



Finance and Capital Committee

Information Item III-B

November 17, 2022

FY2023 First Quarter Capital Budget Update

Washington Metropolitan Area Transit Authority

Board Action/Information Summary

☐ Action ☒ Information

MEAD Number:
203407

Resolution:
☐ Yes ☒ No

TITLE:

Capital Improvement Program Update

PRESENTATION SUMMARY:

Staff will provide an overview of the Capital Improvement Program featuring progress and highlights from the first quarter of FY2023.

PURPOSE:

To communicate progress and achievements of the Capital Improvement Program and to provide insight on how these investments are improving the customer experience and enhancing the system's safety, state of good repair, and effectiveness and efficiency.

DESCRIPTION:

Please see the attachment for a list of major vendors associated with the Metro Capital Improvement Program.

With the help of Dedicated Funding, Federal Passenger Rail Infrastructure Improvement Act (PRIIA) Funding, Infrastructure Investment and Jobs Act (IIJA) Funding, and local government contributions, Metro has embarked on an aggressive rehabilitation program to improve the customer experience, state of good repair, and efficiency across all modes of service. Progress is being made, and there is both more to do and on-going effort required to maintain a safe, reliable, and efficient system.

Key Highlights:

- FY2023 capital programs and projects are on-pace to invest approximately \$2.5 billion in the rehabilitation, maintenance, and modernization of the Metro System.

Background and History:

Metro's Capital Improvement Program (CIP) invests in capital projects and programs necessary to the safe and efficient operations of the Metrorail, Metrobus, and MetroAccess services. The CIP includes six investment categories and plans work over six years – the budget year and five planning

years. Funding for the CIP is provided by the Compact Signatories – the State of Maryland, the District of Columbia, and the Commonwealth of Virginia – through Dedicated Funding and match to the Passenger Rail Infrastructure Investment Act. The FY2024 to FY2029 CIP will assume continued increases in Federal funding associated with the Infrastructure Investment and Jobs Act, beginning with an approximately \$125 million increase in formula grants in FY2024.

Another significant source of funding is Federal Formula and Discretionary grants. Funding to match Federal grants and system performance funding is provided by the contributing local jurisdictions. Finally, Metro issues debt, backed by Dedicated Funding to address any shortfall in funding needs after the other funding sources are applied.

In December, staff will present the Board with a FY2024 Capital Budget and a Six-Year CIP that anticipates continued Jurisdictional funding, including up to 3% increases in Jurisdictional Capital Contributions, and continuation of state and Federal PRIIA funding through the planning period. In addition to these baseline assumptions, Metro anticipates leveraging Dedicated-Funding backed debt to address additional funding needs in the CIP in the near term.

Discussion:

The programs and projects funded in FY2023 focus on improving service, the customer experience, maintaining a state of good repair, and addressing critical infrastructure needs. In preparation of the FY2024 to FY2029 CIP for consideration by the Board this fall, the focus remains the provision of reliable transit that meets our customers' needs. The CIP invests in safety, state of good repair, and resiliency projects across all Metro operations and departments: Rail; Bus/Paratransit; and Operations and Business Support.

CIP investments promote reliability, improve asset performance, and increase the overall safety of WMATA's infrastructure. Examples include, but are not limited to, maintaining average fleet age in bus, paratransit, and rail fleets; improving reliability of elevators and escalators; modernizing bus garages, rail maintenance facilities, and administrative offices; and providing a more comfortable, safer ride to customers. Some capital investments reduce future operating costs by updating equipment to more efficient models, reducing energy consumption, or changing to a less impactful fuel.

Since Fiscal Year 2019, Dedicated-Funding backed debt each year has provided funding to address a portion of planned CIP investments. Of the \$500M of dedicated funding provided each year, approximately \$470M is available for use as debt service due to restrictions placed on the use of the remaining funds. The FY2024 to FY2029 CIP will reevaluate the continuing availability of dedicated funding as a source for debt service. Factors impacting these projections include anticipated need for funding and anticipated market forces at the time of debt issuance.

