of the Capital Improvement Program may be funded through short-term financing as described in this subsection and in accordance with Section 21 and Articles IX and X of the WMATA Compact.

(B) WMATA Responsibility. -- WMATA may issue Short-Term Debt to assist in the financing of the PRIIA-funded projects portion of the Capital Improvement Program. Any Debt issued by WMATA under this subsection may be secured by a lien and

pledge of WMATA's gross revenues, or (subject to any required FTA approval) of WMATA's capital assets.

(C) Commonwealth Responsibility. -- The Commonwealth, subject to annual appropriations and allocations, shall make the annual contributions necessary in order that WMATA can make payments of debt service on Short-Term Debt issued by WMATA under paragraph (B) of this subsection. The amount of such contributions will be included in the Commonwealth's Allocated Contribution amount set forth in the CIP. Such contributions shall be made in accordance with the requirements and procedures in subsection (3) of this Section.

(D) Responsibility for Repayment. -- If the Commonwealth issues debt to make its Allocated Contribution, the Commonwealth shall be solely responsible for the repayment of the principal and interest of any debt it issues under this paragraph.

(3) Commonwealth Commitment.

(A) General. -- Nothing in this Agreement shall be construed to obligate the Commonwealth to have, as of the date that it enters into this Agreement, funding or an appropriation in the full amount of its Allocated Contribution of the Dedicated Funding matching funds component of the CIP. Subject to allocation and appropriation, the Commonwealth shall be solely responsible for its Allocated Contribution. The Commonwealth commits, subject to its constitutional or legally equivalent provisions and throughout the term of this Agreement, to use all reasonable efforts including, but not limited to, a request by the responsible official to include the share of the Dedicated Funding matching funds as described in the draft Annual Work Plan in the Commonwealth's annual proposed budget or other financial submission to its fiscal authority and to pursue all legally available means to secure the necessary and appropriate budget, legislative, appropriation and allocation actions in order to obtain

funding in the full amount of its Allocated Contribution. In no circumstance shall the Commonwealth be responsible for the Allocated Contribution or other obligations of any Contributing Jurisdiction under this Agreement. If there is a failure to appropriate and allocate the full annual Allocated Contribution, the Dedicated Funding portion of the Annual Work Plan shall be revised to conform to the available funds and submitted to the WMATA Board of Directors, the Commonwealth, and the Contributing Jurisdictions for approval.

(B) Annual Commitment. – The Commonwealth shall annually provide WMATA with written notice that funds have been, are intended to be, or will not be appropriated to cover its Allocated Contribution for WMATA’s upcoming fiscal year, and committing to make payment of such Allocated Contribution to WMATA. No CIP or Annual Work Plan containing projects to be funded with Dedicated Funding shall be approved without the certification of each Contributing Jurisdiction and the Commonwealth that the funding levels are reasonable and accurate reflections of funds to be made available. If the Commonwealth’s appropriations process is not completed by June 1, the Commonwealth shall provide to WMATA: (i) a written explanation for the failure to make such submissions by June 1 and confirmation that amounts equal to its Allocated Contribution have been or will be included in the next fiscal year budget to be considered by the Commonwealth’s fiscal authority; and (ii) written assurances that all reasonable efforts will be undertaken to secure the ultimate appropriation of funds in a prompt and timely fashion. If funds will not be appropriated, then the Commonwealth shall notify WMATA within five business days of the fiscal body’s action. WMATA will notify the Commonwealth of Virginia of a failure to appropriate the full amount of the PRIIA matching funds by either the District of Columbia or the State of Maryland. If there is a failure to appropriate the full annual Allocated Contribution, the Dedicated Funding

portion of the Annual Work Plan shall be revised to conform to the available funds and submitted to the WMATA Board of Directors, the Commonwealth, and the Contributing Jurisdictions for approval.

(C) Quarterly Payments. – The Commonwealth’s Allocated Contribution shall be based on the approved Annual Work Plan covering the Dedicated Funding funded projects and any subsequent adjustments derived from the Annual Budget Reconciliation Process for the quarter covered by the invoice, and be paid to WMATA on a quarterly basis, no later than the first day of each quarter, throughout the term of this Agreement. Any debt service included in the invoice for Short-Term Debt shall be separately identified on the invoice. WMATA shall submit a bill to the Commonwealth for such quarterly payments forty-five (45) days prior to the date such payments are due. Thus, for example, for the July-September quarter WMATA will bill the amount in the Annual Work Plan as approved or adjusted for July-September and send the Commonwealth an invoice for its Allocated Contribution no later than the immediately preceding May 15th. Payment must be received by WMATA no later than July 1, except for the first quarterly payment in fiscal year 2011, for which the Commonwealth will provide confirmation that a wire transfer has been initiated concurrent with the execution of this Agreement. The sum of the Commonwealth’s quarterly invoices during a given fiscal year shall not exceed the lesser of Commonwealth’s Allocated Contribution or a maximum of \$50 million in FY2011 and an additional cumulative \$50 million annually as follows: \$100 million through FY2012; \$150 million through FY2013; \$200 million through FY2014; \$250 million through FY2015 and \$300 million through and beyond FY2016 to be used solely as Dedicated Funding for any PRIIA award made during the term of this Agreement. whichever is less, in the approved

Annual Work Plan. Under no circumstance shall the total Dedicated Funding provided by the Commonwealth exceed a total of \$300 million under this Agreement.

(4) Transitional System for FY2011 Billings -- To transition to the billing system covered by this Agreement, WMATA shall:

(A) Bill the Commonwealth $\frac{1}{4}$ of the Allocated Contribution amounts for each of the first two quarters in FY2011 instead of the expected cash flow needs.

(B) Issue the final Annual Work Plan for FY2011 on or before July 1, 2010.

(C) Apply the Annual Budget Reconciliation Process to FY2011.

(D) Start the Quarterly Reporting required under the Agreement for the 1st quarter which closes on September 30, 2010, with the content of the report being progressively refined to meet the requirements of section 5(b)(5) and coming into full compliance with the report covering the 3rd quarter of FY2011.

(5) Quarterly Reports. At the conclusion of every quarter, WMATA shall prepare a report on the result of the preceding quarter for submittal to the Contributing Jurisdictions and the Commonwealth no later than forty five (45) days following the close of the quarter. Such report shall contain a review of capital project scope, cost, and schedule changes; the status of contracts necessary for the implementation of capital projects; the status of year-to-date expenditures relative to budget and the Annual Work Plan; the status of all cash and debt sources relative to budget and the Annual Work Plan; updated project cash flow projections and program cash requirements; and a comparison of the billed amount to amounts actually paid out for the preceding quarter. Such report shall be provided in a quarterly financial report to the WMATA Board and the Commonwealth.

(6) Interest on Payments.

Interest shall accrue on all payments made by the Commonwealth until the funds are expended. WMATA shall place such funds so contributed into an interest earning account, with interest to be compounded monthly at WMATA's then current earnings rate for its short-term investments. Interest earned on funds contributed by the Commonwealth shall be applied as a credit against future payments for Allocated Contributions due from the Commonwealth under this Agreement, unless otherwise directed in writing by the Commonwealth.

(7) Interim Funding Sources and Security Interests.

(A) Interim Funding Authority. -- The WMATA Board of Directors is authorized to use Interim Funding Sources, including borrowing, on behalf of WMATA in such amounts and at such times as, in the Board's sole judgment, are necessary and appropriate for the purpose of implementing the projects and activities in the Capital Improvement Program and any Annual Work Plan funded through direct capital contributions.

(B) Security Interests. -- WMATA may create security interests in its rights and interests in amounts paid or received as direct capital contributions from the Commonwealth under this Agreement, as such amounts shall become available and are paid to or for the account of WMATA under the terms of this Agreement. Such amounts may be pledged as security for the costs of Interim Funding Sources. Notwithstanding the foregoing, WMATA shall not create a security interest in the revenue paid pursuant to the Agreement for any Interim Funding Source entered into solely for the purpose of meeting WMATA's operating cash flow needs. Nothing in this subsection shall be construed as requiring any Contributing Jurisdiction or the Commonwealth to make any payment under this Agreement to anyone other than

WMATA. For purposes of this subsection, the “cost of Interim Funding Sources” includes payments of principal and interest thereunder and all fees, expenses, and other amounts incurred or payable under any Interim Funding Sources.

(C) Limitation. -- The borrowing authority authorized by this subsection may not be used by the Commonwealth to satisfy its funding obligations under this Agreement.

(8) WMATA Risk Mitigation. -- Section 22 of the WMATA Compact prohibits WMATA from making any commitment or incurring any obligations with respect to the construction or acquisition of any transit facilities “until funds are available therefor.” The Parties acknowledge that the commitments of the Commonwealth under this Agreement are intended to satisfy the requirements of Section 22 under an expenditure-based budget. In order to address the risk of non-appropriation or late payment of funds by a Contributing Jurisdiction, the Commonwealth or insufficient funding by the Federal Government, and to assure compliance with Section 22 of the WMATA Compact, WMATA intends to continue to maintain a risk mitigation credit facility using one or more of the following: a line of credit, letter of credit, commercial paper program, or other credit facility determined by WMATA in its discretion to be appropriate and feasible. Such risk mitigation credit facility shall be in addition to any other credit facility which may be put in place as a working capital or other cash flow aid.

