

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:
202167

Resolution:
☒ Yes ☐ No

TITLE:

Potomac Yard Reimbursable Project Amendment

PRESENTATION SUMMARY:

Authorize an amendment to the Potomac Yard Reimbursable Project Agreement and amend the budget for the Potomac Yard Metrorail Station Project to enhance access to the Station

PURPOSE:

Board approval is being sought to increase the reimbursable project budget for the Potomac Yard Metrorail Station project, make appropriate changes to the Jurisdictional Reimbursable amounts shown in Resolution 2020-09, and authorize the GM/CEO to negotiate and execute a revision to the reimbursable funding agreement with the City of Alexandria.

DESCRIPTION:

The City of Alexandria has added \$50 million to the project as noted below. This action requires an increase to the WMATA project budget. The majority of the additional funding will increase the contract expenditures with Potomac Yard Constructors, for the incorporation of the upgrades. WMATA's project team is supported by Gannett-Fleming, AECOM, HNTB, & WSP. The City of Alexandria's project team is supported by ATCS.

Key Highlights:

The Potomac Yard Metrorail Station Project will be expanded to include an enhanced southwest access funded as a reimbursable project.

Background and History:

The Potomac Yard Metrorail Station will be a new infill station on the Blue/Yellow Lines between Ronald Reagan Washington National Airport and Braddock Road stations. The new station will improve accessibility to the Potomac Yard area and address existing and future travel demand in the area resulting from the ongoing development of Potomac Yard. The Board approved the addition of the station to the adopted regional system in 2015 and

approved the budget for design and construction in 2018. The project is fully funded by reimbursable agreement with the City of Alexandria. Construction is underway.

While the project was originally solicited with a scope that included the southwest access, pricing received during the procurement was deemed to be unaffordable within the project budget at that time. The southwest entrance was deleted from the contract. The Commonwealth of Virginia subsequently contributed additional funding to support the project and made it possible to restore southwest access.

Discussion:

Pricing received during the procurement of the contract for the design and construction of the station was deemed to be unaffordable. As a result, the south entrance was deleted from the contract. After Amazon announced its intent to build its second headquarters in Crystal City, the Commonwealth of Virginia announced a plan to build a Virginia Tech Technology campus in the north end of the City of Alexandria and also provided \$50 million to the City of Alexandria to enhance the access to the Potomac Yard Station from the neighborhood southwest of the station. A change order was issued to the contractor for the preparation of designs to better understand the costs of various options under consideration. Ultimately a design alternative was selected and WMATA and the contractor ultimately agreed to a price for the costs of improving access to the station from the neighborhood southwest of the station.

The costs of the enhanced access are within the funding allotted by Virginia but are not within the current project budget. The City of Alexandria approved the \$50 million budget increase on April 18, 2020. Therefore, the WMATA project budget needs to be increased and the reimbursable Funding Agreement between WMATA and the City of Alexandria must also be amended.

This work is not expected to extend the project completion timeline beyond the currently scheduled Spring 2022.

FUNDING IMPACT:

This action will increase the Potomac Yard project budget by \$50 million, from \$290 million to \$340 million and increase the FY 2021-2026 Jurisdictional reimbursable amounts shown in Resolution 2020-09 by the same amount. All costs associated with advancing the project will be funded by the City of Alexandria through a reimbursable project agreement. The increase in expenses is anticipated to impact FY22 and 23.

In the event that revised forecasts indicate an anticipated increase in FY21 expenses, additional Board action may be required.

Project Manager:	Fred Robertson
Project Department/Office:	CAPD/PICO/NNRF

TIMELINE:

Previous Actions	Spring 2018 – The Board approved an increase to the Project budget of \$279 million for the design and construction of the Potomac Yard Station. Project budget increased from \$11 million to \$290 million.
Anticipated actions after presentation	Summer 2020 – Revise Funding Agreement with the City of Alexandria. Finalize contract modification for the added work.

RECOMMENDATION:

Board approval to: 1) increase the Potomac Yard Station project budget by \$50 million for design and construction of Southwest Access, 2) authorize the GM/CEO to negotiate and execute funding agreement with City of Alexandria, and 3) amend FY 2021-2026 Jurisdictional reimbursable amounts shown in Resolution 2020-09 to account for the increased budget for the project.

SUBJECT: AMENDMENT OF FISCAL YEAR 2021-2026 POTOMAC YARD REIMBURSABLE PROJECT BUDGET AND AUTHORIZATION TO AMEND POTOMAC YARD REIMBURSABLE AGREEMENT

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

WHEREAS, Resolution 2011-30 requires Board approval of all reimbursable agreements over \$500,000; and

WHEREAS, In June 2018, WMATA entered into a reimbursable agreement with the City of Alexandria for the construction of the Potomac Yard Metrorail Station; and

WHEREAS, The City of Alexandria wishes to add an enhanced southwestern entrance to the Potomac Yard Metrorail Station and will contribute \$50 million for that work; and

WHEREAS, Attachment G to Resolution 2020-09 provided a fiscal year (FY) 2021-2026 Jurisdictional Reimbursable total of \$283 million, of which \$220 million represented the Potomac Yard Metrorail Station reimbursable project, and both amounts must be increased to provide additional funds for the southwestern entrance;

NOW, THEREFORE, be it

RESOLVED, That the total amount of the FY 2021-2026 Jurisdictional Reimbursable total is increased from \$283 million to \$333 million and the Potomac Yard Metrorail Station reimbursable project is increased from \$220 million to \$270 million; and be it further

RESOLVED, That the General Manager and Chief Executive Officer is authorized to negotiate and execute an amendment to the Potomac Yard Metrorail Station reimbursable agreement to implement the increased budget and project scope for the Potomac Yard Metrorail Station; and be it finally

RESOLVED, That this Resolution shall be effective immediately in order to timely amend the reimbursable project agreement.

Reviewed as to form and legal sufficiency,

/s/
Patricia Y. Lee
Executive Vice President and General Counsel

WMATA File Structure No.:
4.3.3. Reimbursable Agreements