Staff will continue to work collaboratively and cooperatively with internal and external stakeholders in developing the FY2024 to 2029 CIP in an effort to balance the availability of funding, the need to address previously unfunded needs, and the ability to deliver quality, on-time projects and programs.

Metro's CIP is developed for budgeting purposes with one execution year and five planning years. In addition to the CIP, a ten-year plan outlines future need requirements without funding constraints. To support the budget and need requirements, staff will provide more frequent lookahead communications regarding upcoming projects and any special service needs that result in major service disruptions. Efforts will also be made to coordinate project delivery with regional partners. As with planned budgets, plans for project delivery are less certain the further out one looks, and come into sharper focus as projects are packaged, contracted, and prepared for execution.

Capital Projects Updates

Capital programs and projects are achieving results by addressing critical infrastructure needs, improving customer experience, and maintaining a state of good repair.

- **Platform Rehabilitation Phase 4** – This project benefits approximately 91,000 daily riders, enhances the customer experience and improves safety and security with new signage, lighting, and public announcement system.
- **Yellow Line Tunnel & Bridge Rehabilitation** – This project reduces risk of failure and increases safety for Metrorail riders traveling between L'Enfant Plaza and Pentagon stations by undertaking repairs. This project illustrates some of the challenges associated with performing complex projects where access to the work site is limited. Also, the scope of the effort and associated workforce and equipment costs were underestimated.
- **Northern Bus Garage Replacement** – The project reconstructs the current building into a modern bus facility while preserving the historic 14th Street façade. The new garage will house 150 buses and include infrastructure needed to support a future electric bus fleet, as envisioned under Metro's zero-emission bus plan. To lessen impacts on the community, Art-in-Transit fencing will remain in place through construction.
- **Bladensburg Bus Garage Replacement** – The garage reconstruction will modernize the facility and is anticipated to improve bus fleet operations and maintenance. Creating 200 40-foot-long bus spaces, 100 articulated bus spaces, and employee parking, and allocating space for future electric bus infrastructure, the project is consistent with Metro's zero-emission bus plan. To lessen impacts on the community, Art-in-Transit fencing will remain in place through construction.

- **Partnering to Advance Metrobus Priority Improvements** – Work continues to advance on transit signal priority, queue jumps, and dedicated bus lanes to enhance the customer experience through frequent, faster and more reliable bus service.
- **Potomac Yard Station** – This reimbursable capital illustrates challenges of staffing technical experts when those skills are in high demand. The project also highlighted the complexity of connecting to Metro train control.

FUNDING IMPACT:

No funding impact from presenting this information item.

TIMELINE:

| | |
|---|---|
| Previous Actions | None |
| Anticipated actions after presentation | <p>December 2022 – Present Proposed Capital Budget and Six-Year Capital Improvement Program, 10-year capital plan</p> <p>Spring 2022 – Adopt FY2024 Capital Budget and Six-Year Capital Improvement Program</p> |

RECOMMENDATION:

No recommendation is associated with this information item.

The following parties may have an interest in the decisions made by the Board with regard to these topics:

22nd Century Technologies Inc
A & K Railroad Materials Inc
Academy Express, LLC
Accelera Solutions, Inc.
Accenture LLP
A-Connection, Inc.
Adaptaspace Inc
Admiral Elevator Co., Inc.
ADP Consultants, Inc.
Advanced Digital Systems, Inc.
AECOM Technical Services Inc
AECOM, USA, INC.
AECOM-STV JV
Alan Tye & Associates L.C.
Aldridge Electric Inc
Alstom Signaling Inc
Alstom Transportation Inc
Amaram Technology Corporation
American Truck & Bus, Inc.
Ampcus Incorporated
ANC Sports Enterprises LLC
Anixter Wire And Cable
Annuk Incorporated
Apex Consulting Services Group, Inc
ARINC Incorporated
Arora Engineers Inc
AROW Global Corporation
Artbridge LLC
Atlantic Graphic Systems Inc
Atlantic Hardware Supply
Atlantic Refinishing & Restoration Inc
Atlantic Tactical, Inc.
Atlantic Track & Turnout Co
Avaya Inc
B&C Transit Consultants Inc.
Badger Mill Supply Corp
Benning Power Electronics Inc
Benons LLC dba Falcon Transport
Better Engineering Mfg Inc
Beveridge & Diamond PC
Birlasoft Consulting Inc.
Biswas Information Technology Solutions
Brian Hoskins Ford