(9) Annual Changes to the CIP -- The Parties agree to adjust the program of projects included in the scope of this Agreement, each year within the term of this agreement on a rolling basis, in order to provide the Dedicated Funding required to meet WMATA’s ongoing and updated CIP needs and other capital needs, and for planning WMATA’s ongoing and

updated CIP needs and other capital needs on a rolling basis for years beyond the term of this agreement.

SEC. 6 ANNUAL BUDGET RECONCILIATION PROCESS

(a) **Reconciliation**. -- As part of its annual budget process in each year during the term of this Agreement, WMATA shall prepare a reconciliation of –

(1) the actual expenditures for Dedicated Funding funded projects and activities under the current Capital Improvement Program to date, and for that fiscal year, as compared to the planned expenditures for such projects and activities for the same fiscal year;

(2) the actual Allocated Contribution of each of the Contributing Jurisdictions and the Commonwealth to date, as compared to the scheduled Allocated Contribution of each Contributing Jurisdiction and the Commonwealth for the current CIP;

(3) the projected Allocated Contributions of each Contributing Jurisdiction and the Commonwealth for the current CIP;

(4) the actual amount of Federal grant funds received for the Capital Improvement Program, as compared to the budgeted or projected amount of Federal grant funds for the same fiscal year; and

(5) the current forecast of expenditures; and

(6) the estimated cost to complete the remaining projects and activities in the current Capital Improvement Program and expected sources of those funds.

(b) **Application of Reconciled Payment Amounts**. On or before October 15th, WMATA shall have performed the reconciliation described in the above section, including whether there is a surplus of funds paid in by the Contributing Jurisdictions and the Commonwealth. The results of this reconciliation shall be used in the Annual Work Plan

currently under development as well as to review the Annual Work Plan for the fiscal year then currently in effect at the time that the reconciliation is completed. If the results of the reconciliation indicate a need to adjust the then-current year's Annual Work Plan billing amounts, those adjustments shall become effective with the billing for the 3rd quarter, which begins on January 1. The surplus amount may be made available to the Contributing Jurisdictions only if there is no expectation that those funds will be needed within the next six succeeding quarters measured from WMATA's fiscal year 3rd quarter (beginning on January 1) and that the refund of the surplus will not result in WMATA receiving less funds (including the surplus funds) than is required to be needed to meet the expected costs of the program over the next six calendar quarters. If surplus funds are provided to the Contributing Jurisdictions and the Commonwealth, the funds will be made available prior to the 3rd or 4th quarter of the fiscal year in which the reconciliation was completed.

(c) **Revenue Shortfalls.** -- If the reconciliation process conducted under subsection (a) of this Section reveals that there are shortfalls in revenues for the Capital Improvement Program due to late or insufficient contributions by a Contributing Jurisdiction or the Commonwealth or to the receipt of less than the assumed level of Federal funds, or other funds that support the CIP, WMATA shall develop a recovery plan for addressing such shortfalls. Such recovery plan, as approved by the WMATA Board of Directors through its annual budget process, shall include one or more of the following alternatives: (1) utilization of Interim Funding Sources; (2) value engineering, project re-design, or other cost reduction measures for future projects or activities; (3) re-scheduling of projects or activities in the Capital Improvement Program; and/or (4) the implementation of Project Deferrals under subsection (e) of this Section.

(d) **Revenue Increases.** If the reconciliation process conducted under subsection (a) of this Section reveals that Federal or other funds have been received which substantially exceed the assumed level of funding, such excess funds shall be applied to (1) to the unfunded priorities in the Capital Needs Inventory or to other needs identified by the WMATA Board; or (2) to any outstanding indebtedness, thereby reducing the Allocated Contributions of the Commonwealth and the Contributing Jurisdictions, as determined by the WMATA Board of Directors through its annual budget process.

(e) **Project Deferrals.** If WMATA is unable to satisfactorily address revenue shortfalls under subsection (c) of this Section, the WMATA Board may, through the next WMATA budget process, modify the Capital Improvement Program to defer certain projects or activities in order to assure that the Capital Improvement Program can be funded during the term of this Agreement within the amount of available financial resources.

(f) **Updated Capital Improvement Program.** The WMATA staff shall, as soon as practical after each annual reconciliation process conducted under this Section, develop an updated Capital Improvement Program. This updated document, if approved by the WMATA Board, will replace and supercede all previous versions of the Capital Improvement Program.

(g) **Reprogramming of Funds and Projects During the Term of This Agreement.** The Parties recognize that the scope, pricing or desirability of some projects will change during the term of this Agreement. To address these possibilities, WMATA agrees to provide the Commonwealth and the Contributing Jurisdictions with 30 days advance notice in writing of any request to reprogram funds in an amount greater than \$1,000,000 per project.

(h) **Final Distribution.** In the event that this Agreement is terminated pursuant to Section 9 of this Agreement, any amounts remaining at the expiration of this Agreement shall be

first used to fund any remaining Dedicated Funding projects. If any funds remain, will be credited or refunded to the Commonwealth, as directed by the Commonwealth.

(i) **Financial Records.**

(1) **Maintenance of Records.** -- During the term of this Agreement, WMATA agrees to maintain separate and complete accounting records which are consistent with generally accepted governmental accounting procedures and which accurately reflect all income and expenditures of funds which may be provided under this Agreement. WMATA will retain all such CIP records for the same period that records are required to be kept for the FTA or other federal grants, unless there is an outstanding written Commonwealth or FTA financial or audit question, which is not resolved by the Contributing Jurisdiction or FTA auditor. The records of WMATA must be in sufficient detail to determine the character and timing of fund items; and of contract obligation and expenditure transactions authorized by this Agreement.

(2) **Audits.**

(A) **Timing for Performance.** -- The Commonwealth or its agent may perform an audit of WMATA's expenditures of funds and the sources of those funds provided by this Agreement for a period of up to three (3) fiscal years preceding a request for audit from the Commonwealth provided that the request is received no later than one hundred eighty (180) days after the release of the WMATA audit for the preceding year and transmittal of the audit to the the Commonwealth with a notice of its audit rights under this Agreement. Any such audit shall be commenced within sixty (60) days after the date of the request, and shall be completed (to the maximum extent practicable) within 180 days after the date it is commenced. The Commonwealth will assume all financial responsibility for any costs associated with the performance of such audits exclusive of WMATA internal costs. If more than one Contributing

Jurisdiction or the Commonwealth initiates an audit on a timely basis under this paragraph, the audits shall be consolidated into a single audit for the applicable fiscal years and the Contributing Jurisdictions and the Commonwealth participating in the audit shall share in the cost of the audit. WMATA agrees to cooperate fully with the Commonwealth or its authorized agent or designee in the conduct of any audit carried out in accordance with this paragraph. In addition to the foregoing, in the event that the Commonwealth's bond, the proceeds of which were used to meet the funding obligation of the Agreement or any transaction pertaining to such bond, is the subject of any tax, securities or similar federal or state law investigation, inquiry or suit, WMATA shall promptly allow the Commonwealth access, at the Commonwealth's expense, to any record it may have relating to WMATA's use of the proceeds of such bond so that the Commonwealth may participate and respond to any aspect of such investigation, inquiry or suit. WMATA shall promptly notify the Commonwealth and allow the Commonwealth to participate in all aspects of the conduct or any response WMATA may make in such regard.

(B) Audit Results. -- If it is determined as a result of such an audit under this paragraph that the Commonwealth has made payments in excess of or less than the amount(s) provided for pursuant to the terms and conditions of this Agreement and the CIP, WMATA will make appropriate adjustments in the amount due to WMATA from the Commonwealth in the next fiscal year or, at the end of the Agreement, will invoice the Commonwealth or remit payment due the Commonwealth, unless otherwise provided in a successor agreement. The audit rights provided under this paragraph shall survive the termination date of this Agreement.

SEC. 7 DISPUTES

(a) **Informal Resolution** -- The Parties agree to use all reasonable efforts to resolve any disputes, which arise under or otherwise relate to this Agreement. If the Parties, at staff level, cannot resolve such a dispute through initial discussions within thirty (30) days after the date it first arises, then the Party seeking a resolution shall provide written notice of the nature of the dispute and the issues involved to other Party involved. Such other Parties shall respond within thirty (30) days, stating their position in writing on the issue presented and their proposal for resolution. The Parties shall then meet within the next thirty (30) days in an attempt to resolve the dispute.

(b) **Alternative Resolution**. -- If a dispute arising under this Agreement is not resolved pursuant to subsection (a) of this Section, the Parties thereto may agree to pursue a mutually acceptable alternative dispute resolution procedure. If such a procedure is not utilized or does not result in a final and binding resolution of the dispute, any Party thereto may pursue a civil action for appropriate relief in a circuit court of the Commonwealth of Virginia.

SEC. 8 REPRESENTATIONS AND WARRANTIES

(a) **By WMATA**. -- WMATA makes the following representations as of the Effective Date of this Agreement as a basis for the undertakings pursuant to this Agreement.

