

FY2022

Dedicated Funding Report



Washington
Metropolitan Area
Transit Authority



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EXECUTIVE SUMMARY

The Washington Metropolitan Area Transit Authority's (WMATA) transit system is operated and maintained through the substantial investment of public funds by the Federal Government and by the regional jurisdictional partners.



To provide a dedicated source of revenue each year, the Maryland General Assembly, Virginia Legislature, and District of Columbia City Council passed legislation to provide \$500 million annually for safety and state of good repair capital projects. This legislation precipitated Dedicated Capital Funding Agreements (Agreements) with each jurisdiction. Both the legislation and agreements establish requirements that WMATA must follow in receiving and spending the funds.

This Dedicated Funding Report summarizes the receipts and uses of the dedicated funds and how WMATA has fulfilled its accounting and financial reporting requirements of the Agreements for the fiscal year (FY) ended June 30, 2022.

Further, RSM US LLP, an independent accounting firm, issued an opinion on management's assertions that WMATA complied with the requirements included in the Agreements in all material respects. The full Independent Accountant's Report is located on pages 9-11 of this report.

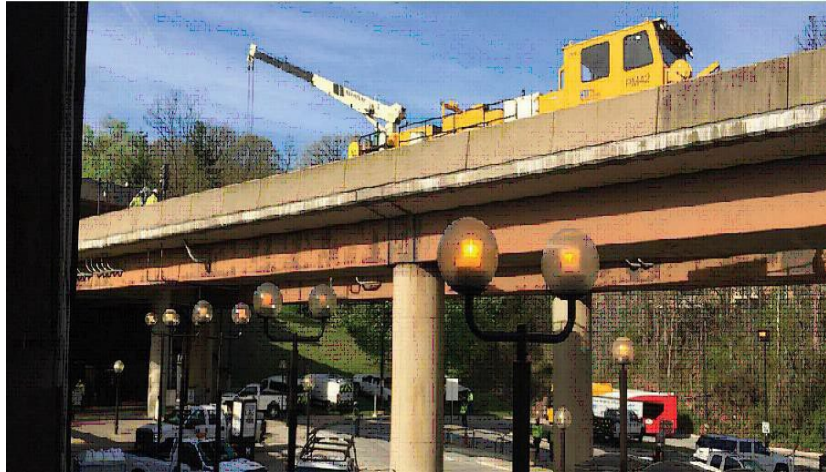


FY2022 RECEIPTS AND EXPENDITURE SUMMARY

Dedicated Funding Revenue Sources

Commonwealth of Virginia (VA)

VA passed dedicated funding legislation (2018 HB 1539/SB 856) in FY2018 establishing a new capital fund that is recorded on the books of the VA Comptroller that will accumulate the dedicated funding for WMATA. The WMATA capital fund includes a restricted and a non-restricted account. Balances in the WMATA capital fund are disbursed



monthly. Disbursements from the restricted account is available to WMATA for capital purposes other than the payment of or security for debt service on bonds or any other indebtedness of WMATA. Disbursements from the non-restricted account can be used for capital purposes or the payment of or security for debt service on bonds or other indebtedness of WMATA.

VA dedicated funding legislation requires Northern Virginia Transit Commission (NVTC) to annually certify that WMATA has provided various documents and reports to NVTC before any disbursement is to be made by the VA Comptroller.



The WMATA Capital Fund Restricted Account is funded from existing state recordation taxes passed through the NVTC in its Northern Virginia Transportation District Fund and motor vehicle rental tax revenues from VA.

The WMATA Capital Fund Non-Restricted Account is funded from existing grantors tax, transient occupancy tax (hotel tax) and local and floor on gas tax funding from NVTC jurisdictions.

State of Maryland (MD)

MD passed dedicated funding legislation (2018 HB 372/SB 277) in 2018 that mandated that the Maryland Department of Transportation, Transportation Trust Fund (TTF) provide an annual grant to the Washington Suburban Transit District.

Disbursements from this fund may be used by WMATA to fund capital costs. The TTF is funded by motor fuel taxes, vehicle excise taxes and fees, and federal aid. The amount is paid to WMATA on a quarterly basis.

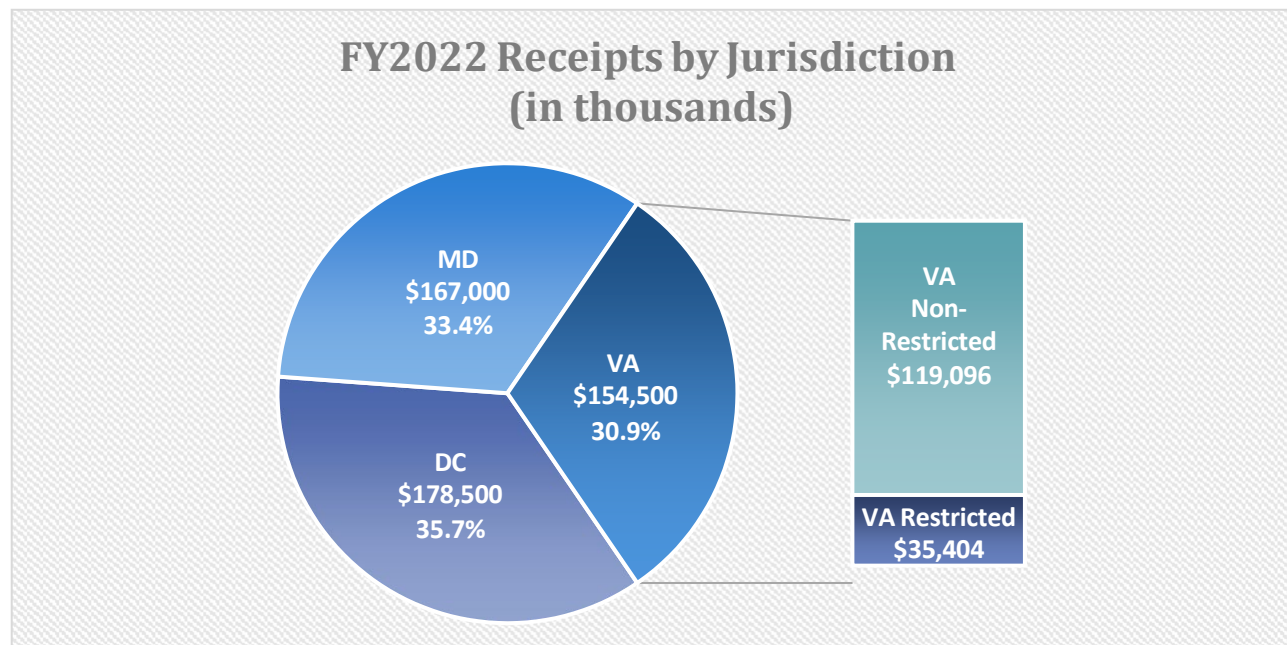
District of Columbia (DC)

DC Law 22-168 §§ 6001-6002 established the WMATA Dedicated Financing Fund for the purpose of WMATA capital improvements, which includes debt service payments on borrowings for WMATA's capital improvements. The source of the funding is a dedicated portion of the general retail sales tax revenue. Subject to a grant agreement between WMATA and DC, the Mayor shall annually distribute the funds in the WMATA Dedicated Financing Fund starting in FY2020. Disbursements are made on a semi-annual basis.

Dedicated Funding Receipts

In FY2022, WMATA received a total of \$500 million in dedicated funding. VA, MD, and DC provided \$154.5 million, \$167.0 million, and \$178.5 million, respectively.

Of the \$154.5 million provided by VA during the fiscal year, \$35.4 million, or 22.9%, was received from the restricted account.



Dedicated Funding Uses

The dedicated funding is used for state of good repair or safety capital projects in any of the following investment categories:



Railcar & Railcar Facilities:

Replacement and purchase of new railcars, rehabilitation and maintenance of the railcar fleet and other railcar maintenance facilities.



Rail Systems:

Ongoing state of good repair efforts critical to maintaining and improving Metrorail's propulsion power and signals and communications systems.



Track & Structures Rehabilitation:

Track includes steel running rail that guides the train cars, the cross-ties and fasteners, the ballast bed, and the third rail that provides power to the train. Structures include the retaining walls, concrete pads and the bridges.



Stations & Passenger Facilities:

Facilities at the Authority's 91 Metrorail stations, including elevators, escalators, fare collection equipment, fire safety systems, bus loops, bus stops, parking garages, surface lots, access roads, bike racks, and bike lockers.



Bus, Bus Facilities, & Paratransit:

Replacement and purchase of new buses and paratransit vehicles, rehabilitation and maintenance of these fleets and other maintenance and customer facilities.

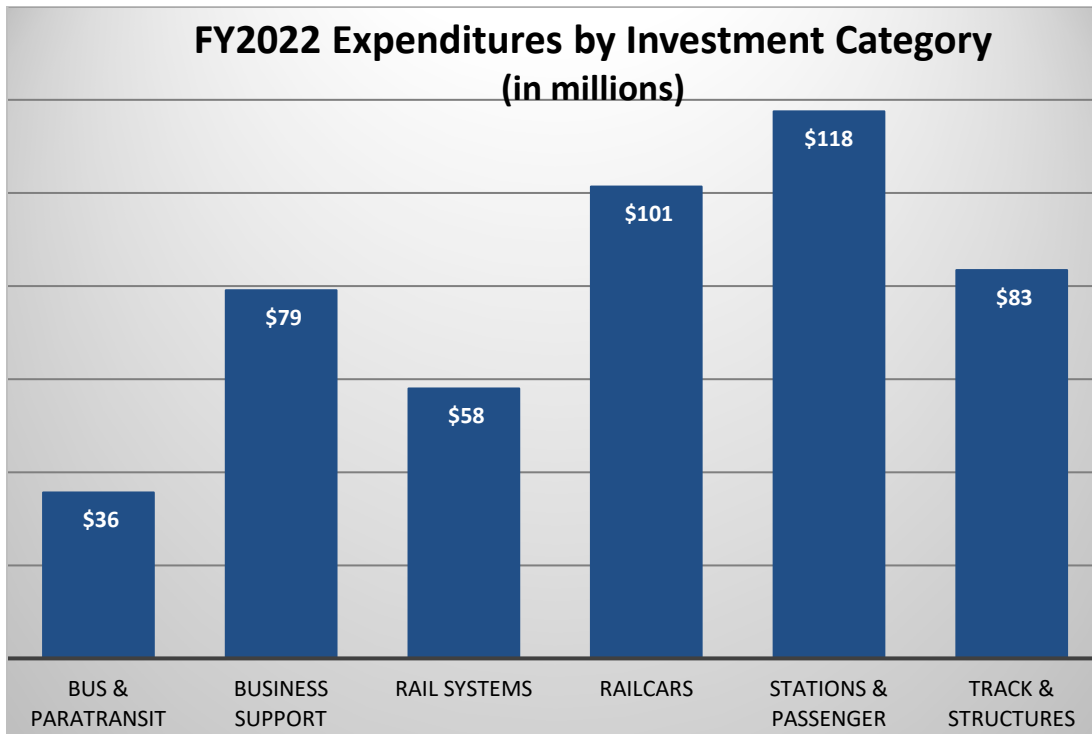


Business & Operations Support:

Facilities for collecting and storing system data, network infrastructure and other IT assets, as well as support of Metro Transit Police facilities and equipment, and the non-revenue vehicle fleet.

Expenditures by Investment Categories

WMATA expended \$475 million of dedicated funding in FY2022. The noted figure reflects expenditures excluding accruals as of June 30, 2022. WMATA may realign expenditures with funding sources at a later date to optimize the use of available funding. The table below summarizes expenditures by investment category.



Additional information on how WMATA spent dedicated funding in FY2022 is provided in the reporting as described in the following FY2022 Compliance Summary section.

FY2022 COMPLIANCE SUMMARY

Reporting Requirements

The Agreements each include various reporting requirements. WMATA has provided the following reports to meet these requirements:

Quarterly Financial Reports

Each of the Agreements require WMATA to report quarterly on progress in use of funding for capital investments. These reports include a summary of capital investment highlights through the most recent quarter and financial tables detailing capital expenditures, jurisdictional contributions, fund sources aligned to capital projects, changes to the current year capital budget, the status of projects and programs, and recent capital procurement awards. The FY2022 quarterly financial reports are located at https://www.wmata.com/initiatives/capital-improvement-program/Capital-Program-Documents.cfm#CIP_Progress_Reports

Annual Reconciliation Report

The DC Agreement requires that WMATA adhere to the annual budget reconciliation process required by the Capital Funding Agreement (CFA) which requires that WMATA provide an annual reconciliation of planned and actual expenditures by funding source. Additionally, the MD Agreement requires that WMATA provide an annual reconciliation of budget and expenditures at the project level. The FY2022 Annual Reconciliation Report presents the results of the reconciliation that has been performed to fulfill the requirements of the CFA and the Agreements. The FY2022 Annual Reconciliation Report is included as Attachment 1 of this report.



Indirect Cost Report

The District of Columbia Agreement requires that WMATA provide three submissions related to indirect cost including an annual report on actual indirect cost. The annual report must demonstrate that all indirect and overhead costs that WMATA recovered from the overall Capital Budget were subtracted from the operating subsidy for the recently completed fiscal year. Additionally, the report must show (a) the amount of indirect costs charged to each project during the fiscal year, aggregate of all projects, and (b) the aggregate amount by which the operating subsidy was reduced for the indirect costs charged to the capital program.

The report presents the results of WMATA's reconciliation of indirect costs applied to the capital program and deducted from operating expenditure. The reconciliation process involved a review of indirect cost rates, calculations, and fund transfers using information from the PeopleSoft General Ledger, PeopleSoft Funds Management module, and discussions with WMATA staff. The Indirect Cost Report is included as Attachment 2 of this report.

FY2022 Capital Budget and Six-Year Capital Improvement Program

Each of the Agreements require that WMATA adopt an approved Capital Budget and Six-Year Capital Improvement Program. These documents provide a blueprint for planned capital projects and associated costs. The FY2022 Capital Budget and Six-Year Capital Improvement Program are included in the approved FY2022 Annual Budget, which may be accessed at

[www.wmata.com/about/records/upload/FY2022 Approved Budget Final 071421.pdf](http://www.wmata.com/about/records/upload/FY2022%20Approved%20Budget%20Final%20071421.pdf)

Legislative Compliance Requirements

WMATA tracks the status of specific deliverables required by each of the following Agreements and dedicated funding legislations. A detailed deliverables table demonstrating WMATA's compliance is included as Attachment 3 of this report.



VA

- The Agreement between WMATA and VA, dated May 1, 2019, is located in Attachment 4 of this report.
- VA enacted the 2018 HB 1539/SB 856 which may be accessed at <https://lis.virginia.gov/cgi-bin/legp604.exe?181+sum+HB1539&181>

MD

- The Agreement between WMATA and MD, dated September 26, 2019, is located in Attachment 5 of this report.
- MD enacted the 2018 HB 372/SB 277, which may be accessed at <https://mgaleg.maryland.gov/2018RS/bills/hb/hb0372f.pdf>

DC

- The amended Agreement between WMATA and DC, dated October 22, 2020, is located in Attachment 6 of this report.
- DC enacted Law 22-168 §§ 6001-6002 which may be accessed at <https://code.dccouncil.us/us/dc/council/laws/22-168#%C2%A76002>



DEDICATED FUNDING EXAMINATION

WMATA engaged an independent accounting firm, RSM US LLP, to perform an examination to evaluate management's assertions that WMATA fulfilled the requirements established by the Agreements.

The examination concluded that WMATA complied with the asserted requirements in all material respects. The Independent Accountant's Report, detailing management's assertions, begins on the following page.



RSM US LLP

Independent Accountant's Report

Mr. Paul Smedberg, Executive Committee Chair
Mr. Rene Febles, Inspector General
Mrs. Yetunde Olumide, Chief Financial Officer
Washington Metropolitan Area Transit Authority

We have examined management of the Washington Metropolitan Area Transit Authority's (the Authority) assertions that the Authority complied with the specified requirements in the Dedicated Capital Funding Agreements (Agreements) between the Authority and the Commonwealth of Virginia, District of Columbia, and State of Maryland, as listed in the accompanying Appendix A, during the period from July 1, 2021 to June 30, 2022. The Authority's management is responsible for its assertions. Our responsibility is to express an opinion about management's assertions about the Authority's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertions about compliance with the specified requirements are fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertions are fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertions, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Authority's compliance with the specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, management's assertions that the Authority complied with the specified requirements included in the Agreements, as listed in Appendix A, are fairly stated, in all material respects.

RSM US LLP

Washington, D.C.
April 28, 2023

Appendix A

Maryland

We are providing this assertion in connection with the Dedicated Capital Funding Agreement (Agreement) between Washington Metropolitan Area transit Authority (WMATA) and the State of Maryland, acting by and through the Maryland Department of Transportation dated September 26, 2019, and the Capital Improvement Program (CIP) as adopted by WMATA.

- a. In accordance with Section 4A of the Agreement, expenses funded by the Agreement for the period from July 1, 2021 through June 30, 2022, were expended on items identified in the approved CIP.
- b. As it relates to Section 4F of the Agreement, WMATA has accurately presented costs expended under the Agreement for the period from July 1, 2021 through June 30, 2022, in the FY2022 Annual Reconciliation Report.
- c. In accordance with Section 6A of the Agreement, WMATA has maintained financial records that are consistent with Generally Accepted Accounting Principles (GAAP) and are in sufficient detail to determine the character and timing of expense transactions authorized by the Agreement.

District of Columbia

We are providing this assertion in connection with the grant agreement between the Washington Metropolitan Area Transit Authority (WMATA) and the District of Columbia entitled "WMATA Dedicated Funding Agreement" (Dedicated Funding Grant), and the Capital Improvement Program (CIP) as adopted by WMATA, included as Attachment 1 to the Dedicated Funding Grant.

- a. In accordance with Section 4 of the Dedicated Funding Grant, expenses funded with the Dedicated Funding Grant for the period from July 1, 2021 through June 30, 2022, were not used for System Expansion projects or to fund WMATA's operating expenses but instead used for:
 - a. State of Good Repair Capital Projects and consistent with the current, approved CIP and Capital Budget; or
 - b. Debt service on WMATA borrowings for the State of Good Repair Capital Projects and were consistent with the approved CIP.
- b. As it relates to Section 6(b) of the Dedicated Funding Grant, unexpended carryover amounts reported in the FY2022 Annual Reconciliation Report were accurately calculated.
- c. In accordance with Section 10(a) of the Dedicated Funding Grant, WMATA has maintained financial records in sufficient detail to determine the character and timing of fund items and of expense transactions authorized by the Dedicated Funding Grant.
- d. In accordance with Section 10(a) of the dedicated Funding Grant, the indirect/overhead audit report accurately presented the indirect cost amounts charged to each capital project during the fiscal year and the aggregate amount by which the operating subsidy was reduced.
- e. In accordance with Section 11(a) of the Dedicated Funding Grant, unexpended funds were invested and interest earnings were used on eligible Capital expenditures only.

Commonwealth of Virginia

We are providing this assertion in connection with the Capital Fund Agreement (Agreement) between the Washington Metropolitan Area Transit Authority (WMATA) and the Commonwealth of Virginia (the Commonwealth) acting by and through the Virginia Department of Rail and Public Transportation dated May 1, 2019, and the Capital Improvement Program (CIP) as adopted by WMATA.

- a. In accordance with Section 5A of the Agreement, expenses funded by the Agreement for the period from July 1, 2021 through June 30, 2022, were for projects identified in the approved CIP.
- b. In accordance with Section 5B of the Agreement, expenses made from the restricted fund for the period from July 1, 2021 through June 30, 2022, were not spent for debt service on bonds or other indebtedness of WMATA.
- c. As it relates to Section 5E of the Agreement, WMATA has accurately presented costs expended and rolled forward in the restricted and unrestricted funds account under the Agreement for the period from July 1, 2021 through June 30, 2022, in the 4th Quarter Report.
- d. In accordance with Section 5F of the Agreement, all deposits made by the Commonwealth to WMATA for the period from July 1, 2021 through June 30, 2022, were included in interest-bearing accounts until expended.
- e. In accordance with Section 6A of the Agreement, WMATA has maintained financial records that are consistent with Generally Accepted Accounting Principles (GAAP) and are in sufficient detail to determine the character and timing of fund items and of contract obligation and expense transactions authorized by the Agreement.



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METROFORWARD



FY2022 Dedicated
Funding Report

ATTACHMENTS

Compliance Reports

Washington Metropolitan Area Transit Authority

ANNUAL RECONCILIATION REPORT

For the Fiscal Year Ending June 30, 2022



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EXECUTIVE SUMMARY

During Fiscal Year (FY) 2022, the Washington Metropolitan Area Transit Authority (WMATA or Metro) continued to invest in capital projects to improve the reliability, safety, and sustainability of the transit system. Metro's FY2022 capital investment marks the largest since the construction of the Metrorail system, surpassing the previous highwater mark established in FY2021. These investments involved construction and rehabilitation projects to maintain the transit system in a state of good repair and enhance system reliability and customer service. The Six-Year Capital Improvement Program and Capital Budget (collectively called the "CIP") are supported by funds made available through the Capital Funding Agreement (CFA) and Dedicated Funding Agreements (DFAs) between Metro and its state and local partners, as well as federal grants and other sources.

This report presents the results of the Annual Reconciliation required by the CFA and DFAs. It describes Metro's analysis of FY2022 planned and actual expenditures, federal grants, and state and local funding sources in accordance with the requirements of those agreements. The expenditure analysis focuses on capital expenditure that has been incurred and for which invoices have been received during the fiscal year. The capital expenditure analysis excludes accruals; this approach is consistent with the methodology used to prepare Metro's prior Annual Reconciliation reports. Metro's financial statements, which provide the primary basis for measuring expenditure compared to annual budget, continue to be prepared on an accrual basis of accounting.

Metro's total capital expenditure for FY2022 was \$2,058.1 million, excluding accruals. This expenditure was funded through multiple sources, including Federal grants, state and local contributions, and the proceeds from Dedicated Funding-backed debt issued during prior fiscal years.

The capital expenditure allocated to state and local sources was \$1,528.6 million, excluding accruals and reimbursable projects. Capital receipts, credits, and bond proceeds applied to FY2022 totaled \$1,629.5 million, excluding reimbursable projects. WMATA will use the year-end jurisdictional balance of \$100.8 million, excluding reimbursable projects, as a funding source in FY2023, per the prioritization outlined in the CFA.

OVERVIEW

The Washington Metropolitan Area Transit Authority (WMATA or Metro) has prepared this Annual Reconciliation Report for Fiscal Year (FY) 2022 to fulfill the requirements of the Capital Funding Agreement (CFA) and the Dedicated Funding Agreements (DFAs).

Capital Funding Agreement

In 2010, Metro entered into the CFA with the State of Maryland; District of Columbia; Arlington County, Virginia; Fairfax County, Virginia; the City of Alexandria, Virginia; the City of Fairfax, Virginia; and the City of Falls Church, Virginia to provide secure and reliable funding for its Capital Improvement Program (CIP). The original CFA provided funding for capital investments during Metro's Fiscal Year (FY) 2011 through FY2016 and was subsequently amended annually to extend its term through FY2021. During calendar year 2020, Loudoun County, Virginia became a contributing jurisdiction and signatory to the CFA. In July 2021, all of the original signatories and Loudoun County executed a new CFA with Metro for FY2022 through FY2027. Per Section 5(a) of the CFA for FY2022 – FY2027, Metro is required to complete an annual budget reconciliation report that includes the following:

1. The actual expenditures for Projects and Programs for the most recently completed Capital Budget, as compared to the planned expenditures for such Programs and Projects for the same fiscal year;
2. The actual Allocated Contribution of each of the Contributing Jurisdictions to date, as compared to the scheduled Allocated Contribution of each Contributing Jurisdiction for the most recently completed fiscal year Capital Budget;
3. The projected Allocated Contributions of each Contributing Jurisdiction for the most recently completed fiscal year Capital Budget;
4. The actual amount of Federal grant funds received for the Capital Budget, as compared to the budgeted or projected amount of Federal grant funds for the same fiscal year;
5. The current forecast of expenditures; and
6. The estimated cost to complete the remaining Projects and Programs in the current CIP and expected sources of those funds.

Dedicated Funding Legislation and Agreements

In 2018, the Commonwealth of Virginia, the State of Maryland, and the District of Columbia authorized legislation to provide \$500 million (combined) in dedicated capital funding to Metro to restore its assets to a state of good repair and to improve the safety and reliability of the transit system. The District of Columbia Dedicated Funding Grant Agreement (DFGA) requires that Metro adhere to the annual budget reconciliation process required by the CFA. The State of Maryland DFA requires that Metro submit to the Maryland Department of Transportation (MDOT), a reconciliation report that addresses expenditure made in excess of the one-year capital budget. Specifically:

1. For Capital Projects exceeding the approved one-year budget: (a) The amount by which costs exceed projected costs during the completed fiscal year; and (b) the total amount that has been expended for the project to date.
2. For new Capital Projects added during the fiscal year: (a) A purpose and need summary statement that includes: (i) a general description and summary that describes why the project is necessary and satisfies WMATA's safety, state of good repair, and financial accountability goals; (ii) the location of the project, including a map of the project limits, project area, or transportation corridor; (a) a summary of how the project meets the selection criteria for inclusion in the CIP; and (b) any other information that WMATA believes would be useful to MDOT and the Washington Suburban Transit District (WSTD).