Bullock Construction Inc
Business Marketers Group Inc
C C Johnson & Malhotra PC
C N Robinson Lighting Supply
C3M Power Systems, LLC
Cambridge Systematics, Inc.
Canon Solutions America Inc
Carahsoft Technology Corp
CAS Severn Inc
CDW Direct LLC CDW Direct
Center for Transportation & Environment
CH2M HILL Inc
CHK America Inc
CHYP USA, Inc.
Clark Construction Group, LLC
CLAVIS LLC
Clearing Inc
Clever Devices Ltd
Clever Devices Ltd.
Compass Solutions LLC
Comtech LLC
Concrete Protection & Restoration, Inc.
Consolidated Construction & Engineering
Copper River Information Technology
CRADLE SYSTEMS, LLC
Criswell Chevrolet
Crowe LLP
CSI Engineering P C
Cubic Transportation Systems Inc
Cubic Transportation Systems Inc.
Cummins Inc.
Cummins, Inc.
CW Professional Services LLC
Dartco Transmission Sales & Service, Inc
Dell Marketing LP
Delta Railroad Construction
DHA/RK&K Joint Venture
Digging & Rigging, Inc.
Digital Mobile Innovation LLC
Dillons Bus Service Inc
Dimension Data North America, Inc.
Diversified Property Services Inc
DJB Contracting Inc

DK Consulting LLC
DLT Solutions, LLC
EastBanc Technologies, LLC
Eastern Lift Truck Company Inc
ECS Corporation
Edward Kocharian & Co Inc
Elegant Enterprise Wide Solutions, Inc.
Emagine IT, Inc.
ENSCO Rail, Inc.
Ernst & Young U.S. LLP
ERP Analysts Inc.
ETAP Automation - USA
Everbridge Inc
Evergreen Specialty Services
eVigilant Security
F.H. Paschen, S.N. Nielsen & Assoc., LLC
Five Points Infrastructure Services, LLC
Four LLC
Four Nines Technologies
Freyssinet LLC
Fundacion Fomento Innovacion Industrial
Gannett Fleming Engineers and Architects
Gannett Fleming-Parsons Joint Venture II
GENFARE
Gensco American Inc.
Gillig LLC
Giro Inc
Glebe Electronics Inc
Global Networks, Inc.
GRAINGER
Graybar Electric Co Inc
Hands On, LLC
Happy Valley Intermediate Holdco Inc
Harbor Roofing and Contracting, Inc.
HARSCO Metro Rail LLC
Helix Electric Inc
Hensel Phelps Construction Co
Herc Rentals Inc.
HITACHI Rail STS USA, Inc.
Hitachi Rail Washington LLC
HNTB Corporation
Hogan Lovells US LLP
HR&A Advisors Inc
IBI Group Professional Services USA Inc
Ideal Electrical Supply Corp
Ideal ERP, LLC

immixTechnology Inc
InfraStrategies LLC
Insight Public Sector, Inc.
International Process
Jacobs Engineering Group, Inc.
Jesco, Inc
Johnson & Towers
Johnson & Towers Baltimore Inc
Johnson, Mirmiran & Thompson Inc.
Jones Lang LaSalle Americas Inc
Jones Lang Lasalle Brokerage Inc
K Neal International Trucks Inc
K&J Consulting Services Inc
Kambrian Corporation
Kawasaki Rail Car Inc
KCI Technologies Inc
KGP Design Studio LLC.
KGP Design Studio, LLC
Kiewit Infrastructure Company
Kimley-Horn and Associates, Inc.
Kone Inc
KORBATO
KPMG LLP
Kupper Engineering, Inc.
LanceSoft Inc
LATA Test Engineering Advisory
Lawson Concrete LLC
Laz Parking Mid-Atlantic, LLC
Limbic Systems Inc
Lindsay Ford LLC
Linear Systems Inc
Los Alamos Technical Associates Inc
Louis Berger (DC), PLLC/Urban Engineers
LTK Engineering Services
Luminator Technology Group, Inc.
Lytx, Inc.
M & M Welding & Fabricators Inc
M.C. Dean, Inc.
Mac Products Inc
Maintenance Solutions, Inc.
Massachusetts Institute of Technology
Mb Staffing Services LLC
Mead and Hunt Inc
Merak North America
Metro Paving Corporation
Mobilight International, Inc.