(1) WMATA has full power and authority to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder;

(2) WMATA by proper WMATA Board action has duly authorized the execution and delivery of this Agreement;

(3) When executed and delivered by the Commonwealth and by WMATA, this Agreement will constitute the legal, valid and binding obligation of WMATA enforceable in

accordance with its terms, except as such enforceability is limited by annual appropriations, bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally.

(4) No director, officer, or employee of WMATA who exercises or has exercised any functions or responsibilities over any procurement contract in connection with the Capital Improvement Program shall have or obtain a personal or financial interest or benefit from any activity in connection with the procurement contract or have an interest in any contract, subcontract, or agreement with respect thereto during the term of this Agreement.

(b) **By the Commonwealth.** – The Commonwealth makes the following representations as of the Effective Date of this Agreement as a basis for the undertakings pursuant to this Agreement.

(1) The Commonwealth has all necessary power and authority to enter into the transactions contemplated by this Agreement and to carry out its individual obligations hereunder;

(2) The Commonwealth has individually duly authorized the execution and delivery of this Agreement;

(3) When executed and delivered by the Commonwealth, this Agreement will constitute the legal, valid and binding obligation of the individual entity enforceable in accordance with its terms, except as such enforceability is limited by annual appropriations, allocations, bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally;

(4) No officer, or employee of the Commonwealth who exercises or has exercised any functions or responsibilities over a procurement contract in connection with the

Capital Improvement Program shall have or obtain a personal or financial interest or benefit from any activity in connection with the procurement contract or have an interest in any contract, subcontract, or agreement with respect therewith during the term of this Agreement.

SEC. 9 EFFECTIVE DATE AND TERM OF AGREEMENT

(a) Effective Date. This Agreement shall take effect on the date of execution by the last signatory to this Agreement.

(b) Term. The term of this Agreement shall begin on the Effective Date and shall terminate on June 30, 2016. Where there are projects which have been started during the term of the Agreement the Commonwealth, subject to annual appropriations and allocations, agrees to continue to make its Allocated Contributions for those projects up to a maximum of \$50 million in FY2011 and an additional cumulative \$50 million annually as follows: \$100 million through FY2012; \$150 million through FY2013; \$200 million through FY2014; \$250 million through FY2015 and \$300 million through and beyond FY2016 to be used solely as Dedicated Funding for any PRIIA award made during the term of this Agreement. Under no circumstance shall the total Dedicated Funding provided by the Commonwealth exceed a total of \$300 million under this Agreement.

(c) Termination of Agreement. Upon 30 calendar days notice to WMATA, the Commonwealth may terminate, in whole or in part, the funding under this Agreement at any time if (1) WMATA fails to apply provided funds as intended under this Agreement, or (2) statutory changes affecting the program under which these funds were provided render funding this Agreement impossible. The Commonwealth shall notify WMATA promptly in writing of such a determination and the effective date of the termination. WMATA may request reconsideration by notifying the Commonwealth within 30 calendar days of the date of the Commonwealth's

notification. The Commonwealth shall not terminate funding until after the request has been reconsidered but may withhold funds in the interim. Following reconsideration, if requested, the decision of the Commonwealth will be final.

(d) Future Negotiations. No later than June 30, 2015, WMATA and the Commonwealth agree to commence discussions for a successor PRIIA funding agreement. WMATA will ask the Commonwealth for an affirmative response to whether it wishes to participate in a successor agreement. The Commonwealth shall give an affirmative written notice in accordance with Section 12 of this Agreement no later than October 1, 2015, either that: (1) it intends to continue under the Agreement, or (2) it wishes to terminate the agreement as of June 30, 2016. If the Commonwealth does not respond by October 1, 2015, it will be deemed an election to terminate the Agreement. If the Commonwealth gives or is deemed to give the required notice that it is terminating its participation in this Agreement, then the Agreement shall terminate as of June 30, 2016, except as covered by subsection (b), above. If this Agreement is terminated as of June 30, 2016 any funds provided pursuant to this Agreement that have not been utilized as of that date may be used solely as Dedicated Funding for any PRIIA award made during the term of this Agreement; all other funding provided pursuant to this Agreement will be returned to the Department.

SEC. 10 NO THIRD PARTY BENEFICIARIES

The Parties to this Agreement do not intend any non-signatory to this Agreement or any other third Party to be a third Party beneficiary to this Agreement, nor do the Parties intend for any such third Party to have any rights or benefits under this Agreement or to have standing to bring an action or claim in any court or other forum to enforce any provision of this Agreement.

SEC. 11 AMENDMENTS

This Agreement may be amended or modified only by written agreement duly executed by both Parties.

SEC. 12 NOTICES

All notices under this Agreement shall be in writing and shall be deemed to have been sufficiently given or served when presented personally, electronically, or sent by the U.S. Postal Service or by a courier service or national overnight delivery service, to any Party as follows:

To the Commonwealth of Virginia acting by and through the
Virginia Department of Rail and Public Transportation:

Director
Virginia Department of Rail and Public Transportation
600 East Main Street, Suite 2102
Richmond, VA 23219

with a copy to:

Chief Financial Officer
Virginia Department of Rail and Public Transportation
600 East Main Street, Suite 2102
Richmond, VA 23219

and

Chief of Public Transportation
Virginia Department of Rail and Public Transportation
600 East Main Street, Suite 2102
Richmond, VA 23219

To the Washington Metropolitan Area Transit Authority:

General Manager
600 Fifth Street, N.W.,
Washington, D.C. 20001

with copies to:

The General Counsel
Washington Metropolitan Area Transit Authority
600 Fifth Street, N.W., Second Floor
Washington, D.C. 20001

Chief Financial Officer
Washington Metropolitan Area Transit Authority
600 Fifth Street, NW, Sixth Floor
Washington, DC 20001

SEC. 13 SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the successors and assigns of the Commonwealth and WMATA.

SEC. 14 NO DEBT GUARANTEES

The Commonwealth does not guarantee the debt of WMATA or any Contributing Jurisdiction, nor any obligation of WMATA or any Contributing Jurisdiction.

SEC. 15 REQUIREMENT FOR ANNUAL APPROPRIATIONS

Notwithstanding any other provisions of this Agreement, all obligations of the Commonwealth are subject to discretionary annual appropriation and allocation of funds by the governing bodies thereof or other appropriate legislative bodies thereof and shall be consistent with the anti-deficiency laws applicable to the Commonwealth.

SEC. 16 MISCELLANEOUS PROVISIONS

(a) WMATA agrees to comply with the General Terms and Conditions set forth in Attachment 2 to this Agreement.

(b) Within 120 days of the execution of this Agreement, WMATA will provide the Department of Rail and Public Transportation with information concerning WMATA's rolling stock requested by the Department in a mutually acceptable electronic format.


SEC. 17 COUNTERPARTS

This Agreement may be executed in identical counterparts, each of which shall constitute an original and all of which shall constitute, collectively, one agreement. The counterpart with the most recent date shall determine the date of entry of this Agreement by the Parties listed on page one.


IN WITNESS WHEREOF, WMATA and the Commonwealth have executed this Agreement on this 1 day of July, 2010.

WASHINGTON METROPOLITAN AREA
TRANSIT AUTHORITY

Attest:


Secretary

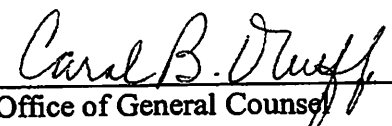
By:


Richard Sarles [Seal]
General Manager

Dated:


7/1/10

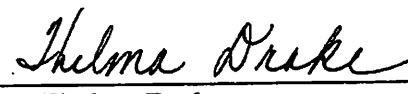
Approved as to Form and Legal Sufficiency:

By: 
Office of General Counsel

COMMONWEALTH OF VIRGINIA
ACTING BY AND THROUGH THE VIRGINIA
DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION

Attest:


Witness

By: 
Thelma Drake [Seal]
Director

Attachment 1
(dollars in millions)