Reconciliation Methods and Scope

This report has been prepared to meet the requirements outlined in the CFA and DFAs. It presents the results of the reconciliation of planned and actual expenditure and funding for FY2022. The reconciliation process involved a review of budget, expenditure, and funding data. Budget information was taken from Board resolutions and reports on authorized adjustments to individual capital projects and programs. Expenditure transactions in Metro's PeopleSoft General Ledger were reviewed and reconciled against project costing data in the Metro's PeopleSoft Funds Management module. Funding source data from the Funds Management module was also reconciled against other sources (e.g., Federal Financial Reports (FFRs) and Schedule of Expenditure of Federal Awards (SEFA)). Subsequently, planned expenditure was compared against actual expenditure by funding source.

The expenditure analysis focuses on capital expenditure that was incurred and for which invoices were received during FY2022. Accruals were not included in the expenditure analysis but have been provided in this report for informational purposes. Additionally, retainage withheld from progress payments made to construction contractors is treated as a cash expense. Metro's financial statements, which provide the primary basis for measuring budget and expenditure, continue to be prepared on an accrual basis of accounting and in conformance with Generally Accepted Accounting Principles (GAAP).

PLANNED AND ACTUAL EXPENDITURE

Original Budget, Amendments, and Adjustments

On April 22, 2021, the WMATA Board of Directors adopted a capital budget of \$2.61 billion for FY2022.¹ The capital budget was not amended. However, it is WMATA's standard practice to adjust the budget for individual projects and programs to account for changes in cost, scope, schedule, and prioritization.² These adjustments involved a redistribution of the budget among various projects and programs and resulted in a net zero impact to the overall capital budget. **Table 1** presents the original budget, amendments, and adjustments by investment category.

Table 1. FY2022 Original Budget, Amendments, and Adjustments (Dollars in Millions)

Investment Category	Original Budget	Amendments ³	Adjustments ⁴	Final Budget
Railcars & Railcar Facilities	\$ 334.4	\$ -	\$ (35.9)	\$ 298.5
Rail Systems	237.3	-	(24.5)	212.8
Track & Structures Rehabilitation	342.9	-	0.5	343.5
Stations & Passenger Facilities	835.1	-	(2.8)	832.3
Bus, Bus Facilities, & Paratransit	294.3	-	2.7	297.0
Business & Operations Support	546.8	-	60.0	606.8
Subtotal	2,590.9	-	-	2,590.9
Revenue Loss from Capital Projects	17.0	-	-	17.0
Dedicated Funding Debt Service ⁵	-	-	-	-
Total	\$ 2,607.9	\$ -	\$ -	\$ 2,607.9

Sources of Funds

Funding for Metro's FY2022 capital budget came from a variety of sources, including:

- **Federal Funding**, which consisted of FTA formula grants and appropriated funds authorized under the Passenger Rail Investment and Improvement Act (PRIIA), as well as other competitive grants. The final budget reflected \$340.4 million (13 percent) in Federal formula and other Federal grants and \$148.5 million in Federal PRIIA funding (6 percent).

¹ Resolution 2021-11, Board of Directors of the Washington Metropolitan Area Transit Authority.

² More detailed information on each adjustment can be found in the *Monthly Reprogramming Reports* prepared by WMATA on a monthly basis and distributed to the contributing jurisdictions quarterly.

³ Amendments are any action by the Board of Directors to modify (increase or decrease) the approved capital budget.

⁴ Adjustments are movements of budget between projects and programs for cash management and program efficiency; adjustments result in an overall net zero impact to the capital budget.

⁵ Metro has had two Dedicated Revenue Bond issuances. For the 2020A Dedicated Revenue Bonds, at issuance, \$55.4 million of net proceeds was placed in a capitalized interest fund to service interest on the debt between January 2021 and July 2022. As such, no capital funds were budgeted for debt service payments in FY2022. The 2021A Climate Bond Certified Dedicated Revenue Bonds were issued in May 2021 and no interest or principal payments are due until July 2023.

Attachment 1

- State and local funds required as a Federal **Formula Match** and **System Performance** funds. The final budget included Formula Match and System Performance funds totaling \$276.4 million (11 percent).
- **Jurisdictional PRIIA** funds, which are required to match Federal PRIIA funds and totaled \$148.5 million (6 percent).
- **Dedicated Funding** maintains Metro's assets in a state of good repair and improves the safety and reliability of the system. The final budget included \$500.0 million (19 percent) in planned Dedicated Funding.
- **Reimbursable Project Funding**, which is used for projects completed at the request of the Contributing Jurisdictions. In FY2022, active jurisdictional projects included the Silver Line extension, the Potomac Yard Station (Alexandria, VA), the Purple Line (Maryland), construction of a second entrance at the McLean Station (Fairfax County, VA), and the jurisdictional project development program. The final budget included \$170.5 million (7 percent) in Reimbursable Project and Other (e.g., Virginia Congestion Mitigation and Air Quality (CMAQ) funding).
- **Dedicated Funding-backed Debt** of \$1,023.3 million (39 percent) was originally planned. This figure reflects a portion of the proceeds from Metro's two most recent Dedicated Revenue Bond issuances, as well as proceeds from a proposed Dedicated Revenue Bond issuance during FY2022.

On June 11, 2020, Metro issued new money Dedicated Revenue Bonds. Net bond proceeds with premium totaled \$690.7 million. The bonds provide for semi-annual payments of interest and annual payments of principal with final maturity in July 2045. Principal payments were deferred until July 2023. Regarding interest, \$55.4 million was placed in a capitalized interest fund at issuance to service interest on the debt through July 2022. Thereafter, the annual debt service payment on the bonds is \$39.1 million.

On May 25, 2021, Metro issued new money Climate Bond Certified Dedicated Revenue Bonds. Net bond proceeds with premium totaled \$970.0 million. The bonds provide for semi-annual payments of interest and annual payments of principal with final maturity in July 2046. Principal payments are deferred until July 2023, at which time the annual debt service payment on the bonds is \$52.0 million. All debt service is paid from unrestricted dedicated capital revenue proceeds.

The final budget also reflects a proposed Dedicated Revenue Bond issuance during FY2022. However, due to the efficient management of the capital budget and stewardship of funding sources, Metro decided to postpone this proposed debt issuance. The next bond issuance is scheduled to occur during FY2023.

Table 2 presents the original budget, amendments, and adjustments by funding source.

Table 2. FY2022 Budget by Funding Source (Dollars in Millions)

Funding Sources	Original Budget	Amendments and Adjustments	Final Budget	Percent of Total
Federal				
Federal Formula and Other Grants	\$ 340.4	\$ -	\$ 340.4	13%
PRIIA	\$ 148.5	\$ -	\$ 148.5	6%
Subtotal – Federal	\$ 488.9	\$ -	\$ 488.9	19%
Jurisdictional				
Formula Match and System Performance	\$ 276.4	\$ -	\$ 276.4	11%
PRIIA	\$ 148.5	\$ -	\$ 148.5	6%
Dedicated Funding	\$ 500.0	\$ -	\$ 500.0	19%
Reimbursable and Other	\$ 170.5	\$ 0.2	\$ 170.7	7%
Debt	\$ 1,023.5	\$ (0.2)	\$ 1,023.3	39%
Subtotal – Jurisdictional	\$ 2,118.9	\$ -	\$ 2,118.9	81%
Total	\$ 2,607.9	\$ -	\$ 2,607.9	100%

Expenditure by Investment Category

During FY2022, Metro expended \$2,058.1 million through the capital program, excluding accruals. **Table 3** presents expenditure information by investment category.

Table 3. Budget and Expenditure by Investment Category (Dollars in Millions)

Investment Category	Amended Budget	Expenditure Excluding Accruals	Percent of Budget Expended	Expenditure Including Accruals	Percent of Budget Expended
Railcars & Railcar Facilities	\$ 298.5	\$ 260.6	87%	\$ 235.7	79%
Rail Systems	\$ 212.8	\$ 179.5	84%	\$ 195.2	92%
Track & Structures Rehabilitation	\$ 343.5	\$ 198.6	58%	\$ 213.3	62%
Stations & Passenger Facilities	\$ 839.1	\$ 700.9	84%	\$ 660.3	79%
Bus, Bus Facilities, & Paratransit	\$ 297.0	\$ 192.8	65%	\$ 191.1	64%
Business & Operations Support	\$ 599.9	\$ 525.6	88%	\$ 551.3	92%
Subtotal	\$ 2,590.9	\$ 2,058.1	79%	\$ 2,046.8	79%
Revenue Loss from Capital Projects	\$ 17.0	\$ -	0%	\$ -	0%
Dedicated Funding Debt Service ⁶	\$ -	\$ -	0%	\$ -	0%
Total	\$ 2,607.9	\$ 2,058.1	79%	\$ 2,046.8	79%

Budget and expenditure information for the individual projects and programs in each investment category is provided in **Appendix A**. In accordance with the DFA requirements, **Appendix B** contains a historical budget and expenditure summary for FY2016 – FY2022 for those projects with expenditures exceeding their FY2022 one-year budget.

⁶ Ibid.

Table 4 provides further detail on expenditure by federal and jurisdictional sources.

Table 4. Expenditure by Investment Category – Federal and Jurisdictional (Dollars in Millions)

Investment Category	Expenditure Excluding Accruals	Share of Total Expenditure	Expenditure Including Accruals	Share of Total Expenditure
Federal				
Railcars & Railcar Facilities	\$ 86.7	4%	\$ 86.7	4%
Rail Systems	\$ 33.5	2%	\$ 33.5	2%
Track & Structures Rehabilitation	\$ 38.8	2%	\$ 38.8	2%
Stations & Passenger Facilities	\$ 117.3	6%	\$ 117.3	6%
Bus, Bus Facilities, & Paratransit	\$ 110.1	5%	\$ 110.1	5%
Business & Operations Support	\$ 6.5	0%	\$ 6.5	0%
Subtotal - Federal	\$ 392.9	19%	\$ 392.9	19%
Jurisdictional				
Railcars & Railcar Facilities	\$ 174.0	8%	\$ 149.0	7%
Rail Systems	\$ 146.0	7%	\$ 161.6	8%
Track & Structures Rehabilitation	\$ 159.8	8%	\$ 174.5	9%
Stations & Passenger Facilities	\$ 583.6	28%	\$ 542.9	27%
Bus, Bus Facilities, & Paratransit	\$ 82.7	4%	\$ 81.0	4%
Business & Operations Support	\$ 519.1	25%	\$ 544.8	27%
Subtotal – Jurisdictional	\$ 1,665.2	81%	\$ 1,653.9	81%
Revenue Loss from Capital Projects	\$ -	0%	\$ -	0%
Total	\$ 2,058.1	100%	\$ 2,046.8	100%

FEDERAL FUNDING

Federal Grant Reconciliation

The CFA requires that Metro reconcile the actual amount of Federal grant funds received as compared to projected amounts. Federal grants are summarized by category in **Table 5**. Total Federal grant funds available include Federal awards carried forward from prior years, newly awarded Federal grants, and additional funds resulting from amended grants. In total, \$646.2 million in Federal funds was available for CIP projects. During FY2022, \$386.1 million was drawn down, resulting in a balance of \$260.1 million. Note that this FY2022 ending balance does not include amounts required for accrued or obligated expenditures that have not yet been drawn.

Table 5 presents a summary of the results of the Federal grant reconciliation. More detailed information on each Federal grant can be found in **Appendix D**.

Table 5. Federal Grant Funds (Dollars in Millions)

Grant Category	Carryover Balance	Awarded/ Amended	Total Available	Receipts during FY2022	Balance
Formula	\$ 55.3	\$ 176.4	\$ 231.7	\$ 143.4	\$ 88.3
State of Good Repair	\$ 67.9	\$ 148.8	\$ 216.7	\$ 106.0	\$ 110.7
Federal PRIIA	\$ 29.1	\$ 148.5	\$ 177.6	\$ 125.1	\$ 52.5
Other Federal Grants ⁷	\$ 16.1	\$ 4.1	\$ 20.2	\$ 11.6	\$ 8.6
Total	\$ 168.4	\$ 477.7	\$ 646.2	\$ 386.1	\$ 260.1

⁷ The category "Other Federal Grants" includes the FFY2019 Section 5539b Buses and Bus Facilities grant, FFY2020 5339 (c) Low-No Metrobus Zero-Emission Fleet Program grant, and the Virginia Congestion Mitigation and Air Quality (CMAQ) grants, among others.

STATE AND LOCAL FUNDING

Planned Contributions

Table 6 presents planned funding from each jurisdictional partner for both the original and final budget. In the final budget, planned funding from state and local sources and debt totaled \$2,118.9 million. Planned Formula Match, System Performance, PRIIA and Dedicated Funding totaled \$328.6 million (15 percent) from the District of Columbia; \$311.3 million (15 percent) from the State of Maryland and its jurisdictions; and \$289.0 million (14 percent) from the Commonwealth of Virginia and its jurisdictions. Reimbursable project funding accounted for \$166.7 million (8%). Metro planned for the proceeds from Dedicated Funding-backed debt to account for the remaining funding of \$1,023.3 million (48 percent of the budget).

Table 6. Planned State and Local Funding (Dollars in Millions)

Jurisdiction	Original Budget	Final Budget
Formula Match & System Performance		
District of Columbia	\$ 99.7	\$ 99.7
Montgomery County	\$ 46.3	\$ 46.3
Prince Georges County	\$ 47.5	\$ 47.5
City of Alexandria	\$ 12.6	\$ 12.6
Arlington County	\$ 22.8	\$ 22.8
City of Fairfax	\$ 0.7	\$ 0.7
Fairfax County	\$ 40.6	\$ 40.6
City of Falls Church	\$ 0.8	\$ 0.8
Loudoun County	\$ 5.5	\$ 5.5
Subtotal – Formula Match & System Performance	\$ 276.4	\$ 276.4
PRIIA		
District of Columbia	\$ 49.5	\$ 49.5
State of Maryland	\$ 49.5	\$ 49.5
Commonwealth of Virginia	\$ 49.5	\$ 49.5
Subtotal – PRIIA	\$ 148.5	\$ 148.5
Dedicated Funding		
District of Columbia	\$ 178.5	\$ 178.5
State of Maryland	\$ 167.0	\$ 167.0
Commonwealth of Virginia	\$ 154.5	\$ 154.5
Subtotal – Dedicated Funding	\$ 500.0	\$ 500.0
Other State and Local:		
Project Planning	\$ 3.0	\$ 3.0
Commonwealth of VA (DRPT) - CMAQ	\$ 1.0	\$ 1.0
Rail & Power Upgrades (DC & MD)	\$ -	\$ -
Rail & Power Upgrades (VA)	\$ -	\$ -
Subtotal – Other State and Local	\$ 4.0	\$ 4.0
Debt:		
Debt	\$ 1,023.5	\$ 1,023.3
Subtotal – Debt	\$ 1,023.5	\$ 1,023.3
Subtotal – CFA Sources	\$ 1,952.4	\$ 1,952.2
Reimbursable		
MWAA and Other Reimbursable	\$ 166.5	\$ 166.7
Subtotal – Reimbursable	\$ 166.5	\$ 166.7
Total State and Local Funding	\$ 2,118.9	\$ 2,118.9

Planned Contributions and Allocated Expenditures

The CFA requires that Metro reconcile state and local funding. **Table 7** summarizes billings, receipts, and allocated expenditures by jurisdiction for FY2022. Note that the “Expenditure excluding Accruals” column is the jurisdictionally allocated share of capital expenditures at the end of FY2022.⁸

Table 7. FY2022 State and Local Funding and Expenditures (Dollars in Millions)

	Final Budget	Billings	Receipts and Credits	Expenditure excluding Accruals ⁹	Variance
Jurisdiction Contributions					
Formula Match and System Performance (FM + SP)					
District of Columbia	\$ 99.7	\$ 99.7	\$ 99.7	\$ 92.0	\$ 7.7
Montgomery County ¹⁰	\$ 46.3	\$ 46.3	\$ 63.8	\$ 42.8	\$ 21.1
Prince Georges County ¹⁰	\$ 47.5	\$ 47.5	\$ 64.6	\$ 43.8	\$ 20.8
City of Alexandria	\$ 12.6	\$ 12.6	\$ 12.6	\$ 11.6	\$ 1.0
Arlington County	\$ 22.8	\$ 22.8	\$ 22.8	\$ 21.0	\$ 1.8
City of Fairfax	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.1
Fairfax County	\$ 40.6	\$ 40.6	\$ 40.6	\$ 37.5	\$ 3.1
City of Falls Church	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.7	\$ 0.1
Loudoun County	\$ 5.5	\$ 5.5	\$ 5.5	\$ 5.0	\$ 0.4
Subtotal – FM + SP	\$ 276.4	\$ 276.4	\$ 311.0	\$ 255.1	\$ 55.9
District of Columbia	\$ 49.5	\$ 49.5	\$ 49.5	\$ 41.9	\$ 7.6
State of Maryland	\$ 49.5	\$ 49.5	\$ 49.5	\$ 41.9	\$ 7.6
Commonwealth of Virginia	\$ 49.5	\$ 49.5	\$ 49.5	\$ 41.9	\$ 7.6
Subtotal - PRIIA	\$ 148.5	\$ 148.5	\$ 148.5	\$ 125.6	\$ 22.9
Dedicated Funding					
District of Columbia	\$ 178.5	\$ 178.5	\$ 178.5	\$ 169.6	\$ 8.9
State of Maryland	\$ 167.0	\$ 167.0	\$ 167.0	\$ 158.6	\$ 8.4
Commonwealth of Virginia	\$ 154.5	\$ 154.5	\$ 154.5	\$ 146.8	\$ 7.7
Subtotal – Dedicated Funding	\$ 500.0	\$ 500.0	\$ 500.0	\$ 474.9	\$ 25.1
Other State and Local:					
Project Planning	\$ 3.0	\$ 3.0	\$ 3.0	\$ 2.5	\$ 0.5
Commonwealth of VA - CMAQ	\$ 1.0	\$ 1.1	\$ 1.1	\$ 2.3	\$ (1.2)
Rail & Power Upgrades (DC & MD)	\$ -	\$ -	\$ -	\$ -	\$ -
Rail & Power Upgrades (VA)	\$ -	\$ -	\$ -	\$ 2.3	\$ (2.3)
Subtotal – Other State and Local	\$ 4.0	\$ 4.1	\$ 4.1	\$ 7.2	\$ (3.1)
Debt:					
Debt	\$ 1,023.3	N/A	\$ 665.8	\$ 665.8	\$ -
Subtotal – Debt	\$ 1,023.3	N/A	\$ 665.8	\$ 665.8	\$ -
Subtotal – CFA/DFA Sources	\$ 1,952.2	\$ 929.1	\$ 1,629.5	\$ 1,528.6	\$ 100.8
Reimbursable Projects					
MWAA and Other Reimbursable	\$ 166.7	\$ 117.5	\$ 97.3	\$ 136.5	\$ (39.3)

⁸ The “Expenditure excluding Accruals” column presents funding source and expenditure information as of 6/30/2022. Metro may realign expenditures with funding sources at a later date to optimize the use of available funding.

⁹ These expenditures do not include: (1) the addition of \$11.3 million for accrued expenses or (2) any additional funding set aside to reimburse the Federal government for the remaining value in the 5000-Series railcars disposed in FY2020. Additional information regarding the railcar disposition can be found in the Disclosures section of this report.

¹⁰ Table 7 reflects FY2022 state and local funding. In December 2021, Maryland paid an additional \$34.6 million toward an unpaid balance associated with funds withheld in FY2018 and FY2020. Additional information regarding Maryland's withholdings and payment can be found in the Disclosures section of this report.

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Subtotal – Reimbursable Projects	\$ 166.7	\$ 117.5	\$ 97.3	\$ 136.5	\$ (39.3)
Total	\$ 2,118.9	\$ 1,046.6	\$ 1,726.7	\$ 1,665.2	\$ 61.6

Excluding reimbursable projects, capital receipts, credits, and bond proceeds applied to FY2022 totaled \$1,629.5 million. The jurisdictionally allocated share of capital expenditures was \$1,528.6 million, resulting in a year-end balance of \$100.8 million, excluding reimbursable projects. WMATA will use these funds as a funding source in FY2023, per the prioritization outlined in the CFA.

A reconciliation of budget, receipts, and expenditure for FY2019-2022 is provided in **Table 8**.

Table 8. FY2019-2022 Allocated Contributions by Jurisdiction (Dollars in Millions)

Jurisdiction Contributions	Receipts, Credits, and Disbursements	FY2019-2021 Expenditure excluding Accruals	Variance	Receipts, Credits, and Disbursements	FY2022 Expenditure excluding Accruals	Variance	FY2019-2022 Variance
Formula Match and System Performance (FM + SP)							
District of Columbia	\$ 263.1	\$ 221.3	\$ 41.8	\$ 99.7	\$ 92.0	\$ 7.7	\$ 49.5
Montgomery County	\$ 127.5	\$ 126.2	\$ 1.3	\$ 63.8	\$ 42.8	\$ 21.1	\$ 22.3
Prince Georges County	\$ 124.7	\$ 123.2	\$ 1.5	\$ 64.6	\$ 43.8	\$ 20.8	\$ 22.3
City of Alexandria	\$ 35.7	\$ 30.2	\$ 5.5	\$ 12.6	\$ 11.6	\$ 1.0	\$ 6.5
Arlington County	\$ 67.0	\$ 56.8	\$ 10.2	\$ 22.8	\$ 21.0	\$ 1.8	\$ 11.9
City of Fairfax	\$ 2.1	\$ 1.8	\$ 0.3	\$ 0.7	\$ 0.7	\$ 0.1	\$ 0.4
Fairfax County	\$ 116.0	\$ 98.0	\$ 18.0	\$ 40.6	\$ 37.5	\$ 3.1	\$ 21.1
City of Falls Church	\$ 2.1	\$ 1.8	\$ 0.3	\$ 0.8	\$ 0.7	\$ 0.1	\$ 0.4
Loudoun County	\$ 5.0	\$ 4.3	\$ 0.7	\$ 5.5	\$ 5.0	\$ 0.4	\$ 1.1
Subtotal – Formula Match + SP	\$ 743.2	\$ 663.7	\$ 79.5	\$ 311.0	\$ 255.1	\$ 55.9	\$ 135.5
PRIIA							
District of Columbia	\$ 148.5	\$ 147.4	\$ 1.1	\$ 49.5	\$ 41.9	\$ 7.6	\$ 8.7
State of Maryland	\$ 148.5	\$ 147.4	\$ 1.1	\$ 49.5	\$ 41.9	\$ 7.6	\$ 8.7
Commonwealth of Virginia	\$ 148.5	\$ 147.4	\$ 1.1	\$ 49.5	\$ 41.9	\$ 7.6	\$ 8.7
Subtotal – PRIIA	\$ 445.5	\$ 442.2	\$ 3.3	\$ 148.5	\$ 125.6	\$ 22.9	\$ 26.2
Dedicated Funding							
District of Columbia	\$ 357.0	\$ 357.2	\$ (0.2)	\$ 178.5	\$ 169.6	\$ 8.9	\$ 8.8
State of Maryland	\$ 334.0	\$ 334.2	\$ (0.2)	\$ 167.0	\$ 158.6	\$ 8.4	\$ 8.2
Commonwealth of Virginia	\$ 430.3	\$ 429.6	\$ 0.7	\$ 154.5	\$ 146.8	\$ 7.7	\$ 8.4
Subtotal – Dedicated Funding	\$ 1,121.3	\$ 1,121.0	\$ 0.3	\$ 500.0	\$ 474.9	\$ 25.1	\$ 25.4
Other State and Local:							
Project Planning	\$ 8.9	\$ 4.2	\$ 4.7	\$ 3.0	\$ 2.5	\$ 0.5	\$ 5.2
Commonwealth of VA - CMAQ	\$ 3.2	\$ 3.7	\$ (0.4)	\$ 1.1	\$ 2.3	\$ (1.2)	\$ (1.6)
Rail & Power Upgrades (DC & MD)	\$ 0.1	\$ 0.5	\$ (0.4)	\$ -	\$ -	\$ -	\$ (0.4)
Rail & Power Upgrades (VA)	\$ (1.2)	\$ 12.1	\$ (13.3)	\$ -	\$ 2.3	\$ (2.3)	\$ (15.6)
Metro 2025	\$ 15.6	\$ 5.1	\$ 10.5	\$ -	\$ -	\$ -	\$ 10.5
Subtotal – Other State and Local	\$ 26.7	\$ 25.5	\$ 1.1	\$ 4.1	\$ 7.2	\$ (3.1)	\$ (1.9)
Debt:							
Debt	\$ 1,029.0	\$ 1,029.0	\$ -	\$ 665.8	\$ 665.8	\$ -	\$ -
Subtotal – Debt	\$ 1,029.0	\$ 1,029.0	\$ -	\$ 665.8	\$ 665.8	\$ -	\$ -
Subtotal – CFA/DFA Sources	\$ 2,336.7	\$ 2,252.4	\$ 84.3	\$ 1,629.5	\$ 1,528.6	\$ 100.8	\$ 185.1
Reimbursable Projects							
MWAA and Other Reimbursable	\$ 255.7	\$ 269.4	\$ (13.7)	\$ 97.3	\$ 136.5	\$ (39.3)	\$ (52.9)
Subtotal – Reimbursable Projects	\$ 255.7	\$ 269.4	\$ (13.7)	\$ 97.3	\$ 136.5	\$ (39.3)	\$ (52.9)
Total	\$ 2,592.4	\$ 2,521.8	\$ 70.6	\$ 1,726.7	\$ 1,665.2	\$ 61.6	\$ 132.2

FORECASTED EXPENDITURE AND COST TO COMPLETE

The CFA requires that the Annual Reconciliation Report include a current forecast of expenditures and the estimated cost to complete the remaining projects and programs in the CIP, as well as the expected sources of funds for planned expenditures. This section addresses these requirements.