Modine Manufacturing Company
Motorola Solutions Inc.
Mott MacDonald I&E, LLC
Mott MacDonald-WSP Joint Venture
MVS, Inc.
Mythics, Inc.
Needles Eye
Net Consulting Group Inc
Networking for Future, Inc. (NFF, Inc.)
New Flyer of America Inc
North Carolina Granite Co
North Eastern Bus Rebuilders Inc.
Novacoast Federal Inc
NuAxis Innovations, LLC
Optiv Security Inc.
Origami Risk LLC
Orion Management LLC
OTAS Inc
Outfront Media Group LLC
Paramount Mechanical Corp
Parkmobile LLC
Parsons Transportation Group Inc
Patuxent Roofing and Contracting, Inc.
Phillips Corporation
Piping and Corrosion Specialties, Inc.
Potomac Construction Co Inc
Potomac Yard Constructors
Powersolv Inc
Precision Escalator Products
Price Modern LLC
Procore Technologies, Inc.
Professional Management Consulting
Progress Rail Services Corporation
Protran Technology a Division of Harsco
Prysmian Group Specialty Cables LLC
R&M USA Inc.
Racine Railroad Products Inc
RailComm
Railquip
rdg, Inc.
RemacUSA, Inc.
Rescue One Training for Life
RK Chevrolet, Inc.
RK&K
RPS Corporation
Safeware Inc

Saft America Inc
Samsara Inc
Schneider Electric Critical Systems, Inc
Sharp And Company
Sierra-Cedar, Inc.
Signature Renovations LLC
Signature Technologies, Inc.
Simmons Machine Tool Corp
Singleton Electric Company, Inc.
Sirius Computer Solutions
Skanska USA Civil Southeast Inc
Snap On Tools Company
Software Information Resource Corp SIRC
Software Information Resource Corporation
Solar Star Track Anacostia LLC
Sonny Merryman Inc.
Sortac Systems LLC
Sovereign Hydroseal East Inc
SS&C Technologies, Inc.
ST ONGE COMPANY
Standard Steel LLC
Staples Business Advantage
Steven Goodrich/City Construction LLC
Stillwater Communications
Stillwater Construction Group
STraffic America LLC
Summitville Tiles Inc
Sun Management, Inc.
Susan Fitzgerald & Associates, Inc.
Swiftly, Inc.
Swingmaster Corporation
SyApps LLC
TechnoGen, Inc.
The Aftermarket Parts Company LLC
The Behavioral Insights Team
The Matthews Group, Inc. T/A TMG Construction
The NEFCO Corporation
TMAKm Joint Venture
Tompkins/Mid-American JV
Transit Information Products
Transportation Management Service Inc
Trapeze Software Group Inc
Trigyn Technologies, Inc.
Trumble Construction, Inc.
Unitrac Railroad Materials, Inc.
Universal Interiors LLC

URS Corporation
V Group Inc
Verint Americas Inc
VHB - Vanasse Hangen Brustlin, Inc.
Via Transportation Inc
Viva USA Inc
Vivsoft Technologies LLC
W M Schlosser Co Inc
Western Star Trucks of Delmarva, LLC
White Cap
Wiley Rein LLP
Willis Towers Watson Northeast Inc
WSP USA Inc.
Wycliffe Technologies, Inc.
Yankee Line Transportation Management