Financial Plan

Annual Work Plan Year	FY2011 Budget	FY2012 Forecast	FY2013 Forecast	FY2014 Forecast	FY2015 Forecast	FY2016 Forecast	Total FY2011-16
► Federal Funds:							
Federal Formula Grant Funds:							
Section 5307 Grant	\$139,944	\$145,542	\$151,363	\$158,932	\$166,878	\$175,222	\$937,881
Section 5309 Grant	101,468	105,527	109,748	115,235	120,997	127,047	680,021
Subtotal - Formula Grants	\$241,412	\$251,068	\$261,111	\$274,167	\$287,875	\$302,269	\$1,617,902
Federal Bus Funds	150,000	150,000	150,000	150,000	150,000	150,000	900,000
Federal Dedicated Funds	\$391,412	\$401,068	\$411,111	\$424,167	\$437,875	\$452,269	\$2,517,902
► Subtotal: Federal Funds							
► State and Local Funds:							
Match to Federal Formula Grants	\$60,353	\$62,767	\$65,278	\$68,542	\$71,969	\$75,567	\$404,476
Local Additional Funds	107,560	107,560	107,560	107,560	107,560	107,560	645,360
Subtotal: Federal Match & Local	\$167,913	\$170,327	\$172,838	\$176,102	\$179,529	\$183,127	\$1,049,836
District of Columbia	62,973	63,879	64,820	66,044	67,330	68,679	393,725
Montgomery County	29,213	29,633	30,070	30,638	31,234	31,860	182,647
Prince Georges County	32,164	32,627	33,108	33,733	34,390	35,079	201,101
Maryland Subtotal	61,377	62,260	63,178	64,371	65,623	66,939	383,748
Alexandria	6,901	7,000	7,103	7,236	7,378	7,526	43,147
Arlington County	12,903	13,089	13,281	13,532	13,796	14,072	80,673
City of Fairfax	0,435	0,442	0,448	0,457	0,465	0,475	2,722
Fairfax County	22,871	23,200	23,542	23,987	24,454	24,944	142,998
Falls Church	0,451	0,458	0,465	0,473	0,483	0,492	2,822
Virginia Subtotal	43,562	44,189	44,840	45,687	46,576	47,509	272,363
Subtotal: Contributions	167,913	170,327	172,838	176,102	179,529	183,127	1,049,836
Match to Federal Dedicated Funds	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$900,000
Subtotal: State and Local Funds	\$317,913	\$320,327	\$322,838	\$326,102	\$329,529	\$333,127	\$1,949,836
Misc. CIP Funding Sources	\$0,000	\$28,435	\$17,565	\$0,000	\$0,000	\$0,000	\$46,000
Total without Debt	\$709,325	\$749,831	\$751,514	\$750,268	\$767,404	\$785,396	\$4,513,738
Debt Strategy	\$0,000	\$0,000	\$0,000	\$50,000	\$195,000	\$195,000	\$440,000
Grand Total	\$709,325	\$749,831	\$751,514	\$800,269	\$962,404	\$980,396	\$4,953,739

Table 1
State and Local Funds:

Annual Work Plan Year: FY2011 Budget	FY2012 Forecast	FY2013 Forecast	FY2014 Forecast	FY2015 Forecast	FY2016 Forecast	Total FY2011-16
Match to Federal Formula Grants						
Local Additional Funds						
Subtotal: Federal Match & Local	\$60,353	\$65,278	\$68,542	\$71,969	\$75,567	\$404,476
District of Columbia	\$107,560	\$107,560	\$107,560	\$107,560	\$107,560	\$645,360
Montgomery County	\$167,913	\$172,838	\$176,102	\$179,529	\$183,127	\$1,049,836
Prince Georges County	62,973	64,820	66,044	67,330	68,679	393,725
Maryland Subtotal	29,213	30,070	30,638	31,234	31,860	182,647
Alexandria	32,164	33,108	33,733	34,390	35,079	201,101
Arlington County	61,377	63,178	64,371	65,623	66,939	383,748
City of Fairfax	6,901	7,103	7,238	7,378	7,526	43,147
Fairfax County	12,903	13,281	13,532	13,796	14,072	80,673
Falls Church	0,435	0,448	0,457	0,465	0,472	2,722
Virginia Subtotal	22,871	23,542	23,987	24,454	24,944	142,998
Subtotal: Contributions	0,451	0,465	0,473	0,483	0,492	2,822
Match to Federal Dedicated Funds	43,562	44,189	45,687	46,576	47,509	272,363
Subtotal: State and Local Funds	167,913	172,838	176,102	179,529	183,127	1,049,836
	150,000	150,000	150,000	150,000	150,000	900,000
	\$317,913	\$322,838	\$326,102	\$329,529	\$333,127	\$1,949,836

NOTES:
 1) Does not include Debt Service.
 2) Allocated based on six-year project expenditures using FY10 allocation. All modes use FY10 modal allocation (e.g. bus allocation for bus projects).

Table 2
Estimate of Jurisdictional Share of Debt
 Debt assumed to be issued for rail cars

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017
District of Columbia				16,747	65,314	65,314	-
Montgomery County				10,015	39,057	39,057	-
Prince Georges County				8,954	34,939	34,939	-
Maryland Subtotal				18,968	73,976	73,976	-
Alexandria				2,216	8,648	8,648	-
Arlington County				14,651	18,139	18,139	-
City of Fairfax				0,158	0,616	0,616	-
Fairfax County				7,136	27,830	27,830	-
Falls Church				0,104	0,482	0,482	-
Virginia Subtotal				14,265	55,710	55,710	-
Total				\$98,900	\$395,000	\$395,000	-

Table 3
Estimate of Jurisdictional Share of Debt Service Payments:

	Annual Work Plan Year: FY2011 Budget	FY2012 Forecast	FY2013 Forecast	FY2014 Forecast	FY2015 Forecast	FY2016 Forecast	Total FY2011-16
District of Columbia				0.620	3.656	8.489	10.906
Montgomery County				0.371	2.186	5.076	6.521
Prince Georges County				0.331	1.955	4.539	5.831
Maryland Subtotal				0.702	4.141	9.615	12.352
Alexandria				0.082	0.484	1.123	1.443
Arlington County				0.172	1.015	2.358	3.029
City of Fairfax				0.006	0.034	0.080	0.103
Fairfax County				0.264	1.558	3.617	4.647
Falls Church				0.005	0.027	0.063	0.080
Virginia Subtotal				0.529	3.118	7.241	9.302
Total				1.850	10.915	25.345	32.560

Initial Capital Improvement Program:

	Annual Work Plan Year: FY2011 Budget	FY2012 Forecast	FY2013 Forecast	FY2014 Forecast	FY2015 Forecast	FY2016 Forecast	Total FY2011-16
A Vehicles/ Vehicle Parts							
Replacement of Rail Cars	\$79.253	\$20.465	\$12.029	\$135.633	\$350.478	\$120.199	\$718.057
CIP 057 1000 Series Rail Car Replacement	0.000	0.000	0.000	22.899	0.728	186.220	209.847
CIP 060 4000 Series Rail Car Replacement	\$79.253	\$20.465	\$12.029	\$158.531	\$351.206	\$306.419	\$927.904
Subtotal							
Replacement of Buses	\$74.227	\$71.966	\$56.307	\$59.170	\$80.347	\$100.878	\$442.894
CIP 006 Bus Replacement	\$74.227	\$71.966	\$56.307	\$59.170	\$80.347	\$100.878	\$442.894
Subtotal							
Rehabilitation of Rail Cars	\$4.247	\$1.111	\$0.000	\$0.000	\$0.000	\$0.000	\$5.358
CIP 064 1000 Series Rail Car HVAC Rehabilitation	3.256	0.248	0.000	0.000	0.000	0.000	3.505
CIP 058 2000/3000 Series Rail Car Mid-Life Rehabilitation	12.082	2.499	1.502	1.653	1.699	1.755	21.191
CIP 067 Rail Car Safety & Reliability Enhancements	12.439	12.522	12.703	12.892	12.981	14.164	77.700
CIP 063 Rail Rehabilitation Program	40.861	20.800	20.864	20.932	20.831	20.831	145.118
CIP 125 Rail Lifecycle Overhaul	\$72.886	\$37.179	\$35.069	\$35.476	\$35.512	\$36.750	\$252.872
Subtotal							
Rehabilitation of Buses	\$24.401	\$30.081	\$30.862	\$31.672	\$32.251	\$33.005	\$182.273
CIP 005 Bus Rehabilitation Program	7.178	7.907	12.770	11.511	15.378	16.427	71.172
CIP 008 Bus Repairables							