On March 24, 2022, the WMATA Board of Directors approved the Six-Year CIP for FY2023 – FY2028 and FY2023 Capital Budget.¹¹ The Six-Year CIP and FY2023 Capital Budget help WMATA to continue to improve the safety, security, and reliability of the transit system. After decades of deferred maintenance and underinvestment, Metro accumulated a significant backlog of overdue safety and state of good repair needs. A portion of this backlog has been addressed through the successful implementation of programs like SafeTrack, track rehabilitation, the replacement of legacy railcars, and the Platform Improvement Program. However, even with this notable effort, Metro has more work to do to catch up on overdue state of good repair needs and continue the progress previously made. The Six-Year CIP and FY2023 Capital Budget were developed to help WMATA sustain these efforts through recurring lifecycle maintenance, rehabilitation, and replacement. **Table 9** presents the Six-Year CIP for FY2023 – FY2028 by investment category.

Table 9. FY2023-2028 Financial Plan by Investment Category (Dollars in Millions)

Investment Categories	FY2023 Budget	FY2024 Plan	FY2025 Plan	FY2026 Plan	FY2027 Plan	FY2028 Plan	Six-Year Total
Railcars & Railcar Facilities	\$ 303.4	\$ 429.8	\$ 507.1	\$ 468.9	\$ 403.3	\$ 319.7	\$ 2,432.2
Rail Systems	203.1	326.6	297.2	297.7	264.0	262.4	1,651.0
Track & Structures Rehabilitation	459.2	275.7	236.2	235.3	259.8	292.1	1,758.4
Stations & Passenger Facilities	524.6	536.2	378.0	414.4	414.4	426.9	2,694.4
Bus, Bus Facilities, & Paratransit	441.3	473.7	437.0	296.8	303.2	307.7	,259.8
Business & Operations Support	379.8	331.8	231.3	236.2	205.1	244.6	1,628.8
Subtotal	\$ 2,311.4	\$ 2,373.9	\$ 2,086.8	\$ 1,949.2	\$ 1,849.9	\$ 1,853.4	\$12,424.7
Revenue Loss from Capital Projects	12.0	10.0	10.0	10.0	10.0	10.0	62.0
Dedicated Funding Debt Service	101.2	156.9	221.9	274.2	322.1	363.8	1,440.2
Total	\$ 2,424.7	\$ 2,540.8	\$ 2,318.8	\$ 2,233.4	\$ 2,182.0	\$ 2,227.2	\$13,926.9

Table 10 presents the Six-Year CIP for FY2023 – FY2028 by funding source.

¹¹ Resolution 2022-06, Board of Directors of the Washington Metropolitan Area Transit Authority.

Table 10. FY2023-2028 Planned Funding Sources (Dollars in Millions)

	FY2023 Budget	FY2024 Plan	FY2025 Plan	FY2026 Plan	FY2027 Plan	FY2028 Plan	Six-Year Total
FEDERAL FUNDING							
Federal Formula Programs	\$ 331.4	\$ 340.1	\$ 347.1	\$ 355.8	\$ 363.0	\$ 370.2	\$ 2,107.6
Federal PRIIA	148.5	148.5	148.5	148.5	148.5	148.5	891.0
Other Federal Grants	11.5	10.6	4.0	4.7	6.0	5.1	41.9
Subtotal – Federal	\$ 491.5	\$ 499.2	\$ 499.6	\$ 509.0	\$ 517.5	\$ 523.8	\$ 3,040.5
STATE AND LOCAL FUNDING							
District of Columbia (DC)							
Formula Match, System Performance	\$ 102.2	\$ 105.9	\$ 107.6	\$ 108.9	\$ 111.9	\$ 115.5	\$ 651.9
PRIIA	49.5	49.5	49.5	49.5	49.5	49.5	297.0
Dedicated Funding	178.5	178.5	178.5	178.5	178.5	178.5	1,071.0
Subtotal – DC	\$ 330.2	\$ 333.9	\$ 335.6	\$ 336.9	\$ 339.9	\$ 343.5	\$ 2,019.9
State of Maryland							
Formula Match, System Performance							
Montgomery County	\$ 47.9	\$ 49.1	\$ 51.1	\$ 53.2	\$ 54.9	\$ 56.5	\$ 312.7
Prince George's County	48.6	50.4	51.4	52.5	54.0	55.7	312.5
PRIIA	49.5	49.5	49.5	49.5	49.5	49.5	297.0
Dedicated Funding	167.0	167.0	167.0	167.0	167.0	167.0	1,002.0
Subtotal – Maryland	\$ 313.0	\$ 316.0	\$ 318.9	\$ 322.2	\$ 325.4	\$ 328.6	\$ 1,924.2
Commonwealth of Virginia							
Formula Match, System Performance							
City of Alexandria	\$ 13.0	\$ 13.4	\$ 13.8	\$ 14.2	\$ 14.6	\$ 15.1	\$ 84.1
Arlington County	23.7	24.1	25.3	26.4	27.3	28.0	154.7
City of Fairfax	0.7	0.8	0.8	0.9	0.9	0.9	4.9
Fairfax County	42.1	43.0	45.0	47.2	48.7	50.0	276.0
City of Falls Church	0.8	0.8	0.8	0.8	0.9	0.9	5.1
Loudoun County	5.8	5.8	6.4	7.0	7.3	7.5	39.7
PRIIA	49.5	49.5	49.5	49.5	49.5	49.5	297.0
Dedicated Funding - Unrestricted	122.9	122.9	122.9	122.9	122.9	122.9	737.3
Dedicated Funding - Restricted	31.6	31.6	31.6	31.6	31.6	31.6	189.7
Congestion Mitigation and Air Quality	0.6	0.6	0.6	0.8	-	-	2.6
Subtotal - Virginia	\$ 290.7	\$ 292.5	\$ 296.6	\$ 301.3	\$ 303.7	\$ 306.4	\$ 1,791.2
Jurisdictional Reimbursable							
Jurisdiction Planning Projects	\$ 3.1	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0	\$ 18.1
Silver Line - MWAA	10.0	-	-	-	32.0	-	42.0
Potomac Yard - Alexandria	32.2	19.4	-	-	-	-	51.6
Purple Line - MDOT	4.7	-	-	-	-	21.9	26.6
Subtotal - Reimbursable	\$ 50.0	\$ 22.4	\$ 3.0	\$ 3.0	\$ 35.0	\$ 24.9	\$ 138.2
Subtotal - State and Local	\$ 983.8	\$ 964.7	\$ 954.2	\$ 963.4	\$ 1,004.0	\$ 1,003.4	\$ 5,873.5
Dedicated Funding-Backed Debt	\$ 949.3	\$ 1,076.9	\$ 865.0	\$ 761.1	\$ 660.6	\$ 700.0	\$ 5,012.9
Grand Total Funding	\$ 2,424.7	\$ 2,540.8	\$ 2,318.8	\$ 2,233.4	\$ 2,182.0	\$ 2,227.2	\$ 13,926.9

Metro's FY2023-2028 CIP totals \$13,926.9 million. Metro is projecting that funding for this CIP will come from the following sources:

- \$3.0 billion from federal grant funding, including PRIIA, which was reauthorized by the Bipartisan Infrastructure Law of 2021;

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- State and local contributions to match federal grants and System Performance funds of \$1.8 billion, of which \$62 million is expected to fund revenue losses from shutdowns due to major capital projects;
- Dedicated Funding of \$3.0 billion, of which \$1.4 billion is projected to be used for debt service;
- Debt proceeds of \$5.0 billion from Dedicated Revenue Bonds; and
- Other local sources, including Metropolitan Washington Airports Authority (MWAA) funding for the Silver Line extension and new rail cars; City of Alexandria funding for the new Potomac Yards station; Maryland Department of Transportation (MDOT) funding for the Purple line; among other projects, totaling about \$138 million.

ADDITIONAL DISCLOSURES

1. In 2020, Metro notified the FTA of the disposition of 190 5000-Series railcars due to poor performance and reliability issues and determined that the portion of the remaining undepreciated book value that was paid for with Federal funds was \$88.8M. As such, Metro must show this \$88.8 million of value as FTA interest in new railcars when they are purchased. In accordance with an agreement with FTA, Metro set aside \$28 million in FY2020 System Performance funds and \$15 million in FY2021 System Performance funds to be applied toward expenditure on 7000-Series railcars to address the remaining federal interest. Of the \$43 million previously set aside, \$42 million was expended and applied toward 7000-Series railcar costs as of 6/30/2022.
2. The State of Maryland previously withheld \$1.2 million in FY2018 and \$35.6 million in FY2020 from System Performance payments due to concerns about prior audits.¹² In December 2021, Maryland paid \$34.6 million as resolution of their concerns. Maryland reduced the total payment by \$2.2 million.

¹² An additional \$1.2 million was also withheld from operating funds in FY2018, resulting in a combined withholding of \$2.4 million that year.

APPENDICES

Appendix A : Budget and Expenditure by Project/Program

The Fiscal Year (FY) 2022 CIP allowed Metro to continue to make much needed investments in its transit infrastructure. The FY2022 CIP is organized according to six major investment categories and further subdivided into the 17 areas listed in **Table 11**.

Table 11. Investment Categories

Railcars & Railcar Facilities	Rail Systems	Track & Structures Rehabilitation
<ul style="list-style-type: none"> Railcar Acquisition Railcar Maintenance Facilities Railcar Maintenance 	<ul style="list-style-type: none"> Propulsion Signals & Communications 	<ul style="list-style-type: none"> Fixed Rail Structures
Stations & Passenger Facilities	Bus, Bus Facilities, & Paratransit	Business & Operations Support
<ul style="list-style-type: none"> Platforms & Structures Vertical Transportation Station Systems 	<ul style="list-style-type: none"> Bus & Paratransit Acquisition Bus Maintenance Facilities Bus Maintenance/Overhaul Bus Passenger Facilities/Systems 	<ul style="list-style-type: none"> Information Technology Metro Transit Police Department (MTPD) Support Equipment & Services

The Maryland DFA requires that Metro provide information on CIP expenditures at the project- and program-level. To comply with this requirement, Metro has compiled information in **Table 12** on the one-year budget and expenditure (excluding and including accruals) for every project and program in the FY2022 CIP.

Table 12. Capital Project and Program Financials (Dollars in Thousands)

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
Railcar Acquisition						
CIP0059	8000-Series Railcars	\$ 30,996	\$ 32,522	\$ (1,526)	\$ 6,103	\$ 24,893
CIP0256	7000-Series Railcars	\$ 54,371	\$ 54,729	\$ (358)	\$ 55,228	\$ (857)
CRB0019_19	Silver Line Phase 1 Railcars	\$ 2,175	\$ -	\$ 2,175	\$ -	\$ 2,175
CRB0020_01	Silver Line Phase 2 Railcars	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal Railcar Acquisition	\$ 87,542	\$ 87,252	\$ 290	\$ 61,332	\$ 26,210
Railcar Maintenance Facilities						
CIP0204	Railcar Rooftop Access Platform	\$ 2,573	\$ 4,340	\$ (1,767)	\$ 4,577	\$ (2,004)
CIP0225	Heavy Repair and Overhaul Facility	\$ 75,300	\$ 20,079	\$ 55,221	\$ 20,800	\$ 54,500
CIP0279	Railyard Shop Equipment Replacement	\$ 900	\$ 144	\$ 756	\$ 156	\$ 744
CIP0283	Major Railcar Maintenance Equipment State of Good Repair	\$ 3,259	\$ 6,453	\$ (3,194)	\$ 6,298	\$ (3,039)
CIP0284	Railyard Facility and Site Rehabilitation	\$ 2,140	\$ 574	\$ 1,566	\$ 536	\$ 1,604
CIP8004	Future Railcar Maintenance/Overhaul	\$ -	\$ -	\$ -	\$ -	\$ -
CIP8005	D&E Rail Yard Improvements	\$ -	\$ (164)	\$ 164	\$ (201)	\$ 201

Attachment 1

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
	Subtotal Railcar Maintenance Facilities	\$ 84,172	\$ 31,427	\$ 52,745	\$ 32,166	\$ 52,006
Railcar Maintenance						
CIP0063	Rail Vehicle Rehabilitation Program	\$ 64,765	\$ 81,894	\$ (17,129)	\$ 82,442	\$ (17,678)
CIP0067	Rail Vehicle Safety & Reliability Improvements	\$ 3,050	\$ 1,966	\$ 1,084	\$ 1,651	\$ 1,399
CIP0142	Rail Vehicle Preventive Maintenance	\$ 59,000	\$ 58,095	\$ 905	\$ 58,095	\$ 905
	Subtotal Railcar Maintenance	\$ 126,815	\$ 141,954	\$ (15,140)	\$ 142,187	\$ 15,373)
	Subtotal Railcars & Railcar Facilities	\$ 298,529	\$ 260,632	\$ 37,896	\$ 235,685	\$ 62,843
Propulsion						
CIP0076	Rail System Power Upgrades	\$ 25,700	\$ 35,355	\$ (9,655)	\$ 34,671	\$ (8,971)
CIP0253	Traction Power State of Good Repair	\$ 46,254	\$ 42,335	\$ 3,919	\$ 49,399	\$ (3,144)
CIP0286	Power Generator Replacement	\$ 725	\$ 100	\$ 625	\$ 275	\$ 450
CIP8007	D&E Electrical Improvements	\$ 964	\$ 130	\$ 834	\$ 365	\$ 599
	Subtotal Propulsion	\$ 73,643	\$ 77,921	\$ (4,277)	\$ 84,710	\$ (11,066)
Signals & Communications						
CIP0133	Train Detection and Warning System	\$ 85	\$ 3,757	\$ (3,672)	\$ 3,949	\$ (3,864)
CIP0135	Train Control Signal					
CIP0136	Radio Infrastructure Replacement	\$ 47,802	\$ 45,573	\$ 2,228	\$ 44,866	\$ 2,935
CIP0139	Safety Audit Recommendations	\$ 6,780	\$ 1,602	\$ 5,178	\$ 1,549	\$ 5,231
CIP0251	Automatic Train Control State of Good Repair	\$ 57,160	\$ 33,943	\$ 23,217	\$ 34,062	\$ 23,098
CIP0257	Emergency Trip Station (ETS) Rehabilitation	\$ 3,500	\$ 130	\$ 3,370	\$ 89	\$ 3,411
CIP0332	Fiber Optic Cable Installation	\$ 23,837	\$ 16,581	\$ 7,256	\$ 25,906	\$ (2,069)
CIP8009	Development & Evaluation (D&E) Automatic Train Control & Communications Improvements	\$ -	\$ 38	\$ (38)	\$ 38	\$ (38)
	Subtotal Signals & Communications	\$ 139,164	\$ 101,623	\$ 37,540	\$ 10,443	\$ 28,720
	Subtotal Rail Systems	\$ 212,807	\$ 179,544	\$ 33,263	\$ 195,153	\$ 17,654
Fixed Rail						
CIP0024	Track Rehabilitation Program	\$ 77,288	\$ 75,220	\$ 2,068	\$ 76,165	\$ 1,124
CIP0025	Roadway Equipment and Vehicle Program	\$ 12,578	\$ 6,321	\$ 6,257	\$ 6,367	\$ 6,211
CIP0065	Track Geometry Vehicle	\$ -	\$ 626	\$ (626)	\$ 626	\$ (626)
CIP0246	General Engineering	\$ 11,105	\$ 13,797	\$ (2,692)	\$ 16,513	\$ (5,408)
CIP0247	Emergency Construction and Emerging Needs Program	\$ 64,709	\$ 4,333	\$ 60,376	\$ 4,753	\$ 59,956
CIP0261	Rail Tunnel Lighting Replacement	\$ 3,900	\$ 3,680	\$ 220	\$ 3,721	\$ 179
CIP8011	D&E Fixed Rail Improvements	\$ 3,000	\$ 558	\$ 2,442	\$ 539	\$ 2,461
	Subtotal Fixed Rail	\$ 172,580	\$ 104,535	\$ 68,045	\$ 108,683	\$ 63,897
Structures						
CIP0022	Track Structural Rehabilitation	\$ -	\$ 24	\$ (24)	\$ 29	\$ (29)
CIP0026	Station/Tunnel Leak Mitigation	\$ -	\$ (1)	\$ 1	\$ (1)	\$ 1
CIP0262	Tunnel Water Leak Mitigation	\$ 8,000	\$ 2,930	\$ 5,070	\$ 4,784	\$ 3,216
CIP0291	Tunnel Ventilation Improvements	\$ 2,400	\$ 435	\$ 1,965	\$ 353	\$ 2,047
CIP0294	Bridge Rehabilitation Program	\$ 3,500	\$ 2,979	\$ 521	\$ 1,126	\$ 2,374
CIP0348	Structural Rehabilitation - Package 1	\$ 87,700	\$ 50,952	\$ 36,748	\$ 51,025	\$ 36,675
CIP0349	Yellow Line Tunnel and Bridge Rehabilitation	\$ 35,349	\$ 14,841	\$ 20,507	\$ 25,412	\$ 9,937
CIP0356	Tunnel Ventilation Improvements - Red Line Pilot	\$ 29,600	\$ 19,687	\$ 9,913	\$ 19,481	\$ 10,119
CIP0370	Structural Rehabilitation - Package B	\$ 2,000	\$ 228	\$ 1,772	\$ 264	\$ 1,736
CIP8013	D&E Track Structures Improvements	\$ 2,350	\$ 1,964	\$ 386	\$ 2,113	\$ 237

Attachment 1

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
CIP8014	Future Track and Structures Improvements	\$ -	\$ 31	\$ (31)	\$ 41	\$ (41)
	Subtotal Structures	\$ 170,899	\$ 94,071	\$ 76,828	\$ 104,627	\$ 66,272
	Subtotal Track & Structures Rehabilitation	\$ 343,479	\$ 198,606	\$ 144,873	\$ 213,310	\$ 130,169
Platforms and Structures						
CIP0035	Bicycle and Pedestrian Facility Rehabilitation	\$ 3,340	\$ 425	\$ 2,915	\$ 388	\$ 2,952
CIP0087	Station and Facility Restoration Program	\$ 14,367	\$ 12,053	\$ 2,313	\$ 12,150	\$ 2,217
CIP0088	Station Entrance Canopy Installation	\$ 4,156	\$ 6,550	\$ (2,394)	\$ 7,222	\$ (3,066)
CIP0152	Parking Garage and Surface Lot Rehabilitation	\$ 21,710	\$ 12,773	\$ 8,937	\$ 12,978	\$ 8,732
CIP0218	Metrorail Station Improvements	\$ -	\$ 118	\$ (118)	\$ 22	\$ (22)
CIP0243	L'Enfant Station Improvements	\$ -	\$ 4	\$ (4)	\$ -	\$ -
CIP0271	Metrorail Station Emergency Gates Replacement	\$ 150	\$ 220	\$ (70)	\$ 238	\$ (88)
CIP0274	Grosvenor Parking Garage Joint Development	\$ -	\$ 1,554	\$ (1,554)	\$ 1,521	\$ (1,521)
CIP0297	Union Station Improvements	\$ 7,300	\$ 629	\$ 6,671	\$ 497	\$ 6,803
CIP0302	Huntington Station Parking Garage Replacement	\$ 1,260	\$ 445	\$ 815	\$ 400	\$ 860
CIP0305	Rail Passenger Facility State of Good Repair Program	\$ -	\$ 73	\$ (73)	\$ 73	\$ (73)
CIP0306	Stations Platform Rehabilitation - Phase 1	\$ -	\$ 387	\$ (387)	\$ 175	\$ (175)
CIP0307	Station Platform Rehabilitation - Phase 2	\$ 3,100	\$ 1,266	\$ 1,834	\$ (223)	\$ 3,323
CIP0308	Station Platform Rehabilitation - Phase 3	\$ 144,800	\$ 169,010	\$ (24,210)	\$ 131,052	\$ 13,748
CIP0309	Huntington Station Additional Entrance	\$ -	\$ 3	\$ (3)	\$ 3	\$ (3)
CIP0310	Station Platform Rehabilitation - Phase 4	\$ 220,300	\$ 136,611	\$ 83,689	\$ 154,519	\$ 65,781
CIP0345	Shady Grove Stairway	\$ -	\$ 431	\$ (431)	\$ 518	\$ (518)
CIP0352	Rail Station Platform Canopy Rehabilitation Program	\$ 2,350	\$ 1,700	\$ 650	\$ 1,916	\$ 434
CIP0374	Solar Power Improvements	\$ 4,640	\$ 2,058	\$ 2,582	\$ 2,155	\$ 2,485
CIP8015	D&E Rail Station Improvements	\$ 700	\$ 850	\$ (150)	\$ 845	\$ (145)
CRB0013	Potomac Yard Station Construction	\$ 149,500	\$ 111,329	\$ 38,171	\$ 95,896	\$ 53,604
CRB0019	Silver Line Phase 1	\$ -	\$ -	\$ -	\$ -	\$ -
CRB0020	Silver Line Phase 2 Construction Support	\$ 10,776	\$ 21,387	\$ (10,611)	\$ 19,544	\$ (8,768)
CRB0127	Purple Line Construction Support	\$ 4,068	\$ 3,745	\$ 323	\$ 3,673	\$ 395
CRB0133	Capacity Impro - Union Station	\$ -	\$ 38	\$ (38)	\$ 39	\$ (39)
CRB0136	McLean Station - New Entrance	\$ 200	\$ 17	\$ 183	\$ 17	\$ 183
	Subtotal Platforms & Structures	\$ 592,717	\$ 483,678	\$ 109,039	\$ 445,618	\$ 147,099
Vertical Transportation						
CIP0072	Elevator Rehabilitation Program	\$ 9,000	\$ 3,531	\$ 5,469	\$ 3,235	\$ 5,765
CIP0073	Escalator Rehabilitation Program	\$ 19,644	\$ 19,732	\$ (88)	\$ 18,734	\$ 909
CIP0132	Escalator and Elevator Overhaul Program	\$ 6,630	\$ 7,032	\$ (402)	\$ 7,064	\$ (434)
CIP0185	Escalator Replacement	\$ 26,360	\$ 38,375	\$ (12,015)	\$ 38,327	\$ (11,967)
	Subtotal Vertical Transportation	\$ 61,634	\$ 68,669	\$ (7,035)	\$ 67,360	\$ (5,726)
Station Systems						
CIP0074	Parking Access and Collection Equipment Maintenance	\$ -	\$ 28	\$ (28)	\$ 23	\$ (23)
CIP0145	Facility Security Monitoring Equipment Program	\$ 7,565	\$ 11,181	\$ (3,616)	\$ 11,488	\$ (3,923)
CIP0151	Rail Station Cooling Rehabilitation Program	\$ 10,234	\$ 3,939	\$ 6,295	\$ 3,941	\$ 6,293