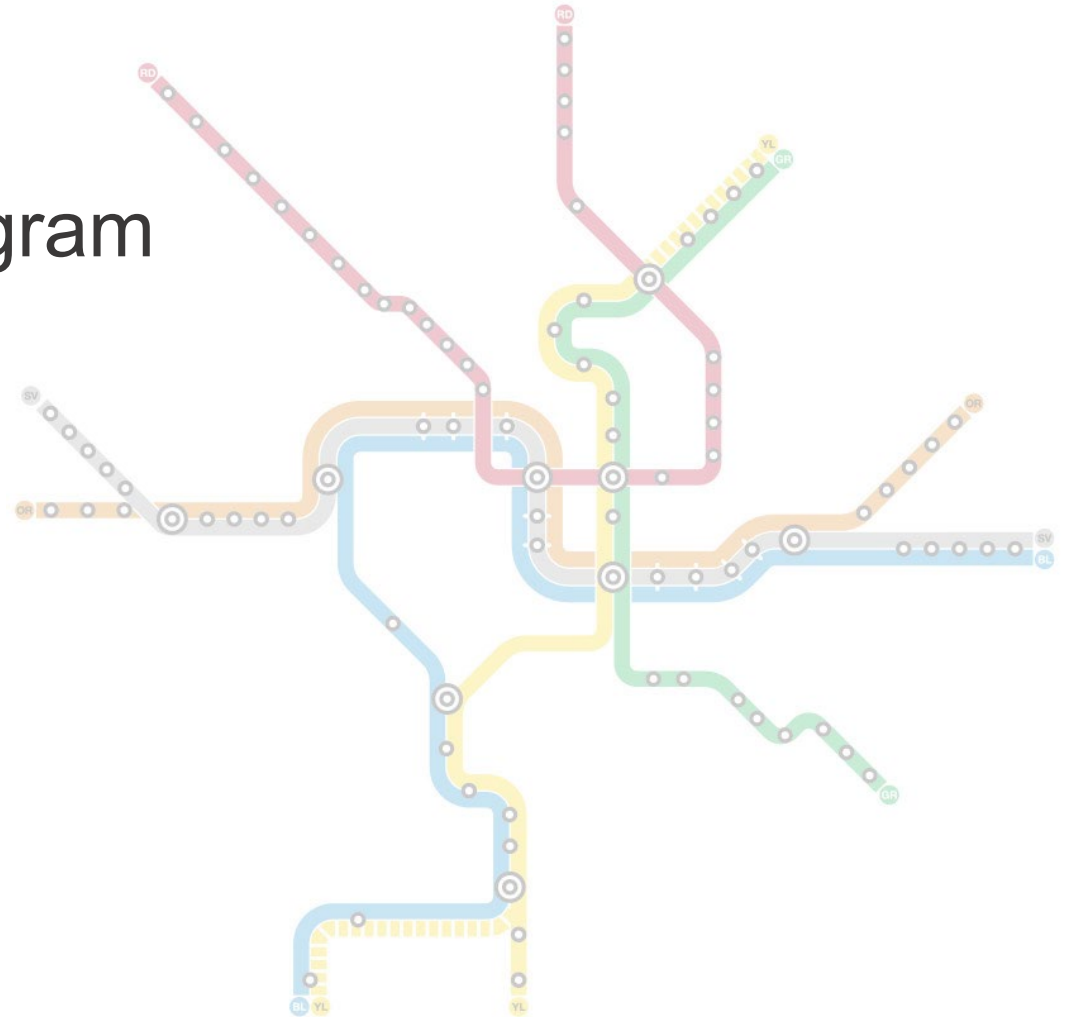
First Quarter Capital Improvement Program Update

Finance & Capital Committee
November 17, 2022



Purpose

- Update on Capital Improvement Program progress



Capital Program Financial Update

Financial Investment Forecast

- ❑ FY2023 – FY2028 Capital Improvement Program totals \$12.4B
- ❑ Invested \$582M through Q1 FY2023
- ❑ Forecasting program delivery on budget (\$2.5B) for fiscal year

Funding Sources Secured

- ❑ Federal Formula grants (\$448M) and PRIIA Grant (\$148.5M*) awarded
- ❑ FY2023 regional contributions (\$934M) and dedicated funding (\$500M) committed, and contributions received as scheduled
- ❑ FY2023 Dedicated Funding bond issuance scheduled for Spring

