

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:
202017

Resolution:
☒ Yes ☐ No

TITLE:

Use of Montgomery County Parking Surcharge Funds

PRESENTATION SUMMARY:

Montgomery County seeks Board approval to use up to \$1.5 million of the parking surcharge reserve account funds for Wheaton parking garage improvements.

PURPOSE:

Approval to use up to \$1.5 million of Montgomery County's parking surcharge fund to make improvements to the parking garage at Wheaton Metro Station.

DESCRIPTION:

Metro staff and Montgomery County have identified security and other improvements that both desire to see made to the parking garage located at Wheaton Metro Station. The proposed source of funding for these improvements is Montgomery County's Parking Surcharge reserve account, which funds would be used to support a reimbursable project that is managed and implemented by Metro.

Since the parking surcharge agreement by and between Metro and Montgomery County requires Board approval for the use of parking surcharge funds, and because reimbursable projects over \$500,000 require Board approval, staff is seeking Board approval to use up to \$1.5 million in parking surcharge funds to renovate the parking garage at the Wheaton Metro Station.

Key Highlights:

- Metro and Montgomery County have a Parking Surcharge Agreement, by which parking surcharge revenue is used to support bonds that are issued by Montgomery County to build and improve Metro parking garages.
- Montgomery County has requested use of up to \$1.5 million of the \$10.9 million parking surcharge reserve fund to pay for improvements to the Wheaton Metro Parking Garage.

- Metro staff have reviewed and concur with the scope and estimated costs of the plans.

Background and History:

Montgomery County is constructing a 308,000 square foot government office building at Wheaton Metro Station, which will house approximately 1,000 County employees. The project includes a new civic plaza between the office building and the Metro Station, creating a seamless public area between the two. As part of the overall project, Montgomery County will construct a new pedestrian bridge from the Metro parking garage elevator to the public plaza, and will install new bike racks. Montgomery County proposes to pay for the installation by WMATA of security cameras, upgrading the power capacity, and other garage improvements using their parking surcharge reserve fund.

Discussion:

The parking surcharge program is one in which each local jurisdiction may elect to add a surcharge to Metro's base parking rate to support government-issued bonds to build and improve parking garages at Metrorail stations.

By agreement with Montgomery County, the parking surcharge revenue supports bonds to build new Metro parking garages and to otherwise support the continued financial and physical well-being of those garages. The 1999 Amended and Restated Parking Surcharge Agreement between Metro and Montgomery County provides the terms and conditions under which the parking surcharge revenue may be used, including the requirement to seek Metro Board approval to use such funds. The improvements proposed qualify as a use provided within the parking surcharge agreement.

The Montgomery County parking surcharge account has a balance of \$10.9 million (as of June 30, 2018, the most recent date for which an accounting is available). Average annual parking surcharge fees earned for Montgomery County is \$4.2 million, while annual debt service is approximately \$3.5 million. With earned interest, the account generated more than \$800,000 net cash flow in FY2018. Adequate funds exist in the parking surcharge fund to accommodate the use of \$1.5 million for the Wheaton parking garage improvements.

Use of funds in parking surcharge reserve account must be authorized by both Montgomery County and Metro's Board of Directors. Attached is a letter from Montgomery County requesting use of their parking surcharge funds. If the Board approves the use of the parking surcharge funds, Metro staff would add a reimbursable project to the Fiscal Year 2019 Capital Budget and Capital Improvement Program and then perform the work to improve the garage, subject to any necessary project agreements to be negotiated and agreed to between Metro and Montgomery County.

FUNDING IMPACT:

The source of funding is the Montgomery County parking surcharge reserve account and not Metro's capital or operating budgets.	
Project Manager:	Belinda Barrett, Program Manager, Parking Operations
Project Department/Office:	CFO/LAND

TIMELINE:

Previous Actions	1999 - Metro and Montgomery County executed the Amended and Restated Parking Surcharge Agreement to govern the collection and use of parking surcharge revenues. 2018 - Metro and Montgomery County execute an easement agreement to use portions of Metro's Wheaton Metro Station property for improvements by and access to Montgomery County's new government center.
Anticipated actions after presentation	Spring 2019 - Start work on parking garage. Early 2020 - Montgomery County's government office building opens.

RECOMMENDATION:

Approval to use up to \$1.5 million of Montgomery County's parking surcharge fund to make improvements to the parking garage at Wheaton Metro Station.

Authorize the General Manager and Chief Executive Officer to negotiate and execute such agreements as are necessary to implement the project.

Amend the Metro Fiscal Year 2019 Capital Budget and Capital Improvement Program to include a reimbursable project for the Wheaton parking garage improvements.

SUBJECT: APPROVAL OF ALLOCATION OF UP TO \$1.5 MILLION IN MONTGOMERY COUNTY'S PARKING SURCHARGE RESERVE ACCOUNT FUNDS FOR A REIMBURSABLE PROJECT TO IMPROVE THE WHEATON METRORAIL STATION PARKING GARAGE

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

WHEREAS, Resolution 88-67 and the Amended and Restated Surcharge Implementation Agreement between the Washington Metropolitan Area Transit Authority (WMATA) and Montgomery County, Maryland requires WMATA Board of Directors' approval to use surplus funds in the parking surcharge reserve account; and

WHEREAS, Resolution 2011-30 requires Board of Directors' approval for entering a reimbursable project agreement for work exceeding \$500,000; and

WHEREAS, Surplus funding is available in the Montgomery County parking surcharge reserve account to fund a \$1.5 million reimbursable project with WMATA to make certain improvements to the Wheaton Metrorail Station parking garage; and

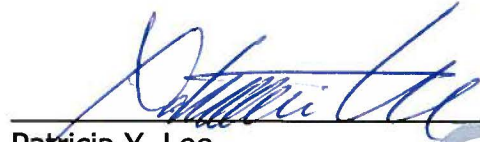
WHEREAS, The proposed arrangement requires an amendment to the WMATA Fiscal Year 2019 Capital Budget to include the new project; NOW, THEREFORE, be it

RESOLVED, That the Board of Directors authorizes the General Manager and Chief Executive Officer (GM/CEO) or his delegate to negotiate and execute such agreements as are necessary to authorize the use of up to \$1.5 million from the Montgomery County parking surcharge reserve account for improvements to the Wheaton Metrorail Station parking garage; and be it further

RESOLVED, That the GM/CEO or his delegate is authorized to establish a new Wheaton Metrorail Station parking garage reimbursable project in an amount not to exceed \$1.5 million; and be it finally

RESOLVED, That this Resolution shall be effective 30 days after adoption in accordance with Section 8(b) of the WMATA Compact.

Reviewed as to form and legal sufficiency,



Patricia Y. Lee
General Counsel

WMATA File Structure Nos.:

4.3.3 Reimbursable Agreements

12.8.4 Parking Facility Surcharges

PROPOSED