Attachment 1

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
CIP0219	Rail Station Lighting Improvements	\$ 26,055	\$ 3,671	\$ 22,384	\$ 3,094	\$ 22,961
CIP0241	Flood Resiliency Infrastructure Upgrades	\$ 688	\$ 941	\$ (253)	\$ 1,061	\$ (373)
CIP0242	Rail System Drainage Rehabilitation Program	\$ 15,100	\$ 7,476	\$ 7,624	\$ 8,443	\$ 6,657
CIP0252	Low Voltage Power State of Good Repair	\$ 35,979	\$ 30,398	\$ 5,581	\$ 30,703	\$ 5,275
CIP0255	Fare Collection Modernization	\$ 56,855	\$ 75,279	\$ (18,424)	\$ 74,725	\$ (17,870)
CIP0258	Station And Tunnel Fire Alarm Rehabilitation	\$ 7,118	\$ 1,904	\$ 5,214	\$ 1,824	\$ 5,294
CIP0272	Digital Display and Wayfinding Improvements	\$ 6,854	\$ 3,493	\$ 3,361	\$ 2,071	\$ 4,783
CIP0276	Art in Transit and Station Commercialization Program	\$ 710	\$ 325	\$ 385	\$ 327	\$ 383
CIP0341	Rail System Standpipe Replacement Program	\$ 8,100	\$ 9,369	\$ (1,269)	\$ 9,025	\$ (925)
CIP0372	Station Revitalization	\$ -	\$ -	\$ -	\$ -	\$ -
CIP8019	D&E Revenue Facility Improvement	\$ 9,500	\$ 579	\$ 8,921	\$ 579	\$ 8,921
	Subtotal Station Systems	\$ 184,758	\$ 148,584	\$ 36,174	\$ 147,304	\$ 37,454
	Subtotal Stations and Passenger Facilities	\$ 839,109	\$ 700,932	\$ 138,177	\$ 660,282	\$ 178,827
Bus & Paratransit Acquisition						
CIP0006	Bus Fleet Acquisition Program	\$ 65,000	\$ 66,471	\$ (1,471)	\$ 64,997	\$ 3
CIP0015	MetroAccess Fleet Acquisition	\$ 16,008	\$ 3,131	\$ 12,877	\$ 1,384	\$ 14,625
CIP0355	Zero Emission Bus Acquisition and Evaluation	\$ 4,500	\$ 1,792	\$ 2,708	\$ 1,974	\$ 2,526
CIP8021	D&E Bus & Paratransit Improvements	\$ 250	\$ 97	\$ 153	\$ 24	\$ 226
	Subtotal Bus & Paratransit Acquisition	\$ 85,758	\$ 71,492	\$ 14,267	\$ 68,379	\$ 17,380
Bus Maintenance Facilities						
CIP0084	Southern Avenue Bus Garage Replacement	\$ -	\$ 2	\$ (2)	\$ 2	\$ (2)
CIP0086	Shepherd Parkway Bus Facility	\$ -	\$ 27	\$ (27)	\$ 27	\$ (27)
CIP0311	Bladensburg Bus Garage Replacement	\$ 58,700	\$ 24,195	\$ 34,505	\$ 31,189	\$ 27,511
CIP0312	Four Mile Run Bus Garage Rehabilitation	\$ 4,500	\$ 4	\$ 4,496	\$ 4	\$ 4,496
CIP0315	Northern Bus Garage Replacement	\$ 17,020	\$ 22,428	\$ (5,408)	\$ 18,292	\$ (1,272)
CIP0319	Bus Maintenance Facility State of Good Repair Program	\$ 750	\$ 642	\$ 108	\$ 642	\$ 108
CIP8025	D&E Bus Maintenance Facility Improvements	\$ -	\$ -	\$ -	\$ 27	\$ (27)
CIP8026	Future Bus Maintenance Facilities	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ 1,000
	Subtotal Bus Maintenance Facilities	\$ 81,970	\$ 47,299	\$ 34,671	\$ 50,182	\$ 31,788
Bus Maintenance/Overhaul						
CIP0002	Bus Onboard Location Equipment and Software Program	\$ 4,000	\$ -	\$ 4,000	\$ -	\$ 4,000
CIP0004	Bus Maintenance Equipment Replacement Program	\$ 2,500	\$ 802	\$ 1,698	\$ 853	\$ 1,647
CIP0005	Bus Vehicle Rehabilitation Program	\$ 66,398	\$ 53,245	\$ 13,153	\$ 53,050	\$ 13,348
CIP0007	Bus Closed Circuit Television Replacement Program	\$ 9,000	\$ 677	\$ 8,323	\$ 677	\$ 8,323
CIP0143	Bus Vehicle Preventive Maintenance	\$ 1,000	\$ 1,002	\$ (2)	\$ 1,002	\$ (2)
	Subtotal Bus Maintenance/Overhaul	\$ 82,898	\$ 55,726	\$ 27,172	\$ 55,583	\$ 27,315
Bus Passenger Facilities/Systems						
CIP0220	Bus Planning Studies Program	\$ 1,600	\$ 979	\$ 621	\$ 839	\$ 761
CIP0221	Bus Customer Facility Improvements	\$ 11,649	\$ 5,421	\$ 6,228	\$ 4,816	\$ 6,833
CIP0254	Bus Priority Program Development	\$ 2,247	\$ 1,966	\$ 281	\$ 1,912	\$ 335

Attachment 1

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
CIP0266	Historic Bus Loop and Facility Rehabilitation	\$ 3,331	\$ 3,269	\$ 62	\$ 3,039	\$ 292
CIP0275	New Carrollton Garage and Bus Bays	\$ 27,000	\$ 6,139	\$ 20,861	\$ 5,866	\$ 21,134
CIP0322	Bus Passenger Fac./Systems Future Major Projects	\$ 400	\$ 290	\$ 110	\$ 290	\$ 110
CIP0326	Real-time Bus and Rail Data Feed Development	\$ 160	\$ 258	\$ (98)	\$ 172	\$ (12)
CRB0012	King Street Station Bus Loop	\$ -	\$ 7	\$ (7)	\$ 6	\$ (6)
	Subtotal Bus Passenger Facilities/Systems	\$ 46,387	\$ 18,330	\$ 28,057	\$ 16,940	\$ 29,447
	Subtotal Bus, Bus Facilities, & Paratransit	\$ 297,014	\$ 192,847	\$ 104,167	\$ 191,085	\$ 105,929
Information Technology						
CIP0042	Asset Management Software Improvements	\$ 1,000	\$ 203	\$ 797	\$ 163	\$ 837
CIP0043	Bus Scheduling and Operations Software Improvements	\$ 2,000	\$ 322	\$ 1,678	\$ 318	\$ 1,682
CIP0049	Technology Improvements for Administrative Functions	\$ -	\$ 105	\$ (105)	\$ 40	\$ (40)
CIP0052	Network and Communications	\$ -	\$ 155	\$ (155)	\$ 13	\$ (13)
CIP0053	Network Operations Center NOC	\$ -	\$ 4	\$ (4)	\$ 4	\$ (4)
CIP0054	Customer Electronic Communications & Outreach	\$ -	\$ 318	\$ (318)	\$ 158	\$ (158)
CIP0056	Rail Service Management Software Improvements	\$ 9,594	\$ 4,532	\$ 5,062	\$ 4,353	\$ 5,241
CIP0259	Employee Timekeeping System	\$ 2,833	\$ 3,156	\$ (323)	\$ 2,437	\$ 396
CIP0269	Asset Management Software	\$ 2,369	\$ 1,715	\$ 654	\$ 1,933	\$ 436
CIP0330	Information Technology Data Center	\$ 36,800	\$ 45,249	\$ (8,449)	\$ 54,541	\$ (17,741)
CIP0331	Enterprise Resource Planning Software Replacement	\$ 6,308	\$ 939	\$ 5,370	\$ 832	\$ 5,476
CIP0342	Information Technology Hardware State of Good Repair	\$ 23,561	\$ 17,584	\$ 5,977	\$ 12,975	\$ 10,586
CIP0343	Information Technology Software State of Good Repair	\$ 33,925	\$ 21,328	\$ 12,597	\$ 19,073	\$ 14,852
CIP0344	IT Program Management Support	\$ 1,800	\$ 827	\$ 973	\$ 735	\$ 1,065
CIP0354	Enterprise Resource Planning Software Upgrade	\$ 3,917	\$ 298	\$ 3,619	\$ 298	\$ 3,619
CIP0357	Cybersecurity Legacy Software Improvement	\$ 500	\$ 5,854	\$ (5,354)	\$ 5,863	\$ (5,363)
CIP0358	Business Systems State of Good Repair	\$ -	\$ 3,252	\$ (3,252)	\$ 4,336	\$ (4,336)
CIP0359	Enterprise Technology Platforms State of Good Repair	\$ -	\$ 1,136	\$ (1,136)	\$ 1,515	\$ (1,515)
CIP0360	Transit Systems State of Good Repair	\$ -	\$ 3,738	\$ (3,738)	\$ 4,595	\$ (4,595)
CIP8029	D&E Information Technology Improvements	\$ 16,955	\$ 6,586	\$ 10,369	\$ 6,702	\$ 10,253
CIP8030	Future Information Technology Projects	\$ 324	\$ -	\$ 324	\$ -	\$ 324
	Subtotal Information Technology	\$ 141,886	\$ 117,299	\$ 24,587	\$ 120,883	\$ 21,003
Metro Transit Police Department (MTPD)						
CIP0102	Police District III Substation	\$ 350	\$ 753	\$ (403)	\$ 772	\$ (422)
CIP0106	Special Operations Division Facility	\$ -	\$ 1	\$ (1)	\$ 1	\$ (1)
CIP0127	Transit Police Support Equipment	\$ 500	\$ 344	\$ 156	\$ 499	\$ 1
CIP8031	D&E Metro Transit Police Improvements	\$ 250	\$ -	\$ 250	\$ -	\$ 250
CIP8032	Future Metro Transit Police Projects	\$ -	\$ 2	\$ (2)	\$ 2	\$ (2)
	Subtotal MTPD	\$ 1,100	\$ 1,100	\$ -	\$ 1,274	\$ (174)
Support Equipment & Services						
CIP0009	Service Vehicle Acquisition Program	\$ 12,400	\$ 6,724	\$ 5,676	\$ 3,851	\$ 8,549
CIP0010	Environmental Compliance Program	\$ 2,919	\$ 2,701	\$ 218	\$ 2,783	\$ 136

Attachment 1

ID	Name	Final Budget	Expenditure Excluding Accruals	Variance	Expenditure Including Accruals	Variance
CIP0029	Warehouse Vertical Store Unit	\$ 75	\$ -	\$ 75	\$ -	\$ 75
CIP0030	Currency Processing Machines	\$ 150	\$ 135	\$ 15	\$ 135	\$ 15
CIP0033	Revenue Facility Equipment Replacement	\$ 410	\$ -	\$ 410	\$ -	\$ 410
CIP0034	Revenue Collection Facility Rehabilitation	\$ 2,080	\$ 94	\$ 1,986	\$ 477	\$ 1,603
CIP0036	Procurement Program Support	\$ 1,940	\$ 5,713	\$ (3,773)	\$ 5,929	\$ (3,989)
CIP0039	System Planning and Development	\$ 3,837	\$ 2,872	\$ 965	\$ 2,851	\$ 986
CIP0099	Joint Development Program Support	\$ 2,080	\$ 1,247	\$ 833	\$ 1,735	\$ 345
CIP0101	Internal Compliance Capital Management Support	\$ 1,000	\$ 718	\$ 282	\$ 558	\$ 442
CIP0131	Capital Program Financing Support	\$ 1,900	\$ 593	\$ 1,307	\$ 593	\$ 1,307
CIP0150	Non-Revenue Facility Fire System Rehabilitation	\$ 500	\$ 1,410	\$ (910)	\$ 1,424	\$ (924)
CIP0170	Facility Roof Rehabilitation and Replacement	\$ 15,426	\$ 8,832	\$ 6,594	\$ 9,387	\$ 6,039
CIP0197	Support Facility Improvements	\$ 2,465	\$ 608	\$ 1,857	\$ 990	\$ 1,475
CIP0212	Sustainability/Resiliency Program	\$ 3,000	\$ 1,987	\$ 1,013	\$ 1,949	\$ 1,051
CIP0213	Capital Program Development Support	\$ 19,025	\$ 25,491	\$ (6,466)	\$ 26,884	\$ (7,859)
CIP0231	Good Luck Road Facility	\$ 862	\$ 2,726	\$ (1,864)	\$ 3,054	\$ (2,192)
CIP0270	Capital Delivery Program Support	\$ 35,408	\$ 30,014	\$ 5,394	\$ 33,630	\$ 1,778
CIP0273	Support Facility Rehabilitation	\$ 4,910	\$ 5,042	\$ (132)	\$ 5,405	\$ (495)
CIP0277	Supply Chain Modernization	\$ 500	\$ 319	\$ 181	\$ 319	\$ 181
CIP0324	Capital Program Financial Support	\$ 3,355	\$ 161	\$ 3,194	\$ 161	\$ 3,194
CIP0335	Office Consolidation - District of Columbia	\$ 87,291	\$ 65,881	\$ 21,410	\$ 63,291	\$ 24,000
CIP0336	Facility Energy Management Upgrades	\$ 190	\$ 164	\$ 26	\$ 164	\$ 26
CIP0337	Office Consolidation - Virginia	\$ 145,533	\$ 106,619	\$ 38,914	\$ 117,411	\$ 28,122
CIP0338	Office Consolidation - Maryland	\$ 92,780	\$ 126,790	\$ (34,010)	\$ 135,295	\$ (42,515)
CIP0347	Accounting Capital Program Support	\$ -	\$ 1,263	\$ (1,263)	\$ 1,263	\$ (1,263)
CIP0373	Interim Operations Control Centers	\$ 12,000	\$ 6,125	\$ 5,875	\$ 6,365	\$ 5,635
CIP8033	D&E Support Equipment Improvements	\$ 1,647	\$ 247	\$ 1,400	\$ 47	\$ 1,600
CIP8034	Future Support Equipment Projects	\$ 250	\$ -	\$ 250	\$ -	\$ 250
CRB0005	Planning Support for the District of Columbia	\$ 1,000	\$ 988	\$ 12	\$ 1,179	\$ (179)
CRB0009	Planning Support for Maryland Jurisdictions	\$ 1,000	\$ 905	\$ 95	\$ 1,214	\$ (214)
CRB0018	Planning Support for Virginia Jurisdictions	\$ 1,000	\$ 599	\$ 401	\$ 725	\$ 275
SCOV19-19_06	COVID-19 IT: Equip & Services	\$ -	\$ 193	\$ (193)	\$ 83	\$ (83)
	Subtotal Support Equipment & Services	\$ 456,933	\$ 407,163	\$ 49,770	\$ 429,154	\$ 27,779
	Subtotal Business & Operations Support	\$ 599,919	\$ 525,562	\$ 74,357	\$ 551,311	\$ 48,608
	Grand Total	\$ 2,590,857	\$ 2,058,123	\$ 532,733	\$ 2,046,826	\$ 544,030

Appendix B : Project Budget and Expenditure (FY2016-FY2022)

The Maryland DFA requires life-to-date (LTD) expenditure information for CIP projects that exceeded their FY2022 one-year expenditure budget. To fulfill this requirement, Metro has compiled budget and expenditure information for the period of FY2016 – FY2022.

Table 13. Project Budget and Expenditure FY2016-FY2022 (Dollars in Thousands)¹³







ID	Name	FY16-22 Budget	FY16-22 Expenditure Excluding Accruals
CIP0049	Technology Improvements for Administrative Functions	\$ 73,986	\$ 68,792
CIP0052	Network and Communications	\$ 32,809	\$ 31,737
CIP0053	Network Operations Center NOC	\$ 481	\$ 1,030
CIP0054	Customer Electronic Communications & Outreach	\$ 12,002	\$ 11,884
CIP0059	8000-Series Railcars	\$ 79,412	\$ 47,925
CIP0065	Track Geometry Vehicle	\$ 1,394	\$ 1,110
CIP0074	Parking Access and Collection Equipment Maintenance	\$ 1,533	\$ 985
CIP0076	Rail System Power Upgrades	\$ 201,110	\$ 207,036
CIP0084	Southern Avenue Bus Garage Replacement	\$ 165,872	\$ 157,108
CIP0086	Shepherd Parkway Bus Facility	\$ 344	\$ 221
CIP0088	Station Entrance Canopy Installation	\$ 49,329	\$ 44,645
CIP0102	Police District III Substation	\$ 1,649	\$ 1,868
CIP0106	Special Operations Division Facility	\$ 4,435	\$ 4,011
CIP0133	Train Detection and Warning System	\$ 4,901	\$ 7,943
CIP0150	Non-Revenue Facility Fire System Rehabilitation	\$ 26,162	\$ 26,957
CIP0204	Railcar Rooftop Access Platform	\$ 18,132	\$ 15,119
CIP0218	Metrorail Station Improvements	\$ 5,738	\$ 5,474
CIP0231	Good Luck Road Facility	\$ 31,868	\$ 28,628
CIP0241	Flood Resiliency Infrastructure Upgrades	\$ 7,849	\$ 7,522
CIP0243	L'Enfant Station Improvements	\$ -	\$ 4
CIP0255	Fare Collection Modernization	\$ 172,194	\$ 187,923
CIP0256	7000-Series Railcars	\$ 856,835	\$ 655,958
CIP0259	Employee Timekeeping System	\$ 30,671	\$ 30,794
CIP0271	Metrorail Station Emergency Gates Replacement	\$ 8,035	\$ 9,514
CIP0274	Grosvenor Parking Garage Joint Development	\$ 21,622	\$ 21,373
CIP0283	Major Railcar Maintenance Equipment State of Good Repair	\$ 8,095	\$ 10,963
CIP0306	Stations Platform Rehabilitation - Phase 1	\$ 349,064	\$ 325,307
CIP0308	Station Platform Rehabilitation - Phase 3	\$ 424,852	\$ 370,438
CIP0309	Huntington Station Additional Entrance	\$ 11,400	\$ 13,308
CIP0315	Northern Bus Garage Replacement	\$ 60,019	\$ 62,336
CIP0326	Real-time Bus and Rail Data Feed Development	\$ 860	\$ 385
CIP0330	Information Technology Data Center	\$ 53,014	\$ 48,124
CIP0338	Office Consolidation - Maryland	\$ 145,470	\$ 166,483
CIP0345	Shady Grove Stairway	\$ 1,700	\$ 2,090
CIP0357	Cybersecurity Legacy Software Improvement	\$ 500	\$ 5,854

¹³ Table 13 contains life-to-date budget and expenditure information for CIP projects only and does not include CIP programs. CIP projects have defined start and end dates, whereas programs recur annually.

Appendix C : FY2022 New Projects

The Maryland DFA requires that Metro provide information on the scope, purpose, and need of new CIP projects initiated during FY2022. New projects and programs that emerged during the fiscal year are described in **Table 14**.

Table 14. Projects and Programs Initiated During FY2022

ID and CIP Name	Description and Location	Strategic Objectives Supported
CIP0357 – Cybersecurity Legacy Software Improvement	Cybersecurity protects all categories of data from theft and damage. This includes sensitive data, personally identifiable information, protected health information, and intellectual property data. This program funds improvements to legacy software to ensure that all WMATA applications adhere to WMATA's cybersecurity and data protection standards. CIP0357 is system-wide.	 Reliability/SGR
CIP0358 – Business Systems State of Good Repair	This program supports a series of enhancements to WMATA's business systems, including the PeopleSoft Financial, Human Capital, and Enterprise Learning Management Systems, Kronos Timekeeping Software, and Hyperion. CIP0358 is system-wide.	 Reliability/SGR
CIP0359 – Enterprise Technology Systems State of Good Repair	This program supports a series of enhancements to enterprise systems, including IBM Jazz and Atlassian (IT SDLC development platforms), RSA Archer (enterprise governance and risk management platforms), Clarity, and Service Now. CIP0359 is system-wide.	 Reliability/SGR
CIP0360 – Transit Systems State of Good Repair	This program supports a series of enhancements to bus operations software, including upgrades that facilitate efficient scheduling and routing activities. CIP0360 is system-wide.	 Reliability/SGR
CIP0373 – Interim Operation Control Centers (OCC)	The Operational Control Center (OCC) and radio system in the Jackson Graham Building must be relocated due to the decommissioning of this building. This project supports the construction of an OCC and data center at Mill Road. Remaining work includes the relocation of the radio antennae farm, upgrades to consoles, duct bank installation at Mill Road, and asset decommissioning at Jackson Graham.	 Reliability/SGR
CIP0374 – Solar Power Improvement	WMATA has entered a 25-year ground lease with Sun Power/Goldman Sachs for solar installations at Naylor Road, Southern Avenue, Anacostia, and Cheverly Metro Station parking facilities. Implementing these leases requires WMATA to make associated capital investments to expand CCTV and re-pave the area after solar panel installation.	 Reliability/SGR

Appendix D : Federal Grants Crosswalk

Table 15. FY2022 Federal Grants Crosswalk – Capital

Formula Grants	FAIN	Carryover Balance	Awarded/De-obligations	Total Available	Receipts during FY2021	Remaining Balance
FFY18 Section 5307/5340 Formula Grant	DC-2018-011	\$ 0.2	\$ -	\$ 0.2	\$ 0.2	\$ -
FFY2019 Section 5339 Bus Program (Bus Replacements)	DC-2019-008	\$ 0.1	\$ -	\$ 0.1	\$ 0.1	\$ -
FFY2019 5307/5340 Formula Grant	DC-2019-010	\$ 8.3	\$ -	\$ 8.3	\$ 1.8	\$ 6.6
FFY20 5307 Bus Replacements and Rehabilitation	DC-2020-010	\$ 46.4	\$ 164.8	\$ 211.2	\$ 132.8	\$ 78.4
FFY2018 5307 Formula Bus Bridges CIP Support Services	DC-2021-005	\$ 0.3	\$ -	\$ 0.3	\$ 0.3	\$ -
FFY2021 5312 COVID-19 Research and Demonstration Project	DC-2021-012	\$ -	\$ 0.6	\$ 0.6	\$ 0.1	\$ 0.5
FFY2021 5339 Bladensburg Bus Garage	DC-2021-014	\$ -	\$ 11.0	\$ 11.0	\$ 8.1	\$ 2.9
Subtotal		\$ 55.3	\$ 176.4	\$ 231.7	\$ 143.4	\$ 88.3
State of Good Repair Grants	FAIN	Carryover Balance	Awarded/De-obligations	Total Available	Receipts during FY2021	Remaining Balance
FFY2019 Section 5337 State of Good Repair	DC-2019-009	\$ 6.7	\$ -	\$ 6.7	\$ 6.7	\$ -
FFY2020 Section 5337 Rail System Rehabilitation, Railcar Preventive Maintenance	DC-2020-017	\$ 61.2	\$ 148.8	\$ 210.0	\$ 99.3	\$ 110.7
Subtotal		\$ 67.9	\$ 148.8	\$ 216.7	\$ 106.0	\$ 110.7
Passenger Rail Investment and Improvement Act (PRIIA)	FAIN	Carryover Balance	Awarded/De-obligations	Total Available	Receipts during FY2021	Remaining Balance
FY2019 PRIIA Appropriation	DC-2019-006	\$ 0.1	\$ -	\$ 0.1	\$ -	\$ 0.1
FFY2020 H.R.1865 Rail Safety Improvement (Section 75) Funding	DC-2020-016	\$ 29.0	\$ -	\$ 29.0	\$ 12.1	\$ 17.0
FFY2021 PRIIA	DC-2021-017	\$ -	\$ 148.5	\$ 148.5	\$ 113.0	\$ 35.5
Subtotal		\$ 29.1	\$ 148.5	\$ 177.6	\$ 125.1	\$ 52.5

Attachment 1

Other FTA Grants	Other FTA Grant Funds	Carryover Balance	Awarded/De-obligations	Total Available	Receipts during FY2021	Remaining Balance
FFY2013 Hurricane Sandy Resilience	DC-44-X001	\$ 0.5	\$ -	\$ 0.5	\$ 0.5	\$ -
FFY2018 Bus Shelters Replacement	DC-2018-012	\$ 3.6	\$ -	\$ 3.6	\$ -	\$ 3.6
FFY2019 Section 5539b Buses and Bus Facilities (Farebox)	DC-2020-002	\$ 6.4	\$ -	\$ 6.4	\$ 6.4	\$ -
FFY19 5310 Metro Access Fleet Replacement Vehicles	DC-2020-007	\$ 0.9	\$ -	\$ 0.9	\$ -	\$ 0.9
FFY2020 VA CMAQ/DRPT Bus Replacement	DC-2021-001	\$ 0.4	\$ -	\$ 0.4	\$ 0.4	\$ -
FFY2020 5339 (c) Low-No Metrobus Zero-Emission Fleet Program	DC-2021-003	\$ 4.2	\$ -	\$ 4.2	\$ 0.1	\$ 4.0
FFY19 Section 5312 Public Safety Pilot Study	DC-2021-008	\$ 0.2	\$ -	\$ 0.2	\$ 0.1	\$ 0.1
FFY2021 VA CMAQ Bus Replacement	DC-2021-021	\$ -	\$ 4.1	\$ 4.1	\$ 4.1	\$ -
Subtotal		\$ 16.1	\$ 4.1	\$ 20.2	\$ 11.6	\$ 8.6
Grand Total		\$ 168.4	\$ 477.7	\$ 646.2	\$ 386.1	\$ 260.1

Appendix E : Summary of CIP Accomplishments

Metro's FY2022 capital investment marks the largest since the construction of the Metrorail system, surpassing the previous highwater mark established in FY2021. These investments involved construction and rehabilitation projects to maintain the transit system in a state of good repair and enhance system reliability and customer service.