* PRIIA grant includes \$143.5M for capital program and \$5M for Office of Inspector General

Summer & Fall Capital Program Progress *for Customers and the Region*

Potomac Yard

Platform Improvement
Program – Phase 4

Anacostia Solar

New Escalators

Customer Information
(E-Paper)

Yellow Line Tunnel

Street Level Customer Information
at Metro Center

Historic Bus
Terminal Renovations

Opening of New Silver
Line Stations

Behind the Scenes Improvements *to Support the Workforce and Deliver Quality Service*

Lighting Upgrades at
Metrobus Garage



Historic Bus
Loop Renovation



Maintenance & Support
Facility Improvements



Modern Energy Efficient
Office Space



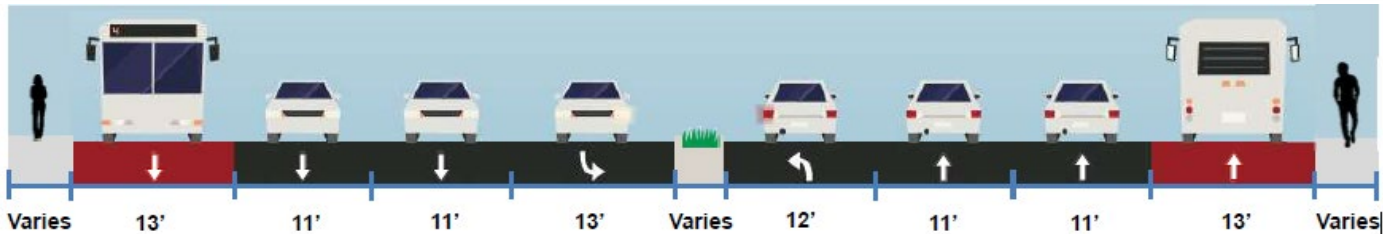
Upgrades at Maintenance
& Support Facilities



Employee Breakroom
at Metro Center Station

Better Bus: Partnering to Improve Bus Across the Region

Bus Priority Improvements: Dedicated Bus Lanes, Queue Jumps, Traffic Signal Prioritization



Major Capital Projects Progressing

Yellow Line Tunnel & Bridge Rehabilitation

- Project located on Yellow Line across Potomac River
- Includes tunnel steel liner & crack repairs, bridge and infrastructure repairs
- Reduces risk of asset failure
- Complex project that includes extended system outages, enhanced logistical, resource and equipment coordination
- Anticipated completion: May 2023



Potomac Yard Station

- Construction of new station in Alexandria, VA on Blue & Yellow Lines between National Airport & Braddock Road stations
- Connection to main line and signal integration completed
- Project experienced market driven external staffing shortages and complex testing to connect to train control infrastructure



Modern Bus Divisions Moving Towards Construction

Northern & Bladensburg Bus Garages

- Garage reconstruction will modernize facilities and improve essential bus fleet operations, reliability and maintenance
- Moving forward with design and construction to support zero emission vehicle program
- Provide safer and more modern facilities for employees
- Art in Transit fencing installed during construction for community aesthetics
- Extensive community engagement since project inception
- Northern and Bladensburg anticipated opening: 2027

Rendering of New
Northern Bus Garage



Rendering of New
Bladensburg Bus Garage



Recently Completed Projects

Active Management to Overcome Complexities & Challenges

Bethesda Station Mechanical Room Water Protection

- Addressed potential safety concerns due to water infiltration in mechanical and electrical equipment room
- Project impacted by availability of materials (stainless steel) during pandemic
- In coordination with contractors, minimized impact on schedule and completed project

New Entrance to Medical Center Station

- Significant coordination with multiple Federal, State and Local agencies
- Completion of new elevator entrance adjacent to Bethesda Medical Center
- Project challenges included track access coordination and resolution of design issues with local inspection authorities

Next Steps

■ December:

- Propose Six-Year CIP, FY2024 Capital Budget, and 10-Year Capital Plan

■ Winter:

- Budget work sessions & public hearings
- Preview capital project schedule outlook

■ Spring:

- Board adoption of CIP & Capital Budget