	Annual Work		FY2012-2016					Total FY2011-16
	FY2011 Budget	FY2012 Forecast	FY2013 Forecast	FY2014 Forecast	FY2015 Forecast	FY2016 Forecast		
CIP 137 Bus Lifecycle Overhaul	\$53,050	\$48,704	\$54,380	\$53,966	\$58,361	\$60,163	\$328,624	
Subtotal	\$53,050	\$48,704	\$54,380	\$53,966	\$58,361	\$60,163	\$328,624	
Replacement of MetroAccess Vehicles	\$11,428	\$12,055	\$12,202	\$10,277	\$8,571	\$10,846	\$65,379	
CIP 015 MetroAccess Fleet Replacement	\$11,428	\$12,055	\$12,202	\$10,277	\$8,571	\$10,846	\$65,379	
Subtotal	\$11,428	\$12,055	\$12,202	\$10,277	\$8,571	\$10,846	\$65,379	
Replacement of Service Vehicles	\$2,062	\$6,823	\$7,964	\$6,968	\$7,937	\$5,718	\$37,472	
CIP 009 Service Vehicle Replacement	\$2,062	\$6,823	\$7,964	\$6,968	\$7,937	\$5,718	\$37,472	
Subtotal	\$2,062	\$6,823	\$7,964	\$6,968	\$7,937	\$5,718	\$37,472	
Rail Car Fleet Expansion	\$8,052	\$0,843	\$1,658	\$1,101	\$0,000	\$0,000	\$11,654	
CIP 062 6000 Series Rail Car Procurement	\$8,052	\$0,843	\$1,658	\$1,101	\$0,000	\$0,000	\$11,654	
CIP 069 75% 8-Car Train-- Rail Cars (7000 Series)	\$0,000	\$0,000	\$0,000	\$0,000	\$21,593	\$2,341	\$23,933	
Subtotal	\$8,052	\$0,843	\$1,658	\$1,101	\$21,593	\$2,341	\$35,587	
Bus Fleet Expansion	\$0,000	\$0,000	\$0,000	\$0,000	\$8,687	\$8,687	\$17,374	
CIP 003 Bus Capacity Enhancements: Fleet Expansion	\$0,000	\$0,000	\$0,000	\$0,000	\$8,687	\$8,687	\$17,374	
Subtotal	\$0,000	\$0,000	\$0,000	\$0,000	\$8,687	\$8,687	\$17,374	
Bus Enhancements	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	
CIP 001 Antenna Reduction/ Security Enhancements	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	
CIP 002 Automatic Vehicle Location Equipment Replacement	9,419	16,053	13,530	0,000	0,000	0,000	39,002	
CIP 007 Bus Camera Installation	0,000	3,006	0,000	0,000	0,000	0,000	3,006	
Subtotal	\$9,419	\$19,059	\$13,530	\$0,000	\$0,000	\$0,000	\$42,007	
Subtotal	\$310,376	\$217,093	\$193,138	\$325,489	\$572,214	\$531,802	\$2,150,112	
B Rail System Infrastructure Rehabilitation	\$0,000	\$0,000	\$0,000	\$41,813	\$51,405	\$51,404	\$144,622	
Rail Line Segment Rehabilitation	\$0,000	\$0,000	\$0,000	\$41,813	\$51,405	\$51,404	\$144,622	
CIP 108 Rail Rehabilitation Tier 1: Dupont to Grosvenor	57,010	65,480	54,549	28,395	0,000	0,000	205,434	
CIP 107 Rail Rehabilitation Tier 1: Dupont to Silver Spring	34,546	60,416	59,548	98,786	80,118	68,457	401,872	
CIP 110 Rail Rehabilitation Tier 1: National Airport to Stadium Armory	\$91,556	\$125,897	\$114,097	\$168,994	\$131,523	\$119,861	\$751,928	
Subtotal	\$91,556	\$125,897	\$114,097	\$168,994	\$131,523	\$119,861	\$751,928	
Subtotal	\$91,556	\$125,897	\$114,097	\$168,994	\$131,523	\$119,861	\$751,928	
C Maintenance Facilities	\$16,595	\$31,768	\$47,979	\$2,436	\$0,000	\$0,000	\$98,779	
Rehabilitation and Replacement of Bus Garages	\$16,595	\$31,768	\$47,979	\$2,436	\$0,000	\$0,000	\$98,779	
CIP 085 Royal Street Bus Garage Replacement (Cinder Bed Road)	5,732	30,746	14,918	0,000	0,000	0,000	51,396	
CIP 086 Southeastern Bus Garage Replacement (DC Village)	10,533	29,246	51,799	21,720	0,000	0,000	113,258	
CIP 084 Southern Avenue Bus Garage Replacement	\$32,861	\$91,759	\$114,657	\$24,156	\$0,000	\$0,000	\$263,433	
Subtotal	\$32,861	\$91,759	\$114,657	\$24,156	\$0,000	\$0,000	\$263,433	
Subtotal	\$32,861	\$91,759	\$114,657	\$24,156	\$0,000	\$0,000	\$263,433	
Maintenance of Bus Garages								

	Annual Work		FY2012	FY2013	FY2014	FY2015	FY2016	Total
	Plan Year: FY2011 Budget	Budget						
CIP 119 Bus Garage Facility Repairs Tier 1: Western, Northern and Lan	\$18,879	\$18,879	\$25,739	\$31,052	\$32,237	\$19,800	\$17,250	\$144,957
Subtotal	\$18,879	\$18,879	\$25,739	\$31,052	\$32,237	\$19,800	\$17,250	\$144,957
Maintenance of Rail Yards	\$0,000	\$0,000	\$24,761	\$29,777	\$41,770	\$32,776	\$26,671	\$155,755
CIP 116 Rail Yard Facility Repairs Tier 1: Alexandria, Brentwood and Ne	\$0,000	\$0,000	\$24,761	\$29,777	\$41,770	\$32,776	\$26,671	\$155,755
Subtotal	\$0,000	\$0,000	\$24,761	\$29,777	\$41,770	\$32,776	\$26,671	\$155,755
Rail Maintenance Facilities	\$5,154	\$5,154	\$17,451	\$17,505	\$0,000	\$0,000	\$0,000	\$46,373
CIP 071 Test Track & Commissioning Facility	\$5,154	\$5,154	\$17,451	\$17,505	\$0,000	\$0,000	\$0,000	\$46,373
Subtotal	\$5,154	\$5,154	\$17,451	\$17,505	\$0,000	\$0,000	\$0,000	\$46,373
Environmental Compliance Projects	\$0,623	\$0,623	\$0,655	\$0,692	\$0,733	\$0,770	\$0,812	\$4,285
CIP 010 Environmental Compliance Projects	\$0,623	\$0,623	\$0,655	\$0,692	\$0,733	\$0,770	\$0,812	\$4,285
CIP 011 Underground Storage Tank Replacement	2,135	2,135	4,406	2,530	2,426	1,004	2,934	15,435
Subtotal	\$2,757	\$2,757	\$5,061	\$3,222	\$3,159	\$1,775	\$3,746	\$19,720
Maintenance Bus and Rail Facilities	\$1,031	\$1,031	\$1,030	\$1,030	\$1,037	\$1,033	\$1,032	\$6,192
CIP 127 Support Equipment - MTRD	\$1,031	\$1,031	\$1,030	\$1,030	\$1,037	\$1,033	\$1,032	\$6,192
CIP 126 Financial Planning, Project Administration, and System Wide In	2,169	2,169	1,642	3,340	1,060	3,724	4,243	15,146
Subtotal	\$3,200	\$3,200	\$2,672	\$4,370	\$2,097	\$4,756	\$5,285	\$21,338
Expansion of Bus Garages	\$3,092	\$3,092	\$6,159	\$7,208	\$9,431	\$0,000	\$0,000	\$25,890
CIP 078 Bladensburg Shop Reconfiguration	\$3,092	\$3,092	\$6,159	\$7,208	\$9,431	\$0,000	\$0,000	\$25,890
CIP 038 Bus Garage Capacity Enhancements	1,562	1,562	0,000	0,000	0,000	0,000	22,802	24,364
Subtotal	\$4,655	\$4,655	\$6,159	\$7,208	\$9,431	\$0,000	\$22,802	\$50,254
Subtotal	\$67,505	\$67,505	\$173,603	\$207,790	\$112,849	\$59,107	\$120,976	\$741,831
D Systems and Technology	\$4,123	\$4,123	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$4,123
Power System Upgrades - Rail	\$4,123	\$4,123	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$4,123
CIP 077 8-Car Train Power Upgrades	0,000	0,000	0,000	6,986	7,980	6,791	7,258	29,016
CIP 076 100 % 8-Car Train - Power Upgrades	\$4,123	\$4,123	\$0,000	\$6,986	\$7,980	\$6,791	\$7,258	\$33,139
Subtotal	\$4,123	\$4,123	\$0,000	\$6,986	\$7,980	\$6,791	\$7,258	\$33,139
Operations Support Software	\$1,109	\$1,109	\$4,140	\$5,872	\$3,613	\$6,757	\$4,948	\$26,439
CIP 042 Bus & Rail Asset Management Software	\$1,109	\$1,109	\$4,140	\$5,872	\$3,613	\$6,757	\$4,948	\$26,439
CIP 043 Bus Operations Support Software	2,062	2,062	3,080	3,089	3,099	3,598	3,084	18,012
CIP 044 Customer & Regional Integration	4,295	4,295	4,791	3,776	4,821	4,797	4,797	27,278
CIP 045 Data Centers and Infrastructures	7,422	7,422	1,602	0,745	4,959	4,913	6,168	25,810
CIP 047 Enterprise Geographic Information System	2,062	2,062	3,080	2,574	2,583	3,598	2,570	16,467
CIP 052 Network and Communications	3,092	3,092	5,468	6,201	4,132	5,141	6,168	30,203
CIP 053 Network Operations Center (NOC)	1,937	1,937	3,500	3,573	3,099	1,028	0,000	13,138
CIP 051 Police Dispatch and Records Management	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,995
CIP 140 Rail Mileage Based Asset Management	4,123	4,123	0,000	0,000	0,000	8,504	10,281	22,909
CIP 056 Rail Operations Support Software	2,303	2,303	4,211	5,148	5,165	5,141	5,140	27,108