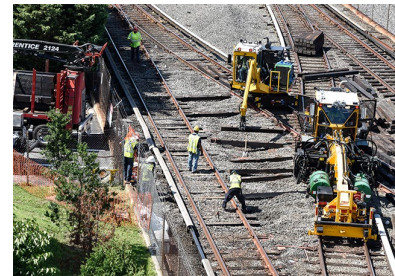
This appendix provides information on capital program accomplishments and work progress during FY2022. This information is grouped by Metro's six investment categories.



Railcars & Railcar Facilities



Rail Systems



Track and Structures Rehabilitation



Stations and Passenger Facilities



Bus, Bus Facilities, and Paratransit



Business & Operations Support

Railcars & Railcar Facilities

Railcar Acquisition

In March 2021, Metro selected Hitachi Rail Washington, LLC to build the system's 8000-Series railcars in the United States. The contract, valued up to an estimated \$2.2 billion, includes a base order of 256 railcars with options to build up to 800 new railcars for the fleet. The 8000-Series railcars will improve customers' on-board experience with features like digital screens, real-time information displays, and electrical outlets for charging personal electronics. In addition, the new railcars have better ventilation systems and are more energy efficient than Metro's existing models. During FY2022, Hitachi and Metro advanced conceptual designs for the 8000-Series.

In October 2021, Metro removed all 7000-Series railcars from service following a derailment on the Blue Line. Since that time, Metro has worked diligently with the National Transportation Safety

Board (NTSB) and Washington Metrorail Safety Commission (WMSC) to assess the cause of the derailment and implement a plan to return the cars to service. Some 7000-Series vehicles began to return to service in June 2022, a critical step towards delivering more frequent and reliable service to customers.

Railcar Maintenance Facilities

Metro has 10 railcar service and distribution facilities, but not one location dedicated to heavy repair and overhaul activities. Currently, heavy repair and overhaul work takes place alongside regular service and repair work at the Brentwood and Greenbelt Rail Yards. The new Heavy Repair and Overhaul (HRO) Facility will allow Metro to consolidate HRO work at a dedicated location in Landover, MD. The building will be outfitted with bays for 20 railcars, a railcar truck shop, and storage tracks.

The HRO project is being delivered through a hybrid Design Build/Construction Manager at Risk (DB/CMAR) delivery method. In February 2021, Metro awarded a pre-construction contract to the team of Hensel Phelps and Stantec and issued a Notice to Proceed for pre-construction activities. During FY2022, the project team completed site surveys, environmental reviews, geotechnical evaluations, and property acquisition. In addition, the project team advanced work on the 100% design package for site preparation and the 60% design package for the civil and track work. Pre-construction activities will continue in FY2023.

In addition to the HRO project, Metro worked on detailed designs for the replacement of train wash systems at seven locations. A construction contract will be awarded for this work in FY2023.

Railcar Maintenance

Metro's Rail Vehicle Rehabilitation Program involves engineering modifications and Scheduled Maintenance Program (SMP) work on up to one-fifth of the railcar fleet annually. This work helps maintain the railcar fleet in a state of good repair and prevents future safety and reliability issues. During FY2022, Metro completed SMP on 52 of 52 planned 3000-Series railcars (100%) and SMP on 28 of 32 planned 6000-Series railcars (88%). SMP on four (4) 6000-Series railcars could not be completed due to electrical wiring issues that must first be addressed. SMP was also planned for the 7000-Series railcars; however, due to those railcars being out of service, SMP work has been rescheduled for FY2023.

For the 6000-Series, WMATA is also replacing all coupler assemblies due to the 2020 incidents involving the separation of these railcars. Metro completed 130 of the 128 planned coupler replacements (102%) for FY2022. The coupler work is being coordinated with WMATA's Department of Safety and Environmental Management (SAFE) and the Washington Metrorail Safety Commission (WMSC).

Rail Systems

Signals and Communications

The Radio Infrastructure Replacement project involves replacing the existing Comprehensive Radio Communications System (CRCS), which operates in a 450-490 MHz frequency band (also referred to as T-Band), with a new system operating in the 700 MHz band, as required by the Federal Communications Commission (FCC). This project also involved the installation of wireless signal communications throughout the tunnel system, in effort to enhance both customer

and employee communication and safety. During FY2021, Metro completed cellular cable installation that resulted in the availability of cellular and data service on all 100 miles of Metrorail tunnel track. During FY2022, Metro completed the replacement of radio infrastructure and equipment at six above ground sites (14 remain), continued underground construction in shafts and stations, and initiated bus and rail radio installations. These upgrades will enhance safety by improving equipment used by employees, the Operations Control Center, and first responders who may assist Metro during an emergency event.

All of Metro's revenue track is equipped with Automatic Train Control (ATC), which provides train detection, speed commands, and routing to all revenue trains. As part of the Automatic Train Control (ATC) State of Good Repair (SGR) program, Metro is seeking to upgrade its current relay logic ATC system equipment that has reached or surpassed its life expectancy with new microprocessor technology, strengthening the reliability and safety of its rail operation. For the past two years Metro has been replacing the ATC system at the Alexandria Rail Yard. The Alexandria Rail Yard project was originally scheduled for completion in Q3 of FY22; though all construction and testing was completed, the project end date has been pushed to Q2 of FY23 due to the delayed delivery of a contractual spare part.

As part of the ATC SGR program, Metro advanced procurement on the ATC Train Control Room (TCR) Renewal project, which involves the replacement of equipment at 24 locations that have an older generation of track circuit. Existing ATC equipment will be replaced with Audio Frequency (AF) track circuits, redundant vital logic processors, and other equipment. Procurement activities were ongoing throughout FY2022 and a contract was awarded and Notice to Proceed issued in August 2022. Pre-construction and design activities will occur during FY2023. Construction is currently scheduled to start in Q4 of FY2023.

Propulsion

Metro completed cable replacement and installation work on Traction Power Substations (TPSS) at the College Park, Franconia-Springfield, Greenbelt, Hyattsville Crossing, and West Hyattsville stations. TPSS work is continuing at Cameron Run, Huntington Avenue, and Van Dorn stations. In addition, Metro awarded a contract to replace equipment at 12 TPSS and 9 Tie-Breaker Stations over the next four years.

The Low Voltage Power State of Good Repair program helps Metro ensure the reliability of the power systems that support service. During FY2022, Metro advanced construction on AC Switchgear replacements at Deanwood, East Falls Church, Farragut West, Gallery Place, Silver Spring and Vienna.

Track and Structures Rehabilitation

Fixed Rail

The Track Rehabilitation Program supports a safe and reliable rail system through comprehensive inspection, maintenance, and rehabilitation activities. This work is addressed through planned Rail Service Adjustments (RSAs) (e.g., track shutdowns) and responsive rehabilitation. Metro uses comprehensive track condition data to identify and assign ratings to component defects. Component defects are grouped by location (operable segment) and are prioritized with the following codes:

- Priority Code A (Highest): Segments likely to have critical needs within one year or with pending corrective action requirements.
- Priority Code B (Medium): Segments with components nearing the end of useful life and segments that could become critical in upcoming years.
- Priority Code C (Lower): Segments without any critical issues but with components that are due for replacement in the near future.

Priority segment work may be scheduled and completed through dedicated RSAs, RSAs for other major capital projects, or non-passenger service/overnight hours. FY2022 Priority Code A segment work is shown in **Table 16**. It is important to note that Metro may add, downgrade, or defer work throughout the year based on revised assessments of segment components.

Table 16. FY2022 Priority A Segments

Operable Segment	Component	Planned Scope	Completed FY2021	Completed FY2022	Total	% Completed
A03-A06	Grout Pad Rehabilitation (LF) ¹	12,000	None planned	30	30	0%
A03-A06	Running Rail (LF)	800	None planned	800	800	100%
A03-A06	Direct Fixation Fasteners ²	800	None planned	670	670	84%
A06-A08	Running Rail (LF)	1,600	None planned	1,600	1,600	100%
A06-A08	Direct Fixation Fasteners	1,500	None planned	1,500	1,500	100%
A10-A11	Grout Pad Rehabilitation (LF) ¹	4,523	1,923	0	1,923	43%
A10-A11	Running Rail (LF) ²	6,400	4,000	0	4,000	63%
A10-A11	Direct Fixation Fasteners ²	800	151	128	279	35%
B02-B03	Running Rail (LF) ²	3,000	0	0	0	0%
B02-B03	Direct Fixation Fasteners	400	106	294	400	100%
B08-B09	Grout Pad Rehabilitation (LF) ³	2,500	0	940	940	38%
B08-B09	Running Rail (LF)	2,000	None planned	2,000	2,000	100%
B08-B09	Direct Fixation Fasteners	1,000	465	535	1,000	100%
B10	Turnouts ³	2	None planned	0	0	0%
C08-C10	Grout Pad Rehabilitation (LF) ²	1,500	577	0	577	38%
C10-C12	Running Rail (LF) ²	4,883	None planned	3,839	3,839	79%
D98-G03	Direct Fixation Fasteners ²	1,534	None planned	1,293	1,293	84%
E03-E05	Running Rail (LF)	200	None planned	200	200	100%

¹ The scheduling of this work is being evaluated.

² Critical work was completed. The remaining work has been downgraded to Priority B and will no longer be tracked as Priority A activity.

³ The remaining work will be completed in FY2023.

Defects identified in track inspections that pose a risk to passenger service are addressed during overnight work hours. Metro seeks to reduce the amount of responsive rehabilitation through

greater planning and increased proactive maintenance. Proactive maintenance improves guideway condition performance and reduces unplanned track and speed restrictions. **Table 17** summarizes the major track maintenance and rehabilitation activities.

Table 17. FY2022 Track Rehabilitation Work by Component Activity

Component Activity	FY2022 Plan	Total FYTD Complete	Percentage
Crossties Replaced	10,000	10,432	104%
Fasteners Replaced	12,000	13,857	115%
Insulators Replaced	3,000	3,580	119%
Joints Eliminated ¹	750	560	75%
Running Rail Renewed (MI) ²	10.0	8.5	85%
Third Rail Rehabilitation (LF) ³	0	131	
Track Stabilization (LF)	200	318	159%
Track Tamping (MI)	24.0	24.2	101%
Turnouts Rehabilitated ⁴	4	1	25%

¹ Joint elimination work was impacted by Prime Mover mechanical issues.

² Renewal work was impacted by Prime Mover mechanical issues and supply chain constraints.

³ Planning for this activity will resume in FY2023.

⁴ Two turnouts were repaired instead of completely rehabilitated. The remaining turnout rehabilitation is now scheduled for FY2023.

Structures

As part of the Structural Rehabilitation – Package A project, during FY2022, Metro completed construction on the West Hyattsville structure and rebuilt the Rockville platform canopy. A new Shady Grove Station mezzanine stairway was also constructed. A Design-Build contract for Package B of the project is anticipated to be awarded in Q1 of FY2023. Package B will involve the repair of approximately 21 bridges throughout the system.

The construction contract for the Yellow Line Tunnel and Bridge Rehabilitation project was awarded in Q4 following the completion of design, inspections, and surveying. This project will address the structural degradation of the Yellow Line Tunnel and the Bridge, both of which were constructed over 40 years ago. A shutdown between Pentagon and L'Enfant Plaza is scheduled to begin in Q1 of FY2023.

Construction of mezzanine platforms over Metrorail tracks on the Red Line between Woodley Park and Cleveland Park stations is ongoing. This infrastructure will support upgraded ventilation fans and electrical systems, increasing station and tunnel safety in the event of a smoke or fire emergency. This is a pilot project and the results will inform designs for potential future tunnel ventilation improvements throughout the system.

In Q4, drilling and grouting work commenced for the Tunnel Leak Mitigation Program. Two segments of the Red Line (Silver Spring to Forest Glen and Tenleytown/AU to Friendship Heights) will undergo water mitigation work, requiring periodic weekend single-tracking. Once complete, an evaluation will determine the effectiveness of this approach and its potential for further use throughout the tunnel system.

Station and Passenger Facilities

Platforms & Structures

The Platform Rehabilitation Program involves the rehabilitation of station platform structures, tiles, granite edges, and 36 other station systems (e.g., information displays, lighting, signage, refuse bins, bathrooms, security, fire systems, etc.). Through Phases 1-3 of this program, Metro rehabilitated 17 stations. Phase 4 addresses five additional stations on the Orange Line (Minnesota Avenue, Deanwood, Cheverly, Landover, and New Carrollton), as well as aerial structures and three bridges. A contract and Notice to Proceed (NTP) for Phase 4 were awarded in FY2022 Q1. Construction activity for Phase 4 began in FY2022 Q4.

During FY2022, work commenced on Phase 4 of the Station Entrance Canopy project. The scope for Phase 4 includes installing stainless steel canopy structures, granite pavers, conduit for future camera installation, and light fixtures at nine locations: Judiciary Square (North Canopy), Arlington Cemetery (North and South Canopies), Smithsonian (North Canopy), U-Street African American Civil War Memorial, Archives-Navy Memorial-Penn Quarter, Tenleytown, Capitol South, and Potomac Avenue. In addition, the scope includes the construction of new concrete stair, granite treads, and handrails at three stations.

Ongoing construction at the new Potomac Yard station required periodic shutdowns between National Airport and Braddock Road. Work progressed on construction of the South pavilion entrance elevator and escalator installation and structural work continued.

Station Systems

The Fare Collection Modernization Program improves fare collection functionality and provides customers with enhanced payment and account capabilities, exemplified by the launching of the mobile SmarTrip® applications in FY2021. During FY2022, systemwide installation of new, modernized faregates continued with new faregates installed at 73 of 98 stations. Twenty-five stations remain. Work also progressed on bus farebox replacements. During FY2022, the design of the new bus fareboxes was completed; replacement work will begin in FY2023. Existing bus fareboxes are approximately two decades old, have failing components, and/or are no longer manufactured.

As part of Metro's Energy Action Plan, the Station Lighting Improvements Program upgrades lighting at platforms, station mezzanines and backrooms, and around Metro stations. This program enhances illumination and safety and reduces energy use. Work is currently ongoing on escalator incline lighting and a procurement for edge lighting installation is anticipated to be released in FY2023. Designs for above ground station site lighting at 12 priority stations are progressing.

As part of Metro's efforts to improve customer and employee comfort during hot days, a contract was awarded in Q2 for the design for the design of replacement chillers five stations: Van Ness, Rosslyn, L'Enfant Plaza (2), and Stadium Armory. Design continued to advance through Q4.

Vertical Transportation

During FY2022, Metro rehabilitated six (6) elevators and twenty-one (21) escalators; in addition, twenty-five (25) escalators were replaced. Work on the replacement of units at Ballston and Capitol South was underway at the end of the fiscal year. Information on elevator and escalator availability in relation to Metro's performance targets can be found in [Metro's Performance Report](#).

Bus, Bus Facilities, and Paratransit Investments***Bus and Paratransit Acquisition***

Orders and fulfillment for buses are summarized in **Table 18**. These new buses help maintain Metro's fleet in a state of good repair and contribute to operational savings by replacing less reliable and less fuel-efficient buses.

Table 18. Bus Acquisition

Bus Type	FY2022 Planned Deliveries	FY2022 Progress	Percentage
Clean Diesel, 40 ft.	120	119	99%

A key part of Metro's sustainability strategy is its transition to a 100% zero-emission bus fleet by 2045. During FY2022, Metro initiated work on a Battery-Electric Bus (BEB) Test and Evaluation project (for up to 12 buses). The results of this project will inform the future large-scale roll-out of zero-emission technology across the approximately 1,600 bus fleet. In addition, Metro awarded a contract for two 60-foot BEBs and chargers and is developing a Zero-Emission Bus Transition Plan to identify the fleet, facilities, and workforce needs to support a fully zero-emission bus fleet.

Metro also released an RFP for 100 minivans and is developing an RFP for 100 Next Generation Paratransit Vans, which staff anticipate will be released in FY2023. Bus and paratransit acquisitions have resulted in an increased percentage of vehicles in a state of good repair (not exceeding their respective useful life benchmarks). After FY2022 planned investments, 95 percent of 40-foot buses, 97 percent of 60-foot buses, and 100 percent of MetroAccess vehicles are expected to meet this benchmark.

Bus Maintenance Facilities

The Bladensburg Bus Maintenance and Operations Facility project involves the construction of a new LEED-certified garage for up to 300 buses, separate entrances for buses and employee vehicles, and on-site employee parking. To facilitate the construction of the new Bladensburg Bus Garage Facility, an off-site bus parking lot has been constructed. During FY2022, demolition of the existing Bladensburg facility was completed and detailed design advanced. The off-site bus parking lot is in use and will continue to be throughout construction.

Pre-construction activities also continued at the Northern Bus Garage Facility, in preparation for demolition and construction. This LEED-designed facility will include underground parking, a maintenance and operations level, and a rooftop parking deck. The facility will accommodate up to 150 buses.

Both the Bladensburg and Northern Bus Garage facilities will be built to support future electric vehicle charging infrastructure and equipment.

Bus Maintenance/Overhaul

Metro's bus maintenance and overhaul investments are focused on maintaining the reliability and safe operating condition of equipment, as well as achieving the maximum useful life of these important assets. **Table 19** summarizes FY2022 progress against planned bus maintenance and overhaul activities.

Table 19. Bus Maintenance and Overhaul Activities

Activity	FY2022 Plan	FYTD Progress	Percentage
Bus Rehabilitations ¹	100	83	83%
Energy Storage Systems ²	100	42	42%
Engine Assemblies ¹	125	65	52%
Fare Boxes	230	230	100%
Transmission Assemblies ¹	150	99	66%
Ultracapacitors ¹	6	6	100%

¹ Non-availability of parts due to supply chain issues impacted progress. As a result, FY2023 planned completion for these assets will be reduced.

² After an evaluation, it was determined that buses did not require immediate energy storage system replacements.

These investments are critical to meeting Metro's MDBF targets for the bus fleet and providing customers with reliable service. More information on Metro's MDBF performance can be found in [Metro's Performance Report](#).

Bus Passenger Facilities/Systems

Customer Information Electronic Display Signs (CIEDS) are being installed at Metrobus stops to provide customers with real-time information on bus arrivals. During FY2022, Metro installed 117 CIEDS.

Design for the replacement parking garage and bus loop at New Carrollton is ongoing, with demolition anticipated to begin in FY2023. This project supports joint development at the site.

Metro completed the rehabilitation of the Chevy Chase Terminal in Q1. Rehabilitation of the Calvert St. and Colorado Bus Terminals commenced and are anticipated to be completed in Q1 of FY2023. This work includes the installation of new real-time customer information signs, new bus shelters, brighter LED lighting, transformed canopies, new roofing, electric and plumbing infrastructure, as well as resurfacing of the bus loops.

Business Support Investments

Information Technology

Metro's Information Technology (IT) investments improve internal operations and the customer experience. As part of the office consolidation initiative, a new data center will be constructed to

replace the existing center at the Jackson Graham Building. During FY2022, equipment for the new data center was purchased and testing was initiated.

Support Equipment and Services

Metro's Office Consolidation Strategy is helping Metro downsize from ten (10) current office buildings throughout the region to four (4), which will reduce operating expenses and improve employee operations. The facilities are being designed to meet LEED certification standards. During Q4, Metro took occupancy of the DC office building. Building envelope installation and dry-in work was completed at the New Carrollton, Maryland and Alexandria, Virginia office locations. The New Carrollton and Alexandria offices will open to staff in FY2023.

Fiscal Year 2022 Report on Actual Indirect Costs

Overview

Washington Metropolitan Area Transit Authority's (WMATA or Metro) Six-Year Capital Improvement Program and Fiscal Year (FY) 2022 Capital Budget (collectively called the "CIP") focused on improving the safety, security, state of good repair, and reliability of the transit system. Funding for the CIP came from multiple federal, state, and local sources, including funds made available through the Dedicated Funding Grant Agreement (Agreement) executed by WMATA and the District of Columbia on October 22, 2020.

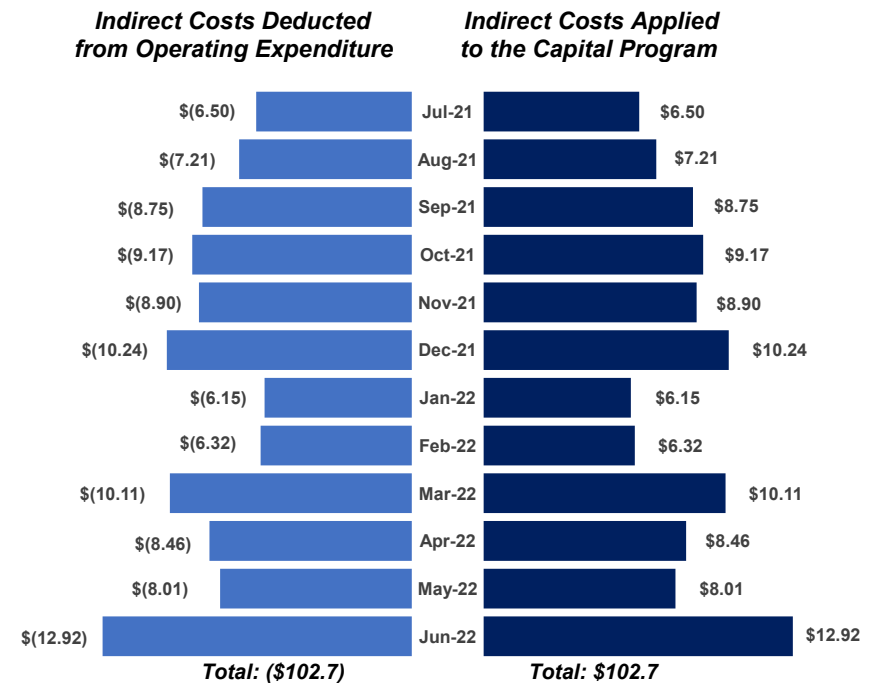
This Agreement requires that Metro provide an annual report on its actual indirect costs. The annual report must demonstrate that all indirect and overhead costs that Metro recovered from the overall Capital Budget were subtracted from the operating subsidy for the recently completed fiscal year. Additionally, the report must show (a) the amount of indirect costs charged to each project during the fiscal year and the aggregate for all projects, and (b) the aggregate amount by which the operating subsidy was reduced for the indirect costs charged to the capital program.

This document is the Indirect Cost Report for FY2022. It presents the results of Metro's reconciliation of indirect costs applied to the capital program and deducted from operating expenditure. The reconciliation process involved a review of indirect cost rates, calculations, and fund transfers using information from Metro's PeopleSoft General Ledger, PeopleSoft Funds Management module,

and discussions with Metro staff. All expenditures in this report are based on audited figures and exclude accruals.

As described in this report, in FY2022, \$102.7 million in indirect costs were applied to capital projects and \$102.7 million in indirect costs were deducted from operating expenditure.

Figure 1. FY2022 Indirect Cost Reconciliation (Millions)



About Metro's Indirect Cost Rates

Metro uses a set of indirect cost rates approved by the Federal Transit Administration (FTA) to apply the indirect costs of supporting and delivering the capital program. It is Metro's financial management practice to apply a consistent set of indirect cost rates to all projects, regardless of whether they are funded by federal or non-federal sources.

On December 31, 2020, Metro submitted its FY2022 Indirect Cost Rate Proposal (ICRP) to FTA and requested approval of an indirect cost rate set that corresponded to an overall rate of 52.85 percent, including carry-forward. Due to the Covid-19 pandemic and a delay in the hiring of a Financial Management Oversight Contractor (FMOC), FTA's review of Metro's proposed FY2022 ICRP was delayed. On May 9, 2022, FTA approved Metro's rate set and the proposed overall indirect cost rate of 52.85 percent, including carry-forward.

Table 1 presents the indirect cost rate set provided to FTA in Metro's ICRP. It is important to note that the "overall indirect cost rates" are summary rates provided for informational purposes; these rates are not applied to any projects. Only the specific "area/department" rates are applied to direct labor costs. As a result, the overall indirect cost rates calculated based on actual costs may differ from the overall indirect cost rates presented in **Table 1** for informational purposes.

