



Finance & Administration Committee

Action Item III-A

October 10, 2013

**FY2014 Budget Amendment for Reimbursable
Project - Silver Line Phase II**

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

Action Information

MEAD Number:
200414

Resolution:
 Yes No

TITLE:

Revised Dulles Phase 2 Project Budget

PRESENTATION SUMMARY:

Request to amend budget for the Dulles Metrorail Project Phase 2.

PURPOSE:

To seek Board approval to amend the Capital Reimbursable Budget by \$99,456,518 for the Dulles Corridor Metrorail Project Phase 2, \$10 million of which is forecasted to be expended in FY2014. With this additional budget authority, the total project budget will increase from \$3,500,000 to \$102,956,518 and the total FY2014 Capital Reimbursable Budget will increase from \$53,400,000 to \$152,856,518. Metro's costs associated with the reimbursable project will be funded by the Metropolitan Washington Airports Authority (MWAA).

DESCRIPTION:

- The Silver Line will extend the Metrorail system 23-miles from East Falls Church to Washington Dulles International Airport and further west to Ashburn, eventually providing a one-seat ride from Dulles International Airport to downtown Washington D.C. and Maryland. The Silver Line is being constructed in two phases.
- MWAA's construction of the 11.5-mile first phase to Wiehle Avenue is nearing completion with revenue operation scheduled to commence in early Calendar Year 2014. As the operator, Metro is recruiting and conducting necessary start up testing and activities to prepare for the opening of Phase 1.

Key Highlights:

- Phase 2 of the Dulles Corridor Metrorail Extension Project (Silver Line) will extend the Silver Line west for an additional 11.4 miles from Wiehle Avenue to the airport and into Loudoun County. On August 7, 2013, WMATA and the Metropolitan Washington Airports Authority (MWAA) executed a Cooperative Agreement for design-build of Phase 2. Construction is scheduled for completion in 2018.
- Under this agreement, Metro will provide design approvals, construction and safety inspections, the procurement of 64 new 7000 railcars, fare collection systems, station signage, and other related equipment and activities. Board

approval of the reimbursable project budget amendment will enable the advancement of the Dulles Corridor Metrorail Project Phase II.

Background and History:

- On January 28, 2010 the Board authorized the GM to negotiate and execute a reimbursable agreement with MWAA for the Dulles Corridor Metrorail Project Phase 2.
- The Board also approved the establishment of a reimbursable project with initial budget of \$3.5 million for Preliminary Engineering for the project.
- On May 27, 2010 the Board approved award of the 7000 series Railcars that included the 128 for Dulles Phase 1 and Phase 2.
- On August 7, 2013, WMATA and MWAA executed the negotiated Cooperative Agreement that provides support throughout the design-build of the project.

Discussion:

The Phase 2 agreement has satisfactorily resolved several "lessons learned" that had to be addressed during Phase 1. The key mutually agreed upon improvements in the Phase 2 agreement are:

- Inclusion of a Rail Activation Plan that forms the basis for determining when Phase 2 meets the Operational Readiness Date;
- Clearly defined WMATA and MWAA coordination on activities leading to the determination of Substantial Completion and Operational Readiness in order to minimize the period of time between these two milestones;
- Inclusion of a more defined process for review and approval of design changes/modifications; and
- Improved Safety Certification process with WMATA participating as a member of the Safety Certification Working Group and in ongoing field inspections; greater involvement in inspecting the construction work and witnessing testing.

FUNDING IMPACT:

Program:	Capital Reimbursable Project
Project:	Dulles Phase 2
Project Manager:	Ildefonso Burgos
Project Department/Office:	TIES/CENI
Original Budget:	\$3,500,000
Current Budget:	\$3,500,000
Board Action Request:	\$99,456,518
New Budget:	\$102,956,518
Remarks:	Increase of \$99,456,518

TIMELINE:

Previous Actions	January 28, 2010 - Board approved establishment of Dulles Phase II Project May 27, 2010 - the Board approved award of the 7000 series Railcars that included the 128 for Dulles Phase 1 and Phase 2 August 7, 2013 - WMATA and MWAA executed the Cooperative Agreement
Anticipated actions after presentation	

RECOMMENDATION:

Approval to increase the Capital Reimbursable Budget by \$99,456,518 to advance the Dulles Corridor Metrorail Project - Phase 2.