	Annual Work Plan Year:		FY2012		FY2013		FY2014		FY2015		FY2016		Total FY2011-16
	FY2011 Budget	FY2011 Forecast	FY2012 Forecast	FY2013 Forecast	FY2014 Forecast	FY2015 Forecast	FY2016 Forecast	FY2011-16 Forecast					
Business Support Software & Equipment													
CIP 030 Currency Processing Machines	\$1,014		\$1,447	\$0,439	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$0,000	\$2,900	
CIP 054 Customer Electronic Communications & Outreach	1,546		3,336	2,832	2,066	2,056	2,056	2,056	2,056	2,056	2,056	13,893	
CIP 046 Document Management System	1,546		0,000	0,000	2,626	2,613	4,667	0,000	4,667	0,000	4,667	11,453	
CIP 049 Management Support Software	2,985		2,566	2,574	10,158	10,623	4,112	2,056	2,056	2,056	2,056	28,907	
CIP 050 Metro IT OneStop and Office Automation	2,774		3,094	5,446	3,231	4,112	0,000	2,675	0,668	0,668	0,668	20,714	
CIP 103 Police Portable Radio Replacement	0,670		0,667	0,659	0,000	0,000	0,000	0,000	0,000	0,000	0,000	26,941	
CIP 048 Sensitive Data Protection Technology	4,476		5,221	4,760	4,259	4,112	4,112	4,112	4,112	4,112	4,112	26,941	
Subtotal	\$15,011		\$16,332	\$16,720	\$22,341	\$23,518	\$13,560	\$107,483					
Rail Fare Equipment													
CIP 091 Automatic Fare Collection Machines	\$0,000		\$1,075	\$1,030	\$1,033	\$4,613	\$6,675	\$14,426					
CIP 031 Debit/Credit Processing Requirements	1,907		0,257	0,257	0,258	0,257	0,257	3,193					
CIP 092 Ethernet Wiring for Rail Fare Machines	1,340		0,000	1,013	0,000	0,000	0,000	1,340					
CIP 032 Fare Media Encoders	0,000		0,579	0,000	0,000	0,000	0,000	1,592					
CIP 094 Improvements to Coin Collection Machines	2,276		0,000	0,880	0,728	0,982	0,982	2,276					
CIP 093 Integrating regional NEXTFARE System	1,788		0,980	0,880	0,728	0,982	0,982	6,341					
CIP 097 Open Bankcard and Automatic Fare Collection Systems	1,546		2,310	2,317	4,954	4,786	0,000	15,912					
Subtotal	\$8,658		\$5,200	\$5,498	\$6,973	\$10,638	\$7,914	\$45,081					
E Track and Structures													
Track Rehabilitation													
CIP 023 Third Rail Rehabilitation	\$0,000		\$5,518	\$4,184	\$4,408	\$4,606	\$4,835	\$23,550					
CIP 089 Track Fasteners	2,062		2,053	2,059	2,066	2,056	2,056	12,353					
CIP 019 Track Floating Slab Rehabilitation	1,728		1,260	1,319	1,555	1,616	1,689	9,166					
CIP 021 Track Pad/Shock Absorber Rehabilitation	4,334		2,047	2,155	2,271	2,419	2,491	15,716					
CIP 024 Track Rehabilitation	44,449		33,269	33,223	31,918	33,369	37,239	213,468					
CIP 022 Track Structural Rehabilitation	2,333		1,542	2,890	1,840	1,787	1,876	12,268					
CIP 141 Chievery Abutment	3,195		0,000	0,000	0,000	0,000	0,000	3,195					
CIP 018 Track Welding Program	1,467		2,656	2,863	3,089	3,307	3,560	16,942					
Subtotal	\$59,568		\$48,343	\$48,693	\$47,147	\$49,161	\$53,747	\$306,658					
Station/Tunnel Rehabilitation													
CIP 026 Station/Tunnel Leak Mitigation	\$3,057		\$3,298	\$3,276	\$3,451	\$3,607	\$3,761	\$20,451					
Subtotal	\$3,057		\$3,298	\$3,276	\$3,451	\$3,607	\$3,761	\$20,451					
Subtotal	\$62,625		\$51,642	\$51,969	\$50,598	\$52,767	\$57,508	\$327,109					
F Passenger Facilities													
Elevator/Escalator Facilities													
CIP 072 Elevator Rehabilitation	\$2,371		\$3,490	\$2,265	\$1,136	\$1,645	\$2,159	\$13,067					

	Annual Work		FY2011-16						Total
	FY2011 Budget	FY2012 Forecast	FY2013 Forecast	FY2014 Forecast	FY2015 Forecast	FY2016 Forecast	FY2011-16 Forecast		
CIP 132 Elevator/Escalator Repairs	4,329	4,825	4,840	4,855	5,346	4,832	29,027		
CIP 073 Escalator Rehabilitation	4,948	8,315	11,738	13,945	13,879	9,767	62,594		
Subtotal	\$11,648	\$16,630	\$18,843	\$19,938	\$20,870	\$16,758	\$104,688		
Maintenance of Rail Station Facilities	\$43,957	\$30,210	\$9,267	\$0,000	\$0,000	\$0,000	\$83,434		
CIP 138 System-wide Infrastructure Rehabilitation	7,759	7,832	7,960	8,089	8,153	8,358	48,151		
CIP 087 Station Rehabilitation Program	\$51,716	\$38,042	\$17,227	\$8,089	\$8,153	\$8,358	\$131,585		
Subtotal	\$97,976	\$1,019	\$1,138	\$1,197	\$1,268	\$1,338	\$6,936		
Bicycle & Pedestrian Facilities	0,457	0,469	0,421	0,436	0,448	0,464	2,695		
CIP 035 Bicycle & Pedestrian Facilities: Capacity Improvements	\$1,433	\$1,488	\$1,559	\$1,633	\$1,716	\$1,801	\$9,631		
CIP 036 Replacement of Bicycle Racks & Lockers	\$0,976	\$1,019	\$1,138	\$1,197	\$1,268	\$1,338	\$6,936		
Subtotal	\$0,976	\$1,019	\$1,138	\$1,197	\$1,268	\$1,338	\$6,936		
Rail Station: Capacity/Enhancements	\$0,515	\$1,027	\$1,030	\$1,033	\$1,542	\$1,028	\$6,175		
CIP 039 Core & System Capacity Project Development	0,000	0,000	0,000	0,000	0,000	3,364	3,364		
CIP 074 Installation of Parking Lot Credit Card Readers	0,000	0,000	0,000	0,000	0,000	10,281	10,281		
CIP 088 Station Entrance Canopies	\$0,515	\$1,027	\$1,030	\$1,033	\$1,542	\$1,028	\$19,820		
Subtotal	\$2,062	\$2,053	\$2,059	\$2,066	\$2,056	\$6,168	\$16,465		
Bus Priority Corridor Improvements	\$2,062	\$2,053	\$2,059	\$2,066	\$2,056	\$6,168	\$16,465		
CIP 037 Bus Priority Corridor Network Enhancements	\$2,062	\$2,053	\$2,059	\$2,066	\$2,056	\$6,168	\$16,465		
Subtotal	\$0,914	\$0,000	\$0,000	\$0,000	\$0,000	\$0,067	\$0,981		
Rail Station Equipment	\$0,914	\$0,000	\$0,000	\$0,000	\$0,000	\$0,067	\$0,981		
CIP 099 Police Emergency Management Equipment	\$0,914	\$0,000	\$0,000	\$0,000	\$0,000	\$0,067	\$0,981		
Subtotal	\$68,288	\$59,240	\$40,718	\$32,759	\$34,338	\$47,825	\$283,169		
Subtotal	\$2,732	\$2,855	\$3,015	\$3,125	\$3,213	\$3,380	\$18,320		
G Maintenance Equipment									
Rail Maintenance Equipment									
CIP 136 FCC Radio Frequency Communication Changes	\$0,176	\$1,027	\$10,297	\$9,298	\$0,000	\$0,000	\$20,797		
CIP 065 Geometry Vehicle	0,564	4,011	1,676	0,225	0,000	0,000	6,476		
CIP 139 NTSB Recommendations	10,308	10,265	10,297	0,000	0,000	0,000	30,871		
CIP 066 Rail Shop Repair Equipment	2,165	4,209	4,222	4,236	4,215	4,215	23,261		
CIP 020 Replacement of Rail Track Signage	1,014	1,060	1,117	1,177	1,250	1,235	6,854		
CIP 027 Switch Machine Rehabilitation Project	0,908	0,950	1,001	1,054	1,101	1,157	6,170		
CIP 025 Track Maintenance Equipment	17,292	20,708	10,039	10,475	10,425	12,964	81,904		
CIP 135 Train Control Signal	1,031	10,265	10,297	0,000	0,000	0,000	21,593		
CIP 133 Wayside Work Equipment	4,123	3,080	2,059	2,066	0,000	0,000	11,328		
Subtotal	\$37,582	\$55,574	\$51,006	\$48,530	\$16,991	\$19,571	\$209,254		
Bus Repair Equipment									
CIP 004 Bus Repair Equipment	\$2,732	\$2,855	\$3,015	\$3,125	\$3,213	\$3,380	\$18,320		