Table 1. FTA-Approved Indirect Costs Rates for FY2022

Area/Department	Indirect Cost Rates with Carry-forward	Indirect Cost Rates without Carry-forward ¹
Access Services, Mode 10 – Paratransit	60.68%	189.61%
Bus Services - Transportation, Mode 01	37.70%	36.71%
Bus Services - Vehicle Maintenance, Mode 01	44.13%	41.24%
Rail Transportation Administration, Mode 02	22.08%	50.35%
Rail Maintenance, Mode 02	31.92%	50.28%
Rail Infrastructure and Facilities, Mode 02	72.13%	57.03%
Metro Transit Police Department	57.15%	55.31%
Customer Service, Communication, and Marketing	65.40%	65.40%
Overall Indirect Cost Rates	52.85%	49.15%

Carry-forward Methodology

As part of the budget process, Metro uses actual indirect cost rates to calculate an estimate of direct and indirect costs for the upcoming fiscal year. After the end of the fiscal year, Metro compares the estimated indirect costs calculated using the FTA-approved rate set to actual indirect costs incurred for each capital project and program. Any indirect costs that are under-recovered or over-recovered are "carried forward" in the calculation of the indirect cost rates for the next fiscal year. This approach allows the amount of indirect costs recovered to equal the amount of indirect costs incurred over time.

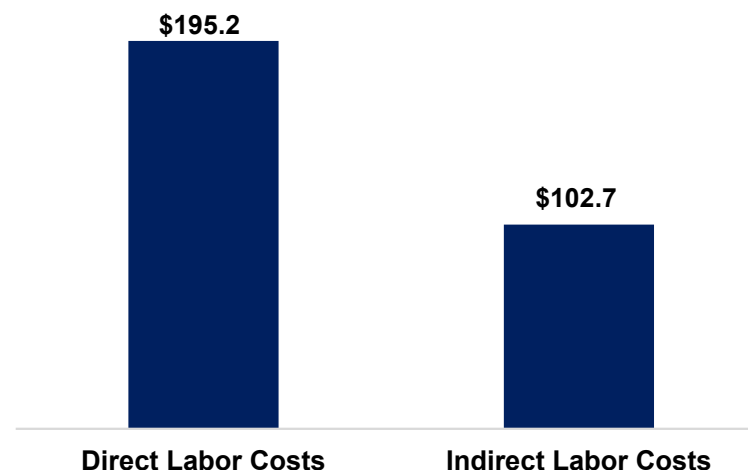
Actual Indirect Costs Applied to the Capital Program

On April 22, 2021, the WMATA Board of Directors adopted a total Capital Budget of \$2.61 billion for FY2022.¹ No amendments to the total FY2022 Capital Budget were made.² However, it is WMATA's standard practice to adjust the budget for individual projects and programs to account for changes in cost, scope, schedule, and prioritization.³ These adjustments involved a redistribution of the budget among various projects and programs, but resulted in a net zero impact to the overall Capital Budget.

During FY2022, Metro expended \$2.06 billion through the capital program, excluding accruals.⁴ Direct labor costs totaled \$195.2 million and indirect costs applied to capital programs and projects was \$102.7 million, excluding accruals (**Figure 2**).

Table 2 presents direct labor and indirect costs for each program and project in the FY2022 CIP for which labor costs were incurred, as well as the actual indirect cost rates.

Figure 2. FY2022 Actual Direct and Indirect Labor Costs (Millions)



¹ Resolution 2021-11, Board of Directors of the Washington Metropolitan Area Transit Authority. As noted above, at the time of budget adoption, staff presented a preliminary set of indirect cost rates to develop the budget pending receipt of the FTA-approved rate set.

² The FY2022 budget included a proposed bond issuance for new money Dedicated Revenue Bonds. Due to the timing of expenditures, the efficient management of the Capital Budget, and Metro's stewardship of its funding

sources, Metro decided to postpone the proposed FY2022 debt issuance. The next Dedicated Revenue Bond issuance will occur in FY2023.

³ More detailed information on each adjustment can be found in the *Monthly Reprogramming Reports* prepared by WMATA on a monthly basis and distributed to the contributing jurisdictions quarterly.

⁴ Metro expended \$2.05 billion, including accruals, through the capital program in FY2022.

Table 2. Actual Direct Labor and Indirect Costs by Program and Project (Thousands)

ID	Description	Direct Labor Cost	Indirect Cost	Indirect Cost Rate
Railcar Acquisition				
CIP0059	8000-Series Railcars	\$ 786.3	\$ 402.4	51.18%
CIP0256	7000-Series Railcars	\$ 1,408.1	\$ 713.8	50.69%
Railcar Maintenance Facilities				
CIP0204	Railcar Rooftop Access Platform	\$ 320.0	\$ 162.2	50.69%
CIP0225	Heavy Repair and Overhaul Facility	\$ 134.9	\$ 78.1	57.89%
CIP0279	Railyard Shop Equipment Replacement	\$ 6.6	\$ 3.4	51.18%
CIP0283	Major Railcar Maintenance Equipment State of Good Repair	\$ 106.0	\$ 61.4	57.89%
CIP0284	Railyard Facility and Site Rehabilitation	\$ 32.1	\$ 18.6	57.89%
CIP0284_02	Railyard Facility and Site Rehabilitation	\$ 29.3	\$ 14.8	50.45%
Railcar Maintenance				
CIP0063	Rail Vehicle Rehabilitation Program	\$ 23,837.6	\$ 12,200.1	51.18%
CIP0067_10	Rail Vehicle Safety & Reliability Improvements	\$ 9.1	\$ 4.6	51.18%
CIP0067_17	Rail Vehicle Safety & Reliability Improvements	\$ 1.7	\$ 0.9	51.18%
CIP0067_18	Rail Vehicle Safety & Reliability Improvements	\$ 8.1	\$ 4.1	51.18%
CIP0067_19	Rail Vehicle Safety & Reliability Improvements	\$ 0.1	\$ 0.0	50.46%
CIP0067_20	Rail Vehicle Safety & Reliability Improvements	\$ 251.8	\$ 128.9	51.18%
CIP0067_21	Rail Vehicle Safety & Reliability Improvements	\$ 7.1	\$ 3.6	51.18%
CIP0067_22	Rail Vehicle Safety & Reliability Improvements	\$ 0.9	\$ 0.5	51.18%
CIP0067_23	Rail Vehicle Safety & Reliability Improvements	\$ 60.6	\$ 31.0	51.18%
CIP0142	Rail Vehicle Preventive Maintenance	\$ 26,186.4	\$ 13,273.9	50.69%
Propulsion				
CIP0076	Rail System Power Upgrades	\$ 3,215.2	\$ 1,861.3	57.89%
CIP0076_03	Rail System Power Upgrades	\$ 1.8	\$ 1.0	57.89%
CIP0076_04	Rail System Power Upgrades	\$ 584.3	\$ 338.3	57.89%
CIP0076_05	Rail System Power Upgrades	\$ 346.4	\$ 200.5	57.89%
CIP0253	Traction Power State of Good Repair	\$ 5,859.2	\$ 3,391.9	57.89%
CIP0253_02	Traction Power State of Good Repair	\$ 780.8	\$ 452.0	57.89%
CIP0253_04	Traction Power State of Good Repair	\$ 251.6	\$ 126.9	50.45%
CIP0253_05	Traction Power State of Good Repair	\$ 0.3	\$ 0.1	50.45%
CIP0253_06	Traction Power State of Good Repair	\$ 0.3	\$ 0.2	50.45%
CIP0253_99	Traction Power State of Good Repair	\$ 14.6	\$ 8.4	57.89%
CIP0286	Power Generator Replacement	\$ 12.5	\$ 7.3	57.89%
Signals & Communications				
CIP0133_02	Train Detection and Warning System	\$ 1,411.3	\$ 722.3	51.18%
CIP0136	Radio Infrastructure Replacement	\$ 779.9	\$ 451.5	57.89%
CIP0136_01	Radio Infrastructure Replacement	\$ 99.5	\$ 57.6	57.89%
CIP0136_02	Radio Infrastructure Replacement	\$ 0.4	\$ 0.2	57.89%
CIP0136_04	Radio Infrastructure Replacement	\$ 606.5	\$ 351.1	57.89%

ID	Description	Direct Labor Cost	Indirect Cost	Indirect Cost Rate
CIP0136_05	Radio Infrastructure Replacement	\$ 3,033.7	\$ 1,756.2	57.89%
CIP0136_06	Radio Infrastructure Replacement	\$ 8.8	\$ 5.1	57.89%
CIP0136_07	Radio Infrastructure Replacement	\$ 2.7	\$ 1.6	57.89%
CIP0136_09	Radio Infrastructure Replacement	\$ 24.1	\$ 14.0	57.89%
CIP0139_S10	Safety Audit Recommendations	\$ 1.0	\$ 0.5	50.45%
CIP0139_S5	Safety Audit Recommendations	\$ 0.5	\$ 0.3	50.45%
CIP0139_S9	Safety Audit Recommendations	\$ 523.0	\$ 263.9	50.45%
CIP0251	Automatic Train Control State of Good Repair	\$ 1,630.2	\$ 943.7	57.89%
CIP0251_03	Automatic Train Control State of Good Repair	\$ 222.7	\$ 128.9	57.89%
CIP0251_04	Automatic Train Control State of Good Repair	\$ 146.6	\$ 84.9	57.89%
CIP0251_05	Automatic Train Control State of Good Repair	\$ 1,173.9	\$ 679.5	57.89%
CIP0251_07	Automatic Train Control State of Good Repair	\$ 1.6	\$ 0.9	57.89%
CIP0251_14	Automatic Train Control State of Good Repair	\$ 1,254.1	\$ 632.7	50.45%
CIP0251_15	Automatic Train Control State of Good Repair	\$ 25.4	\$ 14.7	57.89%
CIP0251_18	Automatic Train Control State of Good Repair	\$ 2,534.9	\$ 1,467.5	57.89%
CIP0251_24	Automatic Train Control State of Good Repair	\$ 285.5	\$ 144.0	50.45%
CIP0251_29	Automatic Train Control State of Good Repair	\$ 2.3	\$ 1.1	50.45%
CIP0257	Emergency Trip Station (ETS) Rehabilitation	\$ 32.0	\$ 16.2	50.69%
CIP0332	Fiber Optic Cable Installation	\$ 82.5	\$ 495.7	50.45%
CIP0332_01	Fiber Optic Cable Installation	\$ 668.8	\$ 337.4	50.45%
CIP8009	D&E ATC & Communications Improvements	\$ 14.4	\$ 7.3	50.45%
CIP8009_01	D&E ATC & Communications Improvements	\$ 2.6	\$ 1.3	50.45%
Fixed Rail				
CIP0024_01	Track Rehabilitation Program	\$ (5.0)	\$ (2.9)	57.89%
CIP0024_15	Track Rehabilitation Program	\$ 1.8	\$ 1.0	57.89%
CIP0024_23	Track Rehabilitation Program	\$ 745.3	\$ 431.4	57.89%
CIP0024_25	Track Rehabilitation Program	\$ 608.5	\$ 352.2	57.89%
CIP0024_26	Track Rehabilitation Program	\$ 1,141.2	\$ 660.7	57.89%
CIP0024_27	Track Rehabilitation Program	\$ 306.7	\$ 177.5	57.89%
CIP0024_30	Track Rehabilitation Program	\$ 82.2	\$ 47.6	57.89%
CIP0024_32	Track Rehabilitation Program	\$ 423.7	\$ 245.3	57.89%
CIP0024_33	Track Rehabilitation Program	\$ 11,542.3	\$ 6,681.9	57.89%
CIP0024_35	Track Rehabilitation Program	\$ 21.6	\$ 12.5	57.89%
CIP0024_36	Track Rehabilitation Program	\$ 659.7	\$ 332.8	50.45%
CIP0024_37	Track Rehabilitation Program	\$ (1.5)	\$ (0.7)	50.45%
CIP0024_38	Track Rehabilitation Program	\$ 75.7	\$ 38.2	50.45%
CIP0024_40	Track Rehabilitation Program	\$ 104.5	\$ 52.7	50.45%
CIP0024_41	Track Rehabilitation Program	\$ 2,789.8	\$ 1,407.5	50.45%
CIP0024_42	Track Rehabilitation Program	\$ 900.7	\$ 454.4	50.45%
CIP0024_43	Track Rehabilitation Program	\$ 50.1	\$ 25.3	50.45%
CIP0024_44	Track Rehabilitation Program	\$ 1,072.5	\$ 541.1	50.45%

ID	Description	Direct Labor Cost	Indirect Cost	Indirect Cost Rate
CIP0024_RSA013	Track Rehabilitation Program	\$ 570.7	\$ 287.9	50.45%
CIP0024_RSA1150	Track Rehabilitation Program	\$ (1.8)	\$ (0.9)	50.45%
CIP0024_RSA127	Track Rehabilitation Program	\$ 49.9	\$ 25.2	50.45%
CIP0024_RSA135	Track Rehabilitation Program	\$ (0.5)	\$ (0.3)	57.89%
CIP0024_RSA165	Track Rehabilitation Program	\$ (1.1)	\$ (0.5)	50.45%
CIP0024_RSA2040	Track Rehabilitation Program	\$ (0.3)	\$ (0.2)	50.45%
CIP0024_RSA2115	Track Rehabilitation Program	\$ 207.0	\$ 608.9	50.45%
CIP0024_RSA386	Track Rehabilitation Program	\$ 9.1	\$ 4.6	50.45%
CIP0024_RSA406	Track Rehabilitation Program	\$ 264.9	\$ 133.6	50.45%
CIP0024_RSA408	Track Rehabilitation Program	\$ 318.4	\$ 160.6	50.45%
CIP0024_RSA409	Track Rehabilitation Program	\$ 141.4	\$ 71.3	50.45%
CIP0024_RSA414	Track Rehabilitation Program	\$ 1,542.5	\$ 78.2	50.45%
CIP0024_RSA418	Track Rehabilitation Program	\$ 311.2	\$ 157.0	50.45%
CIP0024_RSA419	Track Rehabilitation Program	\$ 1,090.7	\$ 550.2	50.45%
CIP0024_RSA422	Track Rehabilitation Program	\$ 308.3	\$ 155.5	50.45%
CIP0024_RSA441	Track Rehabilitation Program	\$ 276.5	\$ 139.5	50.45%
CIP0024_RSA452	Track Rehabilitation Program	\$ 136.2	\$ 68.7	50.45%
CIP0024_RSA463	Track Rehabilitation Program	\$ (4.8)	\$ (2.8)	57.89%
CIP0024_RSA530	Track Rehabilitation Program	\$ 3.6	\$ 1.8	50.45%
CIP0024_RSA602	Track Rehabilitation Program	\$ 92.7	\$ 46.8	50.45%
CIP0024_RSA609	Track Rehabilitation Program	\$ (2.5)	\$ (1.3)	50.45%
CIP0024_RSA654	Track Rehabilitation Program	\$ (0.5)	\$ (0.3)	57.89%
CIP0024_RSA702	Track Rehabilitation Program	\$ 46.5	\$ 23.4	50.45%
CIP0024_RSA705	Track Rehabilitation Program	\$ 54.8	\$ 27.6	50.45%
CIP0024_RSA731	Track Rehabilitation Program	\$ 156.0	\$ 78.7	50.45%
CIP0025	Roadway Equipment and Vehicle Program	\$ 500.8	\$ 256.3	51.18%
CIP0025_02	Roadway Equipment and Vehicle Program	\$ 0.3	\$ 0.1	51.18%
CIP0246	General Engineering	\$ 2,084.1	\$ 1,206.5	57.89%
CIP0247	Emergency Construction and Emerging Needs Program	\$ 271.0	\$ 156.9	57.89%
CIP0247_02	Emergency Construction and Emerging Needs Program	\$ 133.3	\$ 67.3	50.45%
CIP0261	Rail Tunnel Lighting Replacement	\$ 459.0	\$ 265.7	57.89%
Structures				
CIP0026	Station/Tunnel Leak Mitigation	\$ (0.3)	\$ (0.2)	50.45%
CIP0262	Tunnel Water Leak Mitigation	\$ 41.2	\$ 23.9	57.89%
CIP0262_01	Tunnel Water Leak Mitigation	\$ 129.3	\$ 65.2	50.45%
CIP0262_02	Tunnel Water Leak Mitigation	\$ 7.0	\$ 3.5	50.45%
CIP0291	Tunnel Ventilation Improvements	\$ 45.0	\$ 26.0	57.89%
CIP0294	Bridge Rehabilitation Program	\$ 115.4	\$ 66.8	57.89%
CIP0348	Structural Rehabilitation - Package 1	\$ 4,570.7	\$ 2,646.0	57.89%
CIP0348_01	Structural Rehabilitation - Package 1	\$ 31.8	\$ 16.0	50.45%
CIP0349	Yellow Line Tunnel and Bridge Rehabilitation	\$ 754.4	\$ 436.7	57.89%

ID	Description	Direct Labor Cost	Indirect Cost	Indirect Cost Rate
CIP0356	Tunnel Ventilation Improvements - Red Line Pilot	\$ 2,555.4	\$ 1,479.3	57.89%
CIP0370	Structural Rehabilitation - Package B	\$ 7.3	\$ 3.7	50.45%
Platforms & Structures				
CIP0035	Bicycle and Pedestrian Facility Rehabilitation	\$ 8.1	\$ 4.1	50.45%
CIP0087	Station and Facility Restoration Program	\$ 4,287.8	\$ 2,482.2	57.89%
CIP0088	Station Entrance Canopy Installation	\$ 106.8	\$ 54.1	50.69%
CIP0088_01	Station Entrance Canopy Installation	\$ 193.9	\$ 97.8	50.45%
CIP0152	Parking Garage and Surface Lot Rehabilitation	\$ 467.1	\$ 248.5	53.20%
CIP0152_01	Parking Garage and Surface Lot Rehabilitation	\$ 121.1	\$ 61.1	50.45%
CIP0152_04	Parking Garage and Surface Lot Rehabilitation	\$ 215.9	\$ 108.9	50.45%
CIP0218	Metrorail Station Improvements	\$ 8.0	\$ 4.0	50.45%
CIP0271	Metrorail Station Emergency Gates Replacement	\$ 25.7	\$ 13.2	51.18%
CIP0274	Grosvenor Parking Garage Joint Development	\$ 27.8	\$ 16.1	57.89%
CIP0297	Union Station Improvements	\$ 1.5	\$ 0.8	50.69%
CIP0302	Huntington Station Parking Garage Replacement	\$ 0.5	\$ 0.3	57.89%
CIP0305	Rail Passenger Facility State of Good Repair Program	\$ 32.7	\$ 16.5	50.45%
CIP0306	Stations Platform Rehabilitation - Phase 1	\$ 33.8	\$ 19.6	57.89%
CIP0307	Station Platform Rehabilitation - Phase 2	\$ 78.7	\$ 45.5	57.89%
CIP0307_02	Station Platform Rehabilitation - Phase 2	\$ 1.9	\$ 1.1	57.89%
CIP0308	Station Platform Rehabilitation - Phase 3	\$ 7,039.7	\$ 4,075.3	57.89%
CIP0310	Station Platform Rehabilitation - Phase 4	\$ 3,226.0	\$ 1,867.5	57.89%
CIP0345	Shady Grove Stairway	\$ 37.4	\$ 21.6	57.89%
CIP0352	Rail Station Platform Canopy Rehabilitation Program	\$ 263.1	\$ 133.4	50.69%
CIP0374	Solar Power Improvements	\$ 60.9	\$ 30.7	50.45%
CIP8015	D&E Rail Station Improvements	\$ 50.7	\$ 25.6	50.45%
CIP8015_04	D&E Rail Station Improvements	\$ 35.4	\$ 17.9	50.45%
CIP8015_05	D&E Rail Station Improvements	\$ 1.3	\$ 0.6	50.45%
CIP8015_09	D&E Rail Station Improvements	\$ 0.4	\$ 0.2	50.45%
CIP8015_11	D&E Rail Station Improvements	\$ 12.0	\$ 6.0	50.45%
CIP8015_12	D&E Rail Station Improvements	\$ 43.8	\$ 22.1	50.45%
CIP8015_13	D&E Rail Station Improvements	\$ 0.7	\$ 0.4	50.45%
CIP8015_15	D&E Rail Station Improvements	\$ 11.4	\$ 5.8	50.45%
CIP8015_19	D&E Rail Station Improvements	\$ 22.2	\$ 11.2	50.45%
CRB0013	Potomac Yard Station Construction	\$ 2,094.9	\$ 1,056.9	50.45%
CRB0020_01	Silver Line Phase 2 Construction Support	\$ 0.7	\$ 0.0	4.00%
CRB0020_02	Silver Line Phase 2 Construction Support	\$ 18.8	\$ 0.8	4.00%
CRB0020_04	Silver Line Phase 2 Construction Support	\$ 0.6	\$ 0.0	4.00%
CRB0020_05	Silver Line Phase 2 Construction Support	\$ 8.9	\$ 0.4	4.00%
CRB0020_07	Silver Line Phase 2 Construction Support	\$ 2,775.2	\$ 111.0	4.00%
CRB0020_08	Silver Line Phase 2 Construction Support	\$ 528.8	\$ 21.2	4.00%
CRB0127	Purple Line Construction Support	\$ 129.0	\$ 65.1	50.45%

ID	Description	Direct Labor Cost	Indirect Cost	Indirect Cost Rate
CRB0127_01	Purple Line Construction Support	\$ 1.0	\$ 0.5	50.45%
CRB0127_02	Purple Line Construction Support	\$ 16.6	\$ 8.4	50.45%
CRB0127_03	Purple Line Construction Support	\$ 29.9	\$ 15.1	50.45%
CRB0127_04	Purple Line Construction Support	\$ 0.4	\$ 0.2	50.45%
CRB0127_06	Purple Line Construction Support	\$ 0.3	\$ 0.2	50.45%
CRB0127_07	Purple Line Construction Support	\$ 20.1	\$ 10.1	50.45%
CRB0133	Capacity Impro - Union Station	\$ 17.1	\$ 8.6	50.45%
CRB0136	McLean Station - New Entrance	\$ 7.6	\$ 3.8	50.45%
Station Systems				
CIP0074	Parking Access and Collection Equipment Maintenance	\$ 3.1	\$ 1.6	50.45%
CIP0145_05	Facility Security Monitoring Equipment Program	\$ 2,206.7	\$ 1,277.5	57.89%
CIP0151	Rail Station Cooling Rehabilitation Program	\$ 124.5	\$ 63.1	50.69%
CIP0151_02	Rail Station Cooling Rehabilitation Program	\$ 74.0	\$ 37.3	50.45%
CIP0151_03	Rail Station Cooling Rehabilitation Program	\$ 14.6	\$ 7.4	50.45%
CIP0219	Rail Station Lighting Improvements	\$ 482.8	\$ 279.5	57.89%
CIP0219_03	Rail Station Lighting Improvements	\$ 0.4	\$ 0.2	50.45%
CIP0241	Flood Resiliency Infrastructure Upgrades	\$ 104.0	\$ 60.2	57.89%
CIP0242	Rail System Drainage Rehabilitation Program	\$ 142.5	\$ 82.5	57.89%
CIP0242_03	Rail System Drainage Rehabilitation Program	\$ 642.6	\$ 324.2	50.45%
CIP0252	Low Voltage Power State of Good Repair	\$ 4,785.1	\$ 2,770.1	57.89%
CIP0252_03	Low Voltage Power State of Good Repair	\$ 16.0	\$ 8.1	50.45%
CIP0252_04	Low Voltage Power State of Good Repair	\$ 0.6	\$ 0.3	50.45%
CIP0255	Fare Collection Modernization	\$ 899.1	\$ 520.5	57.89%
CIP0255_03	Fare Collection Modernization	\$ 4.3	\$ 2.5	57.89%
CIP0255_04	Fare Collection Modernization	\$ 3.7	\$ 2.2	57.89%
CIP0255_07	Fare Collection Modernization	\$ 13.2	\$ 7.6	57.89%
CIP0255_08	Fare Collection Modernization	\$ 3,014.3	\$ 1,745.0	57.89%
CIP0255_09	Fare Collection Modernization	\$ 3.1	\$ 1.8	57.89%
CIP0255_10	Fare Collection Modernization	\$ 15.8	\$ 9.1	57.89%
CIP0255_11	Fare Collection Modernization	\$ 0.1	\$ 0.1	57.90%
CIP0255_14	Fare Collection Modernization	\$ 113.6	\$ 65.8	57.89%
CIP0255_16	Fare Collection Modernization	\$ 61.3	\$ 35.5	57.89%
CIP0255_18	Fare Collection Modernization	\$ 179.4	\$ 103.8	57.89%
CIP0255_19	Fare Collection Modernization	\$ 56.2	\$ 32.6	57.89%
CIP0255_21	Fare Collection Modernization	\$ 45.2	\$ 26.2	57.89%
CIP0258	Station And Tunnel Fire Alarm Rehabilitation	\$ 116.0	\$ 58.5	50.45%
CIP0341	Rail System Standpipe Replacement Program	\$ 1,947.0	\$ 1,127.1	57.89%
CIP0341_03	Rail System Standpipe Replacement Program	\$ 7.3	\$ 3.7	50.45%
Vertical Transportation				
CIP0072	Elevator Rehabilitation Program	\$ 294.2	\$ 148.4	50.45%
CIP0073	Escalator Rehabilitation Program	\$ 847.0	\$ 490.3	57.89%