Washington Metropolitan Area Transit Authority

Dulles Corridor Metrorail Project - Phase 2 Budget

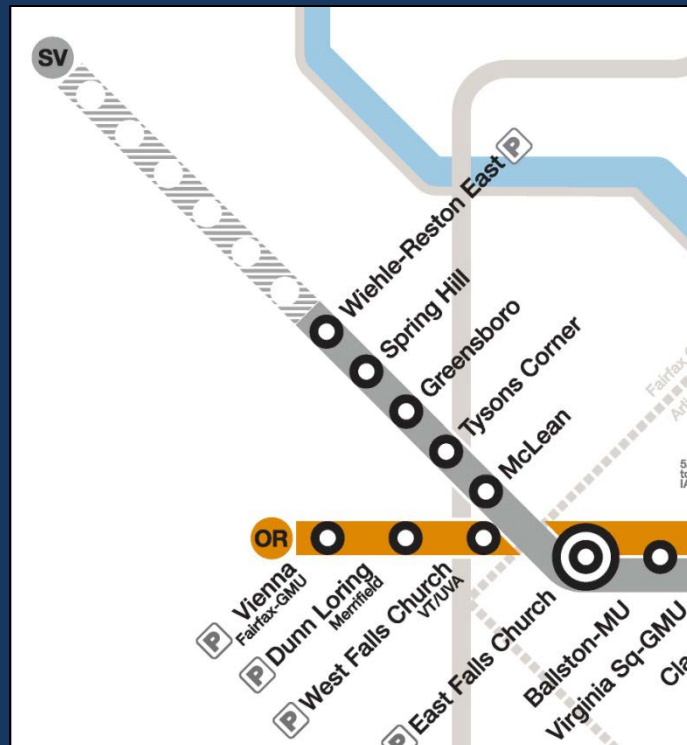
Finance, Administration and Oversight Committee

October 10, 2013



Purpose

- Increase Capital Reimbursable Budget for the Dulles Corridor Metrorail Project Phase 2 by \$99,456,518





Background

- January 2010 Board approved establishment of reimbursable project for \$3.5M
- May 2010 Board approved the award of 128 new 7000 series railcars for Phase 1 and 2
- August 2013 WMATA and MWAA executed the negotiated Cooperative Agreement for Phase 2



Project Activities

Project Activity	Budget (in millions)
Technical Support	\$50.9
Automatic Fare Collection	\$13.2
Tie-in Activities to WMATA Existing System	\$10.4
Non-Revenue Vehicles and Equipment	\$9.3
Force Account	\$9.0
Signage, Arts-in-Transit, & Project Admin.	\$6.7
Total	\$99.5



Recommendation

Approval to:

- Increase Capital Reimbursable Budget for the Dulles Corridor Metrorail Project Phase 2 by: \$99,456,518



SUBJECT: DULLES CORRIDOR METRORAIL PROJECT – PHASE 2

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

WHEREAS, The Board of Directors established a reimbursable project entitled Dulles Metro Rail Extension Phase 2 and initial project budget of \$3.5M; and

WHEREAS, Phase 2 Reimbursable Agreements cover preliminary engineering and design-build phases of the project and establish a budget; and

WHEREAS, On August 7, 2013, the Washington Metropolitan Area Transit Authority (WMATA) and the Metropolitan Washington Airports Authority (MWAA) executed the negotiated Cooperative Agreement that provided support throughout the design-build phase of the project; and

WHEREAS, It is essential, as the future owner and operator of Phase 2, that WMATA review and approve designs prepared during preliminary engineering to ensure compliance with WMATA's design criteria and standards and operating requirements; and


WHEREAS, MWAA has awarded a 5-year contract for construction of Phase 2 with the understanding that WMATA staff will participate in all aspects of Design, Construction and Implementation of the Rail Extension Phase 2; now, therefore be it

RESOLVED, That the Board of Directors amend the Capital Reimbursable budget to add \$99,456,518 for the Dulles Corridor Metrorail Project Phase 2; and be it further

RESOLVED, That the Board of Directors increase the FY2014 Capital Reimbursable budget from \$53,400,000 to \$152,856,518; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Kathryn H.S. Pett
General Counsel

WMATA File Structure Nos.:
4.3.3 Reimbursable Agreements
12.7.1 Infrastructure Agreements

PROPOSED