Annual Work Plan Year:	FY2011 Budget	FY2012 Forecast	FY2013 Forecast	FY2014 Forecast	FY2015 Forecast	FY2016 Forecast	Total FY2011-16
Subtotal	\$2,732	\$2,855	\$3,015	\$3,125	\$3,213	\$3,380	\$18,320
Business Facilities Equipment							
CIP 028 Materials Handling Equipment	\$0.158	\$0.139	\$0.144	\$0.149	\$0.153	\$0.158	\$0.901
CIP 029 Warehouse Vertical Storage Units/Shelving	0.675	0.695	0.600	0.622	0.766	0.660	4.018
Subtotal	\$0.833	\$0.834	\$0.744	\$0.771	\$0.919	\$0.818	\$4,919
Subtotal	\$41,147	\$59,263	\$54,765	\$32,426	\$21,123	\$23,769	\$232,493
H Other Facilities							
Business Support Facilities							
CIP 134 Carmen Turner Facility Parking Garage	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
CIP 080 Jackson Graham Building Renovation	3.608	0.000	0.000	0.000	0.000	0.000	3.608
CIP 033 Replacement of Revenue Facility Equipment	0.695	0.266	0.180	0.507	0.409	0.264	2.321
CIP 034 Revenue Collection Facility (RCF) Building Expansion	0.000	1.274	1.320	0.000	0.000	0.000	2.594
Subtotal	\$4,303	\$1,540	\$1,500	\$0,507	\$0,409	\$0,264	\$8,523
MTPD Support Facilities							
CIP 101 Police Substation - New District 2/Training Facility	\$1,296	\$2,524	\$13,014	\$0,544	\$0,000	\$0,000	\$17,379
CIP 102 Police Substation - New District 4	0.000	0.000	0.000	0.000	0.000	0.000	0.000
CIP 100 Police Training Facility	0.831	1.626	8.338	0.341	0.000	0.000	11,136
CIP 106 Special Operations Division Facility	\$2,127	\$4,150	\$21,353	\$0,885	\$0,000	\$0,000	\$28,515
Subtotal	\$6,429	\$5,690	\$22,853	\$1,393	\$0,409	\$0,264	\$37,038
I Project Management and Support							
Program Management							
CIP 130 Program Management	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Subtotal	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Credit Facility							
CIP 131 Credit Facility	\$5,000	\$5,000	\$5,000	\$5,000	\$5,500	\$5,500	\$36,000
Subtotal	\$5,000	\$5,000	\$5,000	\$5,000	\$5,500	\$5,500	\$36,000
Subtotal	\$709,325	\$749,831	\$751,514	\$800,269	\$962,404	\$980,396	\$4,953,739
Total							

**Washington Metropolitan Area Transit Authority (WMATA)
Proposed projects to be funded by PRIIA, June 21, 2010**

Project Name	Project Description	June 21, 2010
Rail Lifecycle Overhaul	These funds will be utilized to overhaul rail components such as, but not limited to, parking brake, truck control, coupler control box, and air compressors. This project will help improve safety to the rail system.	20.0
Station/Tunnel Leak Mitigation	These funds will be utilized to restore and maintain the structural integrity of the tunnel liners, preventing leaks and corrosion of wayside systems and equipment. This project will help eliminate unsafe wet conditions for Metrorail passengers and service delays resulting from water intrusion.	3.1
Elevator Rehabilitation	These funds will be utilized for the rehabilitation, code compliance, and safety upgrades of the oldest and poorest performing elevators. The rehabilitation will incorporate energy saving devices. Funding will help increase the safety and reliability of the elevators.	2.4
Escalator Rehabilitation	These funds will be utilized for the rehabilitation, code and safety upgrades to the oldest and poorest performing escalators. The rehabilitation will incorporate energy saving devices. Funding will help increase the safety and reliability of the escalators.	4.9
Police Emergency Management Equipment	These funds will provide for 14 additional Emergency Tunnel Evacuation Carts (ETEC) and to rehabilitate six of the existing 37 ETECs and Storage Cabinets at Metrorail stations. The carts allow emergency personnel to travel through tunnels to reach emergency scenes and to transport customers and employees to safety. Also included in this project is the procurement of 110 Automatic External Defibrillators. They will automatically diagnose and treat life-threatening cardiac conditions.	0.9
Police Substation - District 2/Training Facility	These funds will be utilized to design and build a MTPD facility. It will serve as a training facility and a sub-station. It will have a training facility, crime scene evidence storage, police interview rooms, and locker rooms. The facility is scheduled to be completed June 30, 2013.	1.3
Special Operations Division Facility	These funds will be utilized to create a permanent facility for the Metro Transit Police Special Operations Division. This division includes the Special Response Team, the Transit Anti-Crime Team, the Auto Theft Unit, K-9 Teams, the Explosive Ordnance Disposal Team and the Motorcycle Unit. The facility is scheduled to be completed June 30, 2013.	0.8

Project Name	Project Description	June 21, 2010
Bus Rehabilitation Program	These funds will utilized to procure components necessary to rehabilitate buses, including but not limited to, electrical and mechanical parts. This project will includes transmission overhaul, engine overhaul, electronic rebuild and small components rebuild.	1.4
Automatic Vehicle Location Equipment Replacement	These funds will begin the replacement of Advanced Vehicle Location (AVL) equipment that was installed on buses prior to 2002. The equipment, which allows monitoring of bus locations, has a life span of 7-10 years. If Metro does not replace obsolete AVL equipment, Metro will not be able to monitor the location of buses with the old equipment.	9.4
Track Welding Program	These funds will provide for the welding of approximately 500 open running rail joints throughout the Metrorail system and to purchase flash butt welding kits. The track welding program will Improve the electrical conductivity of the rail, help eliminate joint defects, reduce noise and wear, reduce maintenance and inspection costs and help minimize cross tie fires.	1.5
Track Floating Slab Rehabilitation	These funds will be utilized to replace failed isolation pads and restore the track structure to the proper elevation for 2,700 linear feet of floating slabs between Benning Road and Addison Road Metrorail Stations. Floating slab drilling and jacking equipment will be purchased. This rehabilitation will help prevent service delays and speed restrictions due to differential settlement of the track structure and reduce noise and vibration to the surrounding building and structures.	1.7
Replacement of Rail Track Signage	These funds will be utilized to procure and install 3,000 markers and 500 safety signs to replace old, illegible rail track graphic signs and various other signs indicating locations and warnings to employees, emergency responders and the general public. Track graphics are essential for safe operations and emergency responses. Many signs throughout the Metrorail System are approximately 30 years old. Some of these signs require upgrading because they are damaged, deteriorated or obsolete.	1.0
Track Pad/Shock Absorber Rehabilitation	These funds will be utilized to maintain the integrity of the track structure by rehabilitating 7,000 linear feet of grout pads on Rhode Island and Minnesota Avenue Metrorail Station Aerials. Grout/plinth pads (concrete pads) located below the track provide elevation and support for the track and track fasteners. They are replaced as needed to restore the track structure to the proper elevation. Improper elevation can result in damage to the car's third rail collector shoes and the vibrations can potentially lead to structural cracking in the surrounding buildings and structures.	4.3
Track Structural Rehabilitation	These funds will be utilized for the rehabilitation of structural components and to restore the track structures, such as elevated platforms, bridges and retaining walls to their designed load carrying capacity. These rehabilitations are critical, as the loss of one of these structures could result in the functional loss of an entire Metrorail line segment. The rehabilitation work includes the anchor bolts of sixty-five (65) bridge piers on Minnesota Avenue Aerial and additional anchor bolts at Grosvenor and I-495. One (1) down and under crane for underbridge inspections and rehabilitation will be procured.	2.3

Project Name	Project Description	June 21, 2010
Track Rehabilitation	These funds will be utilized for the procurement of material and specialized equipment to facilitate the removal and installation of the track and switch panels, which prevents service delays and speed restrictions. Track components (which include running rail, cross ties, direct fixation fasteners, third rail insulators and turnouts) require replacement when, based on industry standards, they become worn or unserviceable due to deterioration, excessive wear, or defects. No. 8 turnouts will be upgraded from unguarded to guarded turnouts based on National Transportation Safety Board recommendations.	44.4
Track Maintenance Equipment	These funds will be utilized for the rehabilitation and replacement of heavy-duty track equipment. Track maintenance equipment is essential to deliver quality service and for the safe and efficient execution of the track rehabilitation work. Timely rehabilitation and replacement of four self-propelled prime movers will ensure equipment reliability, reduce the probability of delays due to equipment breakdowns and allow for efficient use of the right-of-way track time.	17.3
Switch Machine Rehabilitation Project	These funds will be utilized to improve the safety and reliability of the interlocking track structure by replacing 20 switch machines throughout the Metrorail Systems. Switch machines have a normal life expectancy of ten years; all the switches to be replaced have been in service over ten years.	0.9
Rail Rehabilitation Program	These funds will support WMATA's procurement of major repairable rail car components to support the overhaul of essential systems in the fleet. To maintain a state of good performance, major railcar components must be refurbished or replaced on a regular basis. These components include but are not limited to wheels, trucks, brake systems, HVAC and traction motors. Approximately 225 rail cars, or 20 percent of the fleet, will receive major overhauls funded through this project.	12.4
Rail Shop Repair Equipment	These funds will be utilized for the replacement of rail shop equipment that has reached the end of its useful life. Purchases will include approximately 125 pieces maintenance equipment, 48 pieces shop test equipment, and 15 pieces shop machine equipment. Some examples of equipment to be purchased are overhead cranes, rail train lifts, hoists, industrial shop air compressors, service elevators, hoisting mechanisms, wheel truing machines and electrical controls.	2.2
Track Fasteners	These funds will be utilized for the replacement of track fasteners. Deteriorated track fasteners cause stray current and have been found to cause fires in the system. Track fasteners are an integral structural component of the track system that needs to be replaced periodically. Approximately 15,000 track fasteners will be replaced on the Red Line with these funds.	2.1
Wayside Work Equipment	These funds will be utilized for the installation of a safety signaling system at rail portals and other locations to alert personnel to approaching trains. This project will provide for enhanced safety for customers and WMATA personnel.	4.1