ID	Description	Direct Labor Cost	Indirect Cost	Indirect Cost Rate
CIP0132	Escalator and Elevator Overhaul Program	\$ 1,189.8	\$ 608.9	51.18%
CIP0185	Escalator Replacement	\$ 1,123.5	\$ 566.8	50.45%
Bus and Paratransit Acquisition				
CIP0006	Bus Fleet Acquisition Program	\$ 316.6	\$ 120.7	38.11%
CIP0015	MetroAccess Fleet Acquisition	\$ 288.1	\$ 568.3	197.23%
CIP0355	Zero Emission Bus Acquisition and Evaluation	\$ 358.2	\$ 157.5	43.98%
CIP8021	D&E Bus & Paratransit Improvements	\$ 1.1	\$ 0.5	43.98%
Bus Maintenance Facilities				
CIP0086	Shepherd Parkway Bus Facility	\$ 0.7	\$ 0.3	43.98%
CIP0311	Bladensburg Bus Garage Replacement	\$ 235.7	\$ 89.8	38.11%
CIP0311_01	Bladensburg Bus Garage Replacement	\$ 0.1	\$ 0.0	38.12%
CIP0312	Four Mile Run Bus Garage Rehabilitation	\$ 2.1	\$ 0.8	38.11%
CIP0315	Northern Bus Garage Replacement	\$ 300.4	\$ 114.5	38.11%
Bus Maintenance/Overhaul				
CIP0004	Bus Maintenance Equipment Replacement Program	\$ 100.4	\$ 44.1	43.98%
CIP0005	Bus Vehicle Rehabilitation Program	\$ 9,635.0	\$ 4,237.5	43.98%
CIP0143	Bus Vehicle Preventive Maintenance	\$ 465.9	\$ 204.9	43.98%
Bus Passenger Facilities/Systems				
CIP0221	Bus Customer Facility Improvements	\$ 72.2	\$ 31.8	43.98%
CIP0221_03	Bus Customer Facility Improvements	\$ 21.4	\$ 9.4	43.98%
CIP0221_04	Bus Customer Facility Improvements	\$ 3.0	\$ 1.5	50.45%
CIP0221_05	Bus Customer Facility Improvements	\$ 13.8	\$ 6.9	50.45%
CIP0254	Bus Priority Program Development	\$ 554.2	\$ 211.2	38.11%
CIP0266	Historic Bus Loop and Facility Rehabilitation	\$ 318.3	\$ 121.3	38.11%
CIP0275	New Carrollton Garage and Bus Bays	\$ 33.5	\$ 14.7	43.98%
CRB0012	King Street Station Bus Loop	\$ 2.3	\$ 0.9	38.11%
Information Technology				
CIP0043_01	Bus Scheduling and Operations Software Improvements	\$ 20.1	\$ 10.2	50.45%
CIP0053	Network Operations Center NOC	\$ 1.7	\$ 0.8	50.45%
CIP0056	Rail Service Management Software Improvements	\$ 3.3	\$ 1.7	50.45%
CIP0056_03	Rail Service Management Software Improvements	\$ 3.4	\$ 1.7	50.45%
CIP0259	Employee Timekeeping System	\$ 19.8	\$ 10.0	50.45%
CIP0269	Asset Management Software	\$ 1.7	\$ 0.9	50.45%
CIP0330	Information Technology Data Center	\$ 718.6	\$ 362.5	50.45%
CIP0342_01	Information Technology Hardware State of Good Repair	\$ 1.5	\$ 0.9	57.89%
CIP0342_02	Information Technology Hardware State of Good Repair	\$ 13.2	\$ 7.7	57.89%
CIP0342_03	Information Technology Hardware State of Good Repair	\$ 7.5	\$ 4.3	57.89%
CIP0343_01	Information Technology Software State of Good Repair	\$ 73.2	\$ 42.4	57.89%
CIP0343_02	Information Technology Software State of Good Repair	\$ 343.7	\$ 199.0	57.89%
CIP0343_07	Information Technology Software State of Good Repair	\$ 20.7	\$ 12.0	57.89%
CIP0343_10	Information Technology Software State of Good Repair	\$ 20.6	\$ 11.9	57.89%

ID	Description	Direct Labor Cost	Indirect Cost	Indirect Cost Rate
CIP0343_11	Information Technology Software State of Good Repair	\$ 67.4	\$ 39.0	57.89%
CIP0343_12	Information Technology Software State of Good Repair	\$ 118.3	\$ 68.5	57.89%
CIP0343_17	Information Technology Software State of Good Repair	\$ 307.7	\$ 178.1	57.89%
CIP0343_18	Information Technology Software State of Good Repair	\$ 122.8	\$ 71.1	57.89%
CIP0344_02	IT Program Management Support	\$ 0.9	\$ 0.5	57.89%
CIP0357	Cybersecurity Legacy Software Improvement	\$ 2,641.1	\$ 1,332.4	50.45%
CIP8029_12	D&E Information Technology Improvements	\$ 0.1	\$ 0.0	50.45%
CIP8029_14	D&E Information Technology Improvements	\$ 2.1	\$ 1.1	50.45%
CIP8029_33	D&E Information Technology Improvements	\$ 6.1	\$ 3.1	50.45%
Metro Transit Police Department				
CIP0102	Police District III Substation	\$ 22.7	\$ 13.1	57.78%
CIP0106	Special Operations Division Facility	\$ 0.5	\$ 0.3	57.78%
CIP0127	Transit Police Support Equipment	\$ 0.9	\$ 0.5	57.78%
CIP8032	Future Metro Transit Police Projects	\$ 0.8	\$ 0.4	57.78%
Support Equipment/Services				
CIP0010	Environmental Compliance Program	\$ 34.6	\$ 17.5	50.45%
CIP0010_01	Environmental Compliance Program	\$ 15.6	\$ 7.9	50.45%
CIP0010_06	Environmental Compliance Program	\$ 143.7	\$ 72.5	50.45%
CIP0034	Revenue Collection Facility Rehabilitation	\$ 1.6	\$ 0.8	50.45%
CIP0036	Procurement Program Support	\$ 902.9	\$ 455.5	50.45%
CIP0036_01	Procurement Program Support	\$ 667.4	\$ 336.7	50.45%
CIP0036_02	Procurement Program Support	\$ 322.1	\$ 162.5	50.45%
CIP0036_03	Procurement Program Support	\$ 385.6	\$ 194.5	50.45%
CIP0036_04	Procurement Program Support	\$ 298.0	\$ 150.3	50.45%
CIP0099	Joint Development Program Support	\$ 319.7	\$ 184.7	57.78%
CIP0150	Non-Revenue Facility Fire System Rehabilitation	\$ 514.8	\$ 261.0	50.69%
CIP0170	Facility Roof Rehabilitation and Replacement	\$ 139.7	\$ 250.1	179.06%
CIP0197	Support Facility Improvements	\$ 11.8	\$ 6.0	50.45%
CIP0197_01	Support Facility Improvements	\$ 27.0	\$ 13.6	50.45%
CIP0197_02	Support Facility Improvements	\$ 3.8	\$ 1.9	50.45%
CIP0212	Sustainability/Resiliency Program	\$ 550.3	\$ 277.6	50.45%
CIP0213	Capital Program Development Support	\$ 7,210.1	\$ 3,637.5	50.45%
CIP0231	Good Luck Road Facility	\$ 58.1	\$ 33.6	57.89%
CIP0231_02	Good Luck Road Facility	\$ 42.1	\$ 24.4	57.89%
CIP0270_01	Capital Delivery Program Support	\$ 3,012.9	\$ 1,520.0	50.45%
CIP0270_03	Capital Delivery Program Support	\$ 1,974.6	\$ 996.2	50.45%
CIP0272_01	Digital Display and Wayfinding Improvements	\$ 7.6	\$ 3.8	50.45%
CIP0272_02	Digital Display and Wayfinding Improvements	\$ 3.5	\$ 1.8	50.45%
CIP0273	Support Facility Rehabilitation	\$ 692.7	\$ 349.4	50.45%
CIP0273_03	Support Facility Rehabilitation	\$ 270.4	\$ 136.4	50.45%

ID	Description	Direct Labor Cost	Indirect Cost	Indirect Cost Rate
CIP0324	Capital Program Financial Support	\$ 8.2	\$ 4.1	50.45%
CIP0335	Office Consolidation - District of Columbia	\$ 74.6	\$ 37.6	50.45%
CIP0335_01	Office Consolidation - District of Columbia	\$ 0.4	\$ 0.2	50.45%
CIP0337	Office Consolidation - Virginia	\$ 204.4	\$ 103.1	50.45%
CIP0338	Office Consolidation - Maryland	\$ 22.3	\$ 11.3	50.45%
CIP0347	Accounting Capital Program Support	\$ 569.9	\$ 287.5	50.45%
CIP0373	Interim Operations Control Centers	\$ 178.2	\$ 89.9	50.45%
CIP8033_01	D&E Support Equipment Improvements	\$ 41.4	\$ 20.9	50.45%
CRB0005_55	Planning Support for the District of Columbia	\$ 28.9	\$ 14.6	50.45%
CRB0005_79	Planning Support for the District of Columbia	\$ 28.8	\$ 14.5	50.45%
CRB0009	Planning Support for Maryland Jurisdictions	\$ 0.1	\$ 0.1	50.45%
CRB0009_59	Planning Support for Maryland Jurisdictions	\$ 17.4	\$ 8.8	50.45%
CRB0009_86	Planning Support for Maryland Jurisdictions	\$ 0.9	\$ 0.5	50.45%
CRB0018	Planning Support for Virginia Jurisdictions	\$ 6.8	\$ 3.4	50.45%
CRB0018_67	Planning Support for Virginia Jurisdictions	\$ 23.9	\$ 12.0	50.45%
	Total	\$ 195,194.5	\$ 102,740.4	52.63%

Indirect Costs Deducted from Operating Expenditures

For this report, indirect costs applied to the capital program were reviewed and reconciled against indirect costs deducted from operating expenditures. During FY2022, \$102.7 million in indirect costs were applied to capital

projects and \$102.7 million in indirect costs were deducted from operating expenditure. The results of this reconciliation are summarized in **Table 3**.

Table 3. FY2022 Indirect Cost Reconciliation

Month Ending	Indirect Costs Applied to the Capital Program	Indirect Costs Deducted from Operating Expenditure	Variance
July 2021	\$ 6,502,067	\$ (6,502,067)	\$ -
August 2021	\$ 7,212,689	\$ (7,212,689)	\$ -
September 2021	\$ 8,747,643	\$ (8,747,643)	\$ -
October 2021	\$ 9,171,438	\$ (9,171,438)	\$ -
November 2021	\$ 8,896,786	\$ (8,896,786)	\$ -
December 2021	\$ 10,239,289	\$ (10,239,289)	\$ -
January 2022	\$ 6,154,643	\$ (6,154,643)	\$ -
February 2022	\$ 6,318,829	\$ (6,318,829)	\$ -
March 2022	\$ 10,108,852	\$ (10,108,852)	\$ -
April 2022	\$ 8,457,430	\$ (8,457,430)	\$ -
May 2022	\$ 8,012,575	\$ (8,012,575)	\$ -
June 2022	\$ 12,918,196	\$ (12,918,196)	\$ -
Total	\$ 102,740,435	\$ (102,740,435)	\$ -

Status	Source	Reference	Requirement	Deadline	Status Comment
Completed	DC Dedicated Capital Funding Agreement;#DC Dedicated WMATA Funding and Tax Changes ... Act of 2018	DC DFGA Sec. 10(a)(ii)	(ii) Annual Reporting Requirement for Capital Expenditures, Indirect and Overhead Costs Each year WMATA shall have an Indirect Cost Rate Proposal (ICRP) prepared by an independent consultant with expertise in ICRP preparation, that establishes the Indirect Cost Rates that WMATA proposes to apply to capital expenditures. WMATA shall submit each prepared ICRP to the Federal Transit Administration (FTA) for review and approval, and forward courtesy copies of the documentation provided to the FTA to each of the contributing jurisdictions. WMATA will only propose use of Indirect Cost Rates that have received FTA approval to the WMATA Board of Directors for review during the annual budget process. As part of its annual budget process, the WMATA Board of Directors shall review the most recent FTA-approved ICRP to determine if those Indirect Cost Rates are appropriate to be applied to the portion of the capital program funded by the contributing jurisdictions for the upcoming year (Plan). WMATA shall provide supporting documentation to the WMATA Board of Directors for its review during the annual budget process that (a) identifies the Indirect Cost Rates being proposed in the budget for the upcoming fiscal year, (b) quantifies the dollar amount of indirect costs that is budgeted to be charged to the capital program, and (c) shows that the indirect costs budgeted to be charged to the capital program also reduce the budgeted operating subsidy by an equal amount. By June 30 each year, WMATA shall provide to the District a full copy of the approved ICRP to be applied to the relevant portion of capital expenditures for the fiscal year beginning July 1, along with documentation of FTA's approval of the ICRP. The District may audit this Plan at any time for the duration of the period that the Plan is in use.	06/30/2021	The FY2022 ICRP documents were transmitted on 6/22/21.
Completed	Virginia Dedicated Funding Legislation (2018 HB 1539/SB 856);#Virginia Dedicated Capital Funding Agreement	Va. Code Ann. §33.2-3402.A	A. In any year that funds are deposited into the Fund, the NVTC shall request certain documents and reports from WMATA to confirm the benefits of the WMATA system to persons living, traveling, commuting, and working in the localities that the NVTC comprises. Such documents and reports shall include: 1. WMATA's annual capital budget; 2. WMATA's annual independent financial audit; 3. WMATA's National Transit Data annual profile; and 4. Single audit reports issued in accordance with the Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards (2 C.F.R. Part 200). B. NVTC shall be responsible for coordinating the delivery of such documents and reports with WMATA. Funding of the Commonwealth to support WMATA pursuant to § 33.2-1526.1 shall be contingent on WMATA providing the documents and reports described in subsection A, and NVTC shall provide annual certification to the Comptroller that such documents and reports have been received.	07/01/2022	WMATA provided the required documents to NVTC on 06/27/22. NVTC certified its receipt of these documents on 06/28/22.
Completed	Virginia Dedicated Funding Legislation (2018 HB 1539/SB 856)	Va. Code Ann. §33.2-1526.1.K	K. In any year that the total Virginia operating assistance in the approved WMATA budget increases by more than three percent from the total operating assistance in the prior year's approved WMATA budget, the Board shall withhold an amount equal to 35 percent of the funds available under subdivision D 3. The following items shall not be included in the calculation of any WMATA budget increase: (i) any service, equipment, or facility that is required by any applicable law, rule, or regulation; (ii) any capital project approved by the WMATA Board before or after the effective date of this provision; (iii) any payments or obligations of any kind arising from or related to legal disputes or proceedings between or among WMATA and any other person or entity; and (iv) any service increases approved by the WMATA Board. 9/18/18 CTB Resolution states: "WMATA shall provide a written notification to the CTB no later than July 1 of each year of the annual growth in total Virginia operating assistance, including a detailed description of the costs contributing to the increase operating subsidy and a year over year comparison of such costs. WMATA shall also provide a detailed description and justification of costs considered exempt from the calculation of the annual growth rate in operating subsidy. The written notification shall include sufficient documentation to allow the CTB to perform its own verification of the annual growth rate and amount of total Virginia operating assistance. By July 1 of each year, WMATA shall notify the CTB if it is scheduled or plans to adjust the regional subsidy allocation formulas in the budget to be proposed for the next fiscal year." *Exception added by CTB Resolution 9/18/18	07/01/2021	WMATA sent the required documents to CTB on 7/1/21 and CTB approved it by Resolution on 10/20/21.
Completed	Virginia Dedicated Funding Legislation (2018 HB 1539/SB 856);#Virginia Acts of Assembly	Va. Acts of Assembly 2018, Chapter 854, Article 11	8. That, beginning July 1, 2019, the Commonwealth Transportation Board (the Board) shall withhold 20 percent of the funds available pursuant to subdivision C 3 of § 33.2-1526.1 of the Code of Virginia, as created by this act, each year unless (i) the Washington Metropolitan Area Transit Authority (WMATA) has adopted a detailed capital improvement program covering the current fiscal year and, at a minimum, the next five fiscal years, and at least one public hearing on such capital improvement program has been held in a locality embraced by the Northern Virginia Transportation Commission... 9/18/18 CTB Resolution states: "WMATA shall provide a written notification to the CTB by July 1 of each year that it has: 1) adopted a CIP that complies with the above requirements, and 2) held a public hearing on the CIP in a locality embraced by NVTC."	07/01/2021	The Capital Budget and Six-Year CIP were approved on 04/22/21 and notification was provided to the CTB on 07/01/21. WMATA held a virtual public hearing on the CIP on 03/10/21 for the Commonwealth of Virginia.
Completed	Virginia Dedicated Funding Legislation (2018 HB 1539/SB 856)	Va. Code Ann. § 33.2-3403	NVTC report. By November 1 of each year that funds are deposited into the Fund, NVTC shall report to the Governor and the General Assembly on the performance and condition of WMATA. Such report shall contain, at a minimum, documentation of the following: 1. The safety and reliability of the rapid heavy rail mass transportation system and bus network; 2. The financial performance of WMATA related to the operations of the rapid heavy rail mass transportation system, including farebox recovery, service per rider, and cost per service hour; 3. The financial performance of WMATA related to the operations of the bus mass transportation system, including farebox recovery, service per rider, and cost per service hour; 4. Potential strategies to reduce the growth in such costs and to improve the efficiency of WMATA operations; 5. Use of the funds provided from the Fund to improve the safety and condition of the rapid heavy rail mass transportation system; and 6. Ridership of the rapid heavy rail mass transportation system and the bus mass transportation system	12/15/2022	NVTC issued its report on 12/13/22.

Status	Source	Reference	Requirement	Deadline	Status Comment
Completed	Virginia Dedicated Funding Legislation (2018 HB 1539/SB 856);#Virginia Dedicated Capital Funding Agreement	Va. DFA Sec 5.E	The WMATA and DRPT Agreement has a requirement that WMATA include in its quarterly reporting: "a roll forward of the balance in the Restricted Funds account and the Non-Restricted Funds account held by WMATA". This is the balance on the VA dedicated funds.	08/29/2022	Dedicated funding cash balances are provided in Table 5, "Receipt and Utilization of State and Local Contributions" in the CIP Progress Reports.
Completed	Virginia Dedicated Funding Legislation (2018 HB 1539/SB 856);#Virginia Acts of Assembly	Chapter 771 Article XVI, 70.(a) (Regular Session, 2009)	4. That prior to December 1 each year beginning 2008, the Washington Metropolitan Transit Authority shall submit to the Auditor of Public Accounts its annual audit report and financially audited statements for the most recent fiscal year.	11/30/2022	Metro provided the audit report to VA on 11/22/22.
Completed	Maryland Dedicated Funding Legislation (2018 HB 372/SB 277)	Md. Transp. Code Ann. §10-205(b)(3)	(3) (i) For any fiscal year in which the total Maryland operating assistance provided in the approved Washington Metropolitan Area Transit Authority budget increases by more than 3% over the total operating assistance provided in the prior fiscal year's approved Washington Metropolitan Area Transit Authority budget, the Secretary shall withhold an amount equal to 35% of the funds available under paragraphs (1) and (2) of this subsection. (ii) For purposes of calculating a budget increase under subparagraph (i) of this paragraph, the following items may not be included: 1. The cost of any service, equipment, or facility that is required by law; 2. A capital project approved by the board of directors of the Washington Metropolitan Area Transit Authority; and 3. Any payments or obligations arising from or related to legal disputes or proceedings between or among the Washington Metropolitan Area Transit Authority and any other person. *VA has similar requirement	07/01/2021	N/A - FY22 Budget was adopted within the 3% cap. The FY22 budget can be found here: https://www.wmata.com/about/records/public-records.cfm .
Completed	Maryland Dedicated Funding Legislation (2018 HB 372/SB 277);#Maryland Dedicated Capital Funding Agreement	Md. DFA Sec. 4.B-C	Agreement Requires: B. WMATA shall submit, annually by June 1 for the most recently audited fiscal year, to MDOT and WSTD the Authority's: (1) Annual independent financial audit and Single Audit; (2) Annual National Transit Database profile; and (3) Assessment of safety-critical infrastructure and state of good repair needs. C. WMATA shall prepare and submit, annually by June 1, for the next to occur fiscal year, to MDOT and WSTD: (1) Annual budget, including funding sources for the budget, anticipated debt capacity, and any anticipated cash reserves and dedicated funding debt, if any; (2) Policies and procedures for the capital planning process, which includes prioritizing and selecting individual projects based on specific and clearly-stated methodology; (3) Annual approved CIP; (4) Debt Policy reviewed and approved by the Board at least annually; (5) Asset inventory and condition assessment procedures; and (6) Measures to assess capital project investments and measures to gauge performance toward outcomes demonstrating responsible investment of grant funds toward meeting the goals of keeping WMATA safe and its infrastructure in a state of good repair. D. WMATA shall prepare and submit as available, quarterly updates on the measures established in C.6 above.	06/01/2022	WMATA provided the required documents on 6/1/22.
Completed	Maryland Dedicated Funding Legislation (2018 HB 372/SB 277);#Maryland Dedicated Capital Funding Agreement	Md. DFA Sec. 4.A	Agreement Requires: A. WMATA shall apply the Contribution provided under this Agreement to items identified in the approved CIP. (1) The approved CIP shall contain: a. The Authority's safety, state of good repair, and financial accountability goals; b. Program priorities; c. The criteria used to select capital projects for inclusion in the CIP; d. The manner in which each project was evaluated and ranked; e. Descriptions of capital projects; f. A list of capital projects, including reimbursable projects and an estimate of program level expenditures, for the budget request year, and the 5 successive planning years, including estimates of future funding requirements for the planning year; g. For each listed capital project, an indication whether the revenue source anticipated to support that project consists of federal, jurisdictional, or other funds; h. The Authority's estimates of the levels and sources of revenues to be used to fund the projects in the Program; and i. A glossary of terms.	07/01/2021	The approved FY2022 Budget and Six-Year CIP includes each of these items and can be accessed here: https://www.wmata.com/about/records/public-records.cfm .
Completed	Maryland Dedicated Funding Legislation (2018 HB 372/SB 277);#Maryland Dedicated Capital Funding Agreement	Md. DFA Sec. 4.E	The Parties recognize that the scope, pricing, scheduled completion date, or priority of some projects will change during the term of this Agreement. To address these possibilities, WMA TA agrees to provide the State with monthly reports regarding reprogramming of project budgets into or out of Capital Projects during the term of this Agreement where such reprogramming results in either 1) an increase of the total project budget as shown in the CIP; 2) revises the scope of a Capital Project; 3) a movement of \$5 Million or more; or 4) creates a new Capital Project. Each movement of budget between Capital Projects for cash flow purposes or for schedule adjustments (that do not impact completion date) in an amount of \$1 Million to \$5 Million during the term of this Agreement shall be reported on a quarterly basis.	08/30/2022	Reprogramming reports were provided on 01/03/22 (Jul, Aug, Sep); 3/4/22 (Oct, Nov, Dec); 5/18/22 (Jan, Feb, Mar); and 09/15/22 (Apr, May, Jun).

