

Washington Metropolitan Area Transit Authority

Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:
203406

Resolution:
☐ Yes ☒ No

TITLE:

Acceptance of OIG's Report

PRESENTATION SUMMARY:

The Office of Inspector General is presenting a Management Assistance Report (MAR) based on an allegation of wasteful spending of federal funds.

PURPOSE:

The Executive Committee's acceptance of OIG's report entitled: Management Assistance Report - WMATA Crane Purchase (MAR-23-0001)

DESCRIPTION:

N/A

Key Highlights:

OIG reviewed allegations of wasteful spending of federal funds involving WMATA'S procurement of a \$3.8 million 35 Ton Crane-Rail Bound that did not perform as intended.

Background and History:

On September 17, 2010, Cranemasters, Inc. (Cranemasters) was awarded a contract to build a 35 Ton Crane-Rail Bound (RC35). The contract obligated Cranemasters to meet contract specifications and specified delivery times of the crane. Although RC35 was briefly utilized by WMATA, albeit unauthorized, in WMATA's view it failed to perform as intended and did not meet WMATA's engineering acceptance safety and performing requirements.

OIG reviewed the background of the award and how various WMATA departments addressed the procurement; the contract technical specifications and performance issues and associated safety concerns with RC35. Our findings are detailed in this report.

Discussion:

OIG made two recommendations and WMATA agreed with both.

Recommendation 1: Follow WMATA safety protocols regarding unsafe equipment and apply them to the RC35.

WMATA Response: CTEM has locked out and tagged out the RC35 on September 8, 2022. The keys to the vehicle are secured in a limited access lockbox and the crane is now secured and unusable by WMATA employees.

Recommendation 2. Make a determination if RC35 can be utilized or must be disposed.

WMATA Response: WMATA will perform an analysis to identify the most cost-effective way to dispose of the RC35 crane December 15, 2022. Once the analysis is complete, WMATA will work to execute the plan to dispose of the RC35 and will notify OIG when disposal occurs.

FUNDING IMPACT:

Potential loss of \$3.8 million in federal funds

TIMELINE:

Anticipated actions after presentation: Executive Committee's acceptance of this report.

RECOMMENDATION:

Executive Committee accepts OIG's report.

Acceptance of the final report constitutes the Board's authorization to post the report on the WMATA OIG website provided the Inspector General has conferred with the General Counsel and confirmed that any private or confidential information has been redacted in accordance with applicable law and WMATA policy.