Project Name	Project Description	June 21, 2010
Test Track & Commission Facility	These funds will support the design and procurement to construct a test track and commissioning facility that will be utilized for ongoing engineering analysis and enhancements to the fleet, as well as acceptance testing of new railcar procurements. A dedicated facility will be in constant use and will allow testing to be conducted without impacting night-time maintenance activities.	5.2
Bus Garage Facility Repairs Tier 1: Western, Northern and Landover	These funds will support the rehabilitation of Western, Northern and Landover bus garages and other auxiliary facilities, including Metro Supply facility, Landover Open Storage and Blair Road Support Shop. The facilities in this project were originally put in service between 1906 and 1989. Work will include all systems and infrastructure to increase overall safety and efficiency.	18.9
1000 Series Rail Car Replacement	These funds will assist with the design and purchase of 300, 7000 Series rail cars, which will replace all 1000 Series rail cars that were purchased between 1974 and 1978. This project is one component of a long-term fleet plan to avoid repetitive developmental costs associated with new car design and procurement. The replacement of the 1000 Series with the 7000 Series will improve reliability, reduce maintenance and operating costs and incorporate technology and enhancements of newly designed rail cars.	79.3
Rail Car Safety & Reliability Enhancements	These funds will be utilized to assist WMATA with performing engineering analysis, diagnosis, testing and resolution of safety, maintenance and operational issues relating to the railcar fleet and its interaction with track work, automatic train control, communication and power systems. The project work will resolve compatibility issues across the multiple series of railcars and infrastructure related to changes in technology and components. Examples of specific issues to be resolved are emergency exterior door releases, wrong side door openings, and car roll back issues.	12.1
Rail Rehabilitation Tier 1: National Airport to Stadium Armory	This project encompasses engineering and design to begin rail line segment rehabilitation of the Orange/Blue/Yellow Lines from National Airport to New Carrollton which includes 23 Stations with a route mileage of approximately 18.7 miles. Stations scheduled for rehabilitation were completed and put into service between 1977 and 1978. Work to be initiated includes, but is not limited to, traction power, automatic train control and communication upgrades, track fastener replacement, tunnel ventilation, air conditioners, replacing suspended ceiling tiles, canopy roof replacements, platform rehabilitation lighting, public address and CCTV system upgrades.	34.5
Train Control Signal	These funds will be utilized for the initial engineering support for analysis of the train control signaling system.	1.0
FCC Radio Frequency Communication Changes	These funds will help WMATA to meet the new FCC "narrow banding" requirement that affects the agency's UHF radio system. Planned activities include specification development, engineering, prototype testing and project management.	0.2

Project Name	Project Description	June 21, 2010
NTSB Recommendations	This project will allow Metro to implement any forthcoming NTSB recommendations as a result of the ongoing accident investigation.	10.3
TOTAL	Total FFY10/WMATA FY11 Projects	300.0

GENERAL TERMS AND CONDITIONS**A. LIABILITY WAIVER**

WMATA shall be responsible to the extent allowable by law for all damage to life and property due to its activities and those of its employees in connection with the work performed under this Agreement. Even if WMATA is not allowed by law to indemnify, WMATA shall either be sufficiently self-insured and/or carry sufficient insurance which is comparable to the insurance and/or self-insurance maintained by WMATA on similar projects to cover the risks for work performed under this Agreement, its employees, agents and subcontractors. In lieu of carrying insurance for its agents or subcontractors, WMATA may require all its agents or subcontractors who perform any work or activity of any type in connection with this Agreement to carry insurance sufficient to cover the risks for all damage to life and property due to any and all activities in connection with the work performed under this Agreement. However, such insurance does not relieve WMATA of the burden of being self-insured and/or carrying insurance to cover the actions of its employees. Such insurance, purchased by either WMATA or its agents or subcontractors, shall list the Commonwealth of Virginia, the Department, the Virginia Department of Transportation and the officers or agents and employees of these entities as additional insureds. Payment of any funds by the Department shall not waive any of the rights of the Department contained in this section nor release WMATA from any responsibilities or duties contained in this Agreement. Further, to the extent allowable under law, it is expressly understood that WMATA shall indemnify, defend and hold harmless the Commonwealth of Virginia, the Department, the Virginia Department of

Transportation, its officers, agents, and employees from and against all damages, claims, suits, judgments, expenses, actions and costs of every name and description, arising out of or resulting from any negligent act or omission in the performance by WMATA or its subcontractors of the work covered by this Agreement. The obligations of this section shall survive the termination or completion of this Agreement.

B. CONFLICT OF INTEREST

The following shall apply to WMATA since it is not subject to the Virginia Conflict of Interest Act for State and Local Governments, § 2.2-3100 et seq. of the *Code of Virginia* (1950):

1. The following definitions shall apply concerning conflict of interest provisions in this Agreement:

“Contract” or “agreement” means any agreement, including any contract or subcontract, whether written or not, to which WMATA is a party or any agreement on behalf of WMATA, including any subcontract, which involves the payment of funds appropriated by the General Assembly of Virginia distributed pursuant to or subject to this Agreement.

“Employee” means any person employed by WMATA, whether full time or part time.

“Thing of pecuniary value” means any thing having a monetary value including gifts, loans, services, securities, tangible objects, and business and professional opportunities.

2. Other than the salary and remuneration received from WMATA as a normal attribute of employment with WMATA, no employee of WMATA shall solicit,

offer to accept, or accept, any money or other thing of pecuniary value or financial benefit or advantage, for the employee or for any other person, related to this Agreement for any of the following reasons:

a. in consideration of the use of the employee's position or status with WMATA to obtain for any person or business any employment with or any contract with WMATA or with any subcontractor or supplier of WMATA, including any consulting or professional services contract.

b. from any person or business other than WMATA for performing any services for WMATA in connection with any projects funded pursuant to or subject to this Agreement.

c. from any person or business other than WMATA for rendering any decision or directing any course of action in connection with any Projects funded pursuant to or subject to this Agreement.

C. COVENANT AGAINST CONTINGENT FEES

WMATA warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for WMATA, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for WMATA, any fee, commission, percentage, brokerage fee, or other considerations, contingent upon or resulting from the award or making of this Agreement.

D. NON-DISCRIMINATION

1. In the solicitation or awarding of any contracts directly related to this Agreement, WMATA shall not discriminate against a bidder or offeror because of race,

religion, color, sex, national origin, age, disability, or any other basis prohibited by law relating to discrimination in employment.

2. During the performance of this Agreement, WMATA agrees as follows: (a) WMATA will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by law relating to discrimination in employment. WMATA agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause; (b) WMATA, in all solicitations or advertisements for employees placed by or on behalf of WMATA, will state that WMATA, where applicable, is an equal opportunity employer. Notices, advertisements and solicitations placed in accordance with Federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

3. In all solicitations, either by competitive bidding or negotiation made by WMATA for work to be performed under a subcontract including procurement of materials or equipment, each potential subcontractor or supplier shall be notified by WMATA of WMATA's obligations under this Agreement and the regulations relative to nondiscrimination on the grounds of age, race, religion, sex, color, disability or national origin.

E. DRUG-FREE WORKPLACE

1. During the performance of this Agreement, WMATA agrees to (a) provide a drug-free workplace for its employees; (b) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled

substance or marijuana is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition; (c) state in all solicitations or advertisements for employees placed by or on behalf of WMATA that WMATA maintains a drug-free workplace; and (d) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor. For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the Agreement.

F. PERSONS WITH DISABILITIES

WMATA, its agents, employees, assigns or successors, and any persons, firms or agencies of whatever nature with whom it may contract or make an agreement shall comply with the applicable provisions of the Americans with Disabilities Act (42 USC § 12101, *et seq.*, as amended), the terms of which are incorporated herein by reference.

G. SPECIAL CAPITAL PROVISIONS

1. WMATA shall permit the Department or its authorized representatives to inspect at any time all vehicles, facilities and equipment purchased or constructed by WMATA as part of the Project; all transportation services rendered by WMATA using such vehicles, facilities and equipment; and all relevant Project data and records.

2. WMATA shall maintain, in accordance with applicable laws, such insurance or self-insurance as will be adequate to protect Project Facilities or Equipment and persons using such Facilities or Equipment throughout the period of required use.

H. MISCELLANEOUS PROVISIONS

1. This Agreement shall be governed by the laws of the Commonwealth of Virginia, except that in the case of any direct and irreconcilable conflict between Virginia law and the WMATA Compact, the Compact shall govern WMATA's obligations under this Agreement

2. If any term or provision of this Agreement is determined to be invalid, illegal or unenforceable, it shall not affect the legality or validity or enforceability of any other part of this Agreement, and the remaining parts of this Agreement shall be binding upon the parties.

I. UNAUTHORIZED ALIENS

WMATA certifies that it does not, and that it shall not, during the performance of this Agreement, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986 (the "Act"). WMATA will also contractually require any contractors who participate in any Project funded pursuant to this Agreement to comply with this provision. Unauthorized alien means, with respect to the employment of an alien (which is defined as any person not a citizen or national of the United States), at a particular time, that the alien is not at that time either (a) an alien lawfully admitted for permanent residence, or (b) authorized to be so employed by the Act or by the United States Attorney General.