Status	Source	Reference	Requirement	Deadline	Status Comment
Completed	Maryland Dedicated Funding Legislation (2018 HB 372/SB 277);#Maryland Dedicated Capital Funding Agreement	Md. DFA Sec. 4.F	Agreement Requires: F. WMATA shall submit, annually by December 31 for the most recently audited fiscal year, to MDOT a reconciliation report that addresses expenditures made in excess of the one-year capital budget as follows: (1) For Capital Projects exceeding approved one-year budget: a. The amount by which costs exceed projected costs during the completed fiscal year; and b. The total amount that has been expended for the project to date; (2) For new Capital Projects added during a fiscal year: a. A purpose and need summary statement that includes: i. A general description and summary that describes why the project is necessary and satisfies WMATA's safety, state of good repair, and financial accountability goals; ii. The location of the project, including a map of the project limits, project area, or transportation corridor; iii. A summary of how the project meets the selection criteria for inclusion in the CIP; and iv. Any other information that WMATA believes would be useful to MDOT and WSTD.	12/31/2022	This reconciliation can be found in the FY22 Annual Reconciliation Report, which was sent to the jurisdictions on 12/14/22.
Completed	Maryland Dedicated Funding Legislation (2018 HB 372/SB 277)	Md. Transp. Code Ann. §10-205 (f)(2)(iii)	(iii) 1. The Governor shall withhold 35% of the appropriation under paragraph (1) of this subsection if: A. The Washington Metropolitan Area Transit Authority has received a modified audit opinion as a result of an annual independent audit conducted in accordance with Article XVI, Section 70 of the Washington Metropolitan Area Transit Authority Compact under § 10-204 of this subtitle; and B. The Department has not certified to the Governor in writing before the beginning of the immediately preceding fiscal year that the Washington Metropolitan Area Transit Authority has submitted in writing to the board of directors of the Washington Metropolitan Area Transit Authority and the Maryland General Assembly a satisfactory corrective plan that addresses the reasons for the modified audit opinion.	06/30/2023	WMATA received a clean audit for FY2022; the auditor did not offer a modified opinion. Single audit reports can be found here: https://www.wmata.com/about/records/public-records.cfm .
Completed	DC Dedicated Capital Funding Agreement;#DC Dedicated WMATA Funding and Tax Changes ... Act of 2018	DC DFGA Sec. 4(c)	(c) Inclusion in Capital Improvement Program and Capital Budget. The Dedicated Funding Grant may be expended by WMATA only for State of Good Repair Capital Projects that are included in the then-current approved CIP and Capital Budget as those documents may be amended by the WMATA Board subject to the coordination required pursuant to the CFA. As defined in DC DFGA Sec.1(n): "State of Good Repair" or "SGR" means Capital Projects for the replacement, rehabilitation, or annual capital maintenance of existing capital assets necessary for system preservation. Eligible activities within replacement or rehabilitation projects include the incorporation of then-current design standards and additional and new features necessary for the proper functioning of the new facility or as required by federal, state, or local laws. Assets to be replaced must have either i) reached or exceeded their minimum useful life; ii) been deemed obsolete or unsafe; or iii) been identified as not cost effective to maintain or repair. In addition to replacement and rehabilitation, critical needs, including but not limited to new maintenance, repair, administrative, or overhaul facilities or maintenance equipment or non-revenue vehicles are eligible for Dedicated Funding Grant funds if they are needed to maintain the operations or administration of the then-existing Metrorail, Metrobus or MetroAccess systems. More specifically, these Capital Projects include replacing, rehabilitating, and modernizing existing capital assets of the system to address issues of safety and reliability including: (i) Railcars, including but not limited to railcar acquisition for replacement vehicles, nonrevenue equipment, railcar maintenance, repair, and overhaul facilities, etc.; (ii) Rail Systems, including but not limited to propulsion, signals and communications, etc.; (iii) Track and Structures Rehabilitation including but not limited to fixed guideway, structures, track maintenance, equipment, etc.; (iv) Stations and Passenger Facilities including but not limited to platforms and structures, customer information and wayfinding, vertical transportation, fare collections, parking facilities, station systems, etc.; (v) Bus and Paratransit including but not limited to bus acquisition, maintenance facilities, passenger facilities/systems, paratransit, non-revenue vehicles etc.; and (vi) Business Support including but not limited to real and personal property supporting administrative, non-revenue, and revenue functions, IT upgrades, support equipment and services, security equipment and services, etc.	06/30/2022	Dedicated Funding was budgeted for use for SGR projects/programs per the FY2022 Capital Budget, which can be accessed here: https://www.wmata.com/about/records/public-records.cfm
Completed	DC Dedicated Capital Funding Agreement;#DC Dedicated WMATA Funding and Tax Changes ... Act of 2018	DC DFGA Sec. 6(b)	(b) Rollover of Unexpended Funds. If there are unexpended Dedicated Funding Grant funds in the Capital Budget at the end of any WMATA Fiscal Year, the unexpended funds shall be "rolled over" to the succeeding WMATA Fiscal Year for programming by the WMATA Board through the CFA process as part of the funding for State of Good Repair Capital Projects shown in the Capital Budget. The unexpended funds shall not reduce funding requirements for the succeeding year's Dedicated Funding Grant to the Capital Budget, subject to the provisions of Section 5. The provision of this Section 6(b) shall not apply to any funding reduced or carried-forward at the District's direction pursuant to Section 3(a) above.	06/30/2022	The FY2022 Annual Reconciliation Report indicates the Dedicated Funding balance as of 06/30/22. Unexpended Dedicated Funding will be "rolled over" for use in FY2023.
Completed	DC Dedicated Capital Funding Agreement;#DC Dedicated WMATA Funding and Tax Changes ... Act of 2018	DC DFGA Sec. 7(a)	Capital Budget Requirement. WMATA shall, as a part of its annual budget process each year, develop a Capital Budget pursuant to the terms and conditions of the Capital Funding Agreement, in accordance with applicable laws and WMATA Board policies.	Not Specified	The FY2022 Capital Budget was approved by the Board on 04/22/21 through resolution 2021-11 and can be accessed here: https://wmata.com/about/records/public-records.cfm .
Completed	DC Dedicated Capital Funding Agreement;#DC Dedicated WMATA Funding and Tax Changes ... Act of 2018	DC DFGA Sec. 7(b)	Contents of the Capital Budget. For purposes of compliance with this Agreement, WMATA shall apply the budgeting and project identification requirements of the Capital Funding Agreement to the district's Dedicated Funding Grant and state in the Capital Budget how the Dedicated Funding Grant is proposed to be utilized based on a schedule of projected quarterly cash needs, including an identification of what portion (if any) of the Dedicated Funding Grant is a direct capital contribution (or payoff), and what portion (if any) is to be budgeted by WMATA to pay debt service on Dedicated Funding Debt (to be stated separately in the Capital Budget) for the current year and each year in the current CIP period. In addition, WMATA must identify the primary purpose of each Capital Project.	Not Specified	The "Financial Plan by Investment Category" tables indicate how much dedicated funding will be used for debt service. The Budget can be accessed here: https://wmata.com/about/records/public-records.cfm .

Status	Source	Reference	Requirement	Deadline	Status Comment
Completed	DC Dedicated Capital Funding Agreement;#DC Dedicated WMATA Funding and Tax Changes ... Act of 2018	DC DFA Sec. 9	Quarterly Progress Reports Within forty-five (45) days after the end of each quarter, WMATA shall prepare and submit to the District a Capital Budget/CIP progress report (referred to herein as the "Quarterly Progress Report"). Each Quarterly Progress Report shall contain, with respect to each SGR Capital Project, funded by this Agreement and included in the Capital Budget, (a) the status of the project; (b) a review of the project's scope and schedule changes; (c) the status of acquisition and construction contracts necessary for the implementation of the project; (d) the status of year-to-date expenditures for each project relative to Capital Budget; (e) the status of all cash and debt sources relative to Capital Budget, including a break out of District Dedicated Funding; (f) updated project cash flow projections and program cash requirements; and (g) a comparison of the billed amount to amounts actually expended for the preceding quarter. Each report shall be provided in a quarterly financial report in the same form and with the same level of detail that is required by the CFA.	08/29/2022	Quarterly CIP Reports were provided to the jurisdictions. See requirement VA DFA Sec. 5.E for report attachments.
Completed	DC Dedicated Capital Funding Agreement;#DC Dedicated WMATA Funding and Tax Changes ... Act of 2018	DC DFA Sec. 10(a)(i)	Maintenance of Records. WMATA shall maintain separate and complete accounting records that are consistent with generally accepted governmental accounting principles that accurately reflect all income and expenditures of funds provided by the District under this Agreement. WMATA shall retain all records, financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this Agreement, for three (3) years, or for the same period that records are required to be kept for the Federal Transit Administration or other federal grants, as applicable, whichever is longer; unless there is litigation based on the terms of this Agreement or an outstanding District or Federal financial or audit question that is not resolved by the District or Federal government, in which case the records shall be maintained until three (3) years after the final resolution of the audit finding or any litigation which is based on the terms of this Agreement, whichever is later. The records of WMATA must be in sufficient detail to determine the character and timing of transactions authorized by this Agreement.	Not applicable	As indicated in the CAFR (https://www.wmata.com/about/records/public-records.cfm), WMATA's financial records and statements were prepared in accordance with US GAAP. Further, financial records are retained for at least 3 years.
Completed	DC Local Capital Funding Agreement (2010);#Capital Funding Agreement (2010)	CFA Sec. 3(b)	Formula for Contributing Jurisdiction Funding. -- The Allocated Contributions of the Contributing Jurisdictions for the Capital Improvement Program will be based on the Board-adopted FY2010 Operations Allocation Formulas applied to each project as shown in the FY2011-2016 CIP applied to each element of the Capital Improvement Program as follows: (1) The Rail allocation formula will apply to Rail projects and debt issued for Rail projects. (2) The Bus allocation formula will apply to Bus projects and debt issued for Bus projects. (3) The Paratransit formula will apply to Paratransit projects and debt issued for Paratransit projects. (4) An average of the Rail and Bus allocation formula will apply to General financing expenditures and for project expenditures that cannot be allocated to Rail, Bus, or Paratransit. (5) Dedicated Funding funded projects - Will be divided equally among the District of Columbia, State of Maryland, and Commonwealth of Virginia subject to provisions of the various state laws establishing dedicated funding sources to match federal funds made available under the Passenger Rail Investment and Improvement Act of 2008. The allocation formulas will be recalculated every three (3) years to reflect the then-current Operating Budget allocations and applied prospectively through three subsequent Annual Work Plans.	06/30/2021	The allocation model is attached and also described in the FY22 Budget and CIP, which can be found here: https://wmata.com/about/records/public-records.cfm .
Completed	DC Local Capital Funding Agreement (2010);#Capital Funding Agreement (2010)	CFA Sec. 4(a)(1)	(a) Programmatic Aspects. (1) Long Term Programming -- The WMATA Board of Directors will approve a six-year capital improvement program each year, superseding the prior year CIP, providing potential funding sources, a description of the project prioritization process, an explanation of how the CIP would further the strategic objectives of WMATA, and an identifying the performance metrics by which the outcome of the CIP will be measured. The prioritization process shall evaluate and select projects based on the projects' support of WMATA's strategic objectives and funding availability.	06/30/2021	The approved FY2022 Budget fulfills this requirement and is available at: https://wmata.com/about/records/public-records.cfm . The attached compliance matrix is also provided for further detail.
Completed	DC Local Capital Funding Agreement (2010);#Capital Funding Agreement (2010)	CFA Sec. 4(a)(2)	Annual Work Plan. -- WMATA shall, as part of its annual budget process each year during this Agreement, develop and submit to the Contributing Jurisdictions a draft Annual Work Plan for the Capital Improvement Program which shall include the preliminary results of the Budget Reconciliation process contained in section 5 of this Agreement. The Annual Work Plan shall be based upon and consistent with the updated Capital Improvement Program prepared pursuant to the reconciliation process under Section 5 of this Agreement. The Annual Work Plan along with the Capital Program will be approved by the WMATA Board of Directors prior to the start of the fiscal year covering the specific Annual Work Plan.	06/30/2021	The Proposed FY2022 Budget was presented to the Board and Contributing Jurisdictions on 02/11/21.
Completed	DC Local Capital Funding Agreement (2010);#Capital Funding Agreement (2010)	CFA Sec. 4(a)(3)	Contents of Plan. The Annual Work Plan shall include -- (A) an identification and description of the projects and activities in the Capital Improvement Program for which funds will be obligated or expended during the next WMATA fiscal year; (B) a budget for the Annual Work Plan that includes a cost estimate and sources of funds for each project and activity in the Plan, by CIP category; (C) a statement of each Contributing Jurisdiction's required Allocated Contribution for the Annual Work Plan, based on a schedule of projected quarterly cash needs including an identification of what portion of that contribution is a direct capital contribution, and what portion (if any) is to be used by WMATA to pay debt service on WMATA Long-Term Debt and WMATA Short-Term Debt (each to be stated separately in the Plan); (D) a summary of the CIP projects and activities undertaken in the then-current WMATA fiscal year, together with the costs incurred to date and the estimated remaining costs for those Projects and Programs; and (E) the preliminary results of the Budget Reconciliation process contained in section 5 of this Agreement and a revised proposed CIP.	06/30/2021	The attached checklist was used to confirm compliance. The approved FY2022 Budget can be accessed here: https://wmata.com/about/records/public-records.cfm .
Completed	Capital Funding Agreement (2021);#DC Local Capital Funding Agreement (2021)	CFA Sec. 4(a)(4)	Schedule for Approval of the CIP and Annual Work Plan. To ensure a coordinated program, the Parties agree that each annual program will be developed and approved under the following schedule: (A) The updated 6-year CIP will be made available to the Contributing Jurisdictions no later than the 10th business day in October.	10/14/2020	An overview of the FY2022 CIP was provided to the Finance and Capital Committee and shared with contributing jurisdictions on 10/08/2020.
Completed	DC Local Capital Funding Agreement (2010);#Capital Funding Agreement (2010)	CFA Sec. 4(a)(4)	(B) A presentation will be offered to the Northern Virginia Transportation Commission at a scheduled meeting no later than the November meeting.	11/05/2020	The General Manager attended the 11/05/2020 NVTC meeting and gave an update on the FY21 and FY22 Capital Budget.
Completed	DC Local Capital Funding Agreement (2010);#Capital Funding Agreement (2010)	CFA Sec. 4(a)(4)	(C) A presentation will be offered to the Mayor and Council of the District of Columbia no later than the Wednesday immediately prior to Thanksgiving.	11/25/2020	Per GOVR, DC did not request a separate briefing on the FY2022 Budget and CIP.
Completed	DC Local Capital Funding Agreement (2010);#Capital Funding Agreement (2010)	CFA Sec. 4(a)(4)	(D) Subject to consultation with the Maryland Department of Transportation, a public presentation will be offered in both Prince George's County and Montgomery County no later than the Wednesday immediately prior to Thanksgiving.	11/25/2020	Per GOVR, WMATA has extended a standing offer to participate in the annual tour meetings that MDOT does in Prince George's and Montgomery Counties. MDOT has never taken us up on it.
Completed	DC Local Capital Funding Agreement (2010);#Capital Funding Agreement (2010)	CFA Sec. 4(a)(4)	(E) WMATA will also present the capital program and Annual Work Plan information to affected legislative bodies as requested.	Not Specified	No legislative bodies requested a presentation on the Budget and Six-Year CIP.

Status	Source	Reference	Requirement	Deadline	Status Comment
Completed	DC Local Capital Funding Agreement (2010);#Capital Funding Agreement (2010)	CFA Sec. 4(a)(4)	(F) The draft Annual Work Plan shall be submitted to the Contributing Jurisdictions by December 15.	12/15/2020	A presentation on the FY2022 Budget and CIP was provided to the Finance and Capital Committee, and shared with the contributing jurisdictions, on 12/04/20.
Completed	DC Local Capital Funding Agreement (2010);#Capital Funding Agreement (2010)	CFA Sec. 4(a)(4)	(H) The proposed Annual Work Plan shall be provided to the Contributing Jurisdictions immediately following the March WMATA Board meeting and shall be used by the Contributing Jurisdictions to consult with WMATA Board representatives. The amount included as the Minimum Annual Allocated Contribution on this final Annual Work Plan will remain substantially the same for the upcoming fiscal year, subject to downward adjustment as provided in Section 4(b)(3)(B), or as otherwise requested by the WMATA Board and approved by the Contributing Jurisdictions. The final CIP and Annual Work Plan will be adopted by the WMATA Board no later than the June meeting.	06/30/2021	The proposed FY2022 Budget and CIP were shared with the jurisdictions on 12/04/20. The Board approved the FY22 Budget and CIP on 04/22/21 through resolution 2021-11.
Completed	DC Dedicated Capital Funding Agreement;#DC Dedicated WMATA Funding and Tax Changes ... Act of 2018	DC DFGA Sec. 10(a)(ii)	Within forty-five (45) days after the completion of its annual financial audit, WMATA shall provide a report (Indirect/Overhead Audit Report) to the District that demonstrates that all indirect and overhead costs that WMATA actually recovered from the overall Capital Budget for the recently completed fiscal year were subtracted from the calculation of the overall actual operating subsidy for that year. The Indirect/Overhead Audit Report will use information from WMATA's financial system that shows (a) the amount of Indirect Costs charged to each project during the fiscal year, and the aggregate of all projects, and (b) the aggregate amount by which the operating subsidy was reduced for the Indirect Costs charged to the capital program. Indirect costs shall be budgeted and assessed only on the portion of a capital project attributable to WMATA direct labor costs.	12/19/2022	
Completed	Virginia Dedicated Funding Legislation (2018 HB 1539/SB 856);#Virginia Acts of Assembly	Va. Acts of Assembly 2018, Chapter 854, Article 11	8. ... and (ii) WMATA has adopted or updated a strategic plan within the preceding 36 months, and at least one public hearing on such plan or updated plan has been held in a locality embraced by the Northern Virginia Transportation Commission. In order to satisfy the requirements of clause (ii) of this enactment, the first strategic plan adopted to comply with such requirements shall include a plan to align services with demand and to satisfy the other recommendations included in the report submitted pursuant to Item 436 R of Chapter 836 of the Acts of Assembly of 2017.	07/01/2021	The 2019 Strategic Plan adoption was acknowledged in the 07/01/21 letter to Secretary of Transportation. Per a 2021 state budget amendment, WMATA's next Strategic Plan is due 6/30/2023.
Completed	Virginia Dedicated Funding Legislation (2018 HB 1539/SB 856)	Va. Code Ann. §33.2-1526.1.L	L. The Board shall withhold 20 percent of the funds available pursuant to subdivision D 3 if (i) any alternate directors participate or take action at an official WMATA Board meeting or committee meeting as Board directors for a WMATA compact member when both directors appointed by that same WMATA compact member are present at the WMATA Board meeting or committee meeting or (ii) the WMATA Board of Directors has not adopted bylaws that would prohibit such participation by alternate directors. 9/18/18 CTB Resolution states: "WMATA shall provide written notification to the CTB by July 1 of each year that it has adopted bylaws that prohibit the participation of alternate directors specified in clause ii) of Enactment Clause 7 and that no violations of the bylaws by alternate directors have occurred during the previous year. WMATA shall immediately notify the CTB in writing if a violation of its bylaws by an alternate director or some other action prohibited by this CTB policy occurs."	07/01/2022	Letter provided to VA DRPT for distribution to CBT on 6/30/22.
Completed	Capital Funding Agreement (2021);#DC Local Capital Funding Agreement (2021);#DC Dedicated Capital Funding Agreement	CFA Sec. 5(a)	Annual Budget Reconciliation Process (a) Reconciliation. As part of its annual budget process in each year during the term of this Agreement, WMATA shall prepare a reconciliation of – (1) the actual expenditures for Projects and Programs for the most recently completed fiscal year Capital Budget, as compared to the planned expenditures for such Programs and Projects for the same fiscal year; (2) the actual Allocated Contribution of each of the Contributing Jurisdictions to date, as compared to the scheduled Allocated Contribution of each Contributing Jurisdiction for the most recently completed fiscal year Capital Budget; (3) the projected Allocated Contributions of each Contributing Jurisdiction for the most recently completed fiscal year Capital Budget; (4) the actual amount of Federal grant funds received for the Capital Budget, as compared to the budgeted or projected amount of Federal grant funds for the same fiscal year; and (5) the current forecast of expenditures; and (6) the estimated cost to complete the remaining Projects and Programs in the current Capital Improvement Program and expected sources of those funds.	11/30/2022	The FY22 Annual Reconciliation Report was submitted to the jurisdictions on 12/14/22.
Completed	Capital Funding Agreement (2021);#DC Local Capital Funding Agreement (2021);#DC Dedicated Capital Funding Agreement	CFA Sec. 5(b)	(b) Application of Reconciled Payment Amounts. On or before November 30th of each year, WMATA shall have performed the reconciliation described in the above section, including whether there is a surplus of funds paid in by the Contributing Jurisdictions. The results of this reconciliation shall be used in the Capital Budget currently under development as well as to review the Capital Budget for the fiscal year then currently in effect at the time that the reconciliation is completed. WMATA shall, to the best of its abilities, use all of the Jurisdictional Contributions in the fiscal year they are provided. The Parties acknowledge and agree that this may not be practical at all times. In the event that WMATA is unable to use all of the System Performance Funding provided to it in the fiscal year received (FY1), WMATA shall use those funds ("Carryover Funds") as a funding source for the next to occur fiscal year (FY2) as follows: (1) first, program those funds to cover accrued expenses from FY1; (2) second, program those funds for planned expenses in FY2; (3) third, reduce the Dedicated Funding Debt to be issued in FY2; (4) fourth, in the event that no Dedicated Funding Debt is issued to fund projects in the then-current fiscal year, use the Carryover funds as a funding source in the next to occur fiscal year (FY3); (5) Finally, in the event that Carryover Funding exceeds the Dedicated Funding Debt to be issued in FY3, reduce the Allocated Contribution by the amount of Carryover Funding that exceeds the anticipated Dedicated Funding Debt in FY3.	11/30/2022	The FY22 Annual Reconciliation Report was submitted to the jurisdictions on 12/14/22 (see requirement CFA Sec. 5(a) for attachments). The balance of funds available will be used in subsequent years per the CFA prioritization.

Status	Source	Reference	Requirement	Deadline	Status Comment
Completed	Capital Funding Agreement (2021);#DC Local Capital Funding Agreement (2021);#DC Dedicated Capital Funding Agreement	CFA Sec. 5(c)	(c) Revenue Shortfalls. If the reconciliation process conducted under subsection (a) of this Section reveals that there are shortfalls in revenues for the Capital Improvement Program due to late or insufficient contributions by a Contributing Jurisdiction or to the receipt of less than the assumed level of Federal funds, or other funds that support the CIP, WMATA shall develop a recovery plan for addressing such shortfalls. Such recovery plan, as approved by the WMATA Board of Directors through its annual budget process, shall include one or more of the following alternatives: (1) utilization of Short-Term Debt or other Funding Sources; (2) value engineering, project re-design, or other cost reduction measures for future Projects and Programs; (3) re-scheduling of Projects and Programs in the Capital Improvement Program; (4) subject to agreement of the Contributing Jurisdictions, increasing the levels of Allocated Contributions from the Contributing Jurisdictions; and/or (5) the implementation of Project Deferrals under subsection (e) of this Section.	06/30/2023	The FY22 Annual Reconciliation Report was submitted to the jurisdictions on 12/14/22 (see requirement CFA Sec. 5(a) for attachments). There were no revenue shortfalls in FY22.
Completed	Capital Funding Agreement (2021);#DC Local Capital Funding Agreement (2021);#DC Dedicated Capital Funding Agreement	CFA Sec. 5(d)	(d) Revenue Increases. If the reconciliation process conducted under subsection (a) of this Section reveals that Federal or other funds, excluding Allocated Contributions, have been received which substantially exceed the assumed level of funding, such excess funds shall be applied (1) to the unfunded priorities in the Capital Improvement Program or to other needs identified by the WMATA Board; or (2) to any outstanding Dedicated Funding Debt or Short-Term Debt thereby increasing the funding available to implement the CIP, as determined by the WMATA Board of Directors through its annual budget process.	06/30/2023	The FY22 Annual Reconciliation Report was submitted to the jurisdictions on 12/14/22 (see requirement CFA Sec. 5(a) for attachments). The balance of funds available will be used in subsequent years per the CFA prioritization.
Completed	DC Local Capital Funding Agreement (2021);#Capital Funding Agreement (2021);#DC Dedicated Capital Funding Agreement	CFA Sec. 5(e)	(e) Project Deferrals. If WMATA is unable to satisfactorily address revenue shortfalls under subsection (c) of this Section, the WMATA Board may, through the next WMATA budget process, or through the Capital Budget modification process, modify the Capital Improvement Program to defer certain Projects or Programs in order to assure that the Capital Improvement Program can be funded during the term of this Agreement within the amount of available financial resources.	06/30/2023	The FY22 Annual Reconciliation Report was submitted to the jurisdictions on 12/14/22 (see requirement CFA Sec. 5(a) for attachments). There were no revenue shortfalls in FY22.
Completed	DC Dedicated WMATA Funding and Tax Changes ... Act of 2018	DC DFGA Sec. 3b	If Maryland or Virginia does not pay, in full or in part, the amount of Other Dedicated Funding for a WMATA Fiscal Year, or if WMATA receives notice that Maryland or Virginia will not pay, in full or in part, such amount, WMATA shall notify the District of any such failure or expected failure within five (5) business days after the failure or within five (5) business days after the date it becomes aware of the expected failure, whichever is applicable. The District may, in its sole discretion, reduce its Dedicated Funding Grant in that WMATA Fiscal Year by a proportional amount of any Maryland or Virginia reduction of their respective Other Dedicated Funding for a WMATA Fiscal Year or incremental payment. In the event that the District has already made its semiannual payments described in subsection (b) of this section prior to receiving notice that either Maryland or Virginia did not pay its full amount of Other Dedicated Funding, then the District may direct WMATA to not use a proportional amount of Dedicated Funding Grant in that WMATA Fiscal Year and credit an equal amount to the required District payment under this Agreement, or any successor agreement, for the next WMATA Fiscal Year.	06/30/2022	During FY2022, MD and VA made their full Dedicated Funding contributions.
Completed	DC Local Capital Funding Agreement (2021);#Capital Funding Agreement (2021)	CFA Sec. 4(a)(5)(D)	(D) Quarterly Reports. At the conclusion of every quarter, WMATA shall prepare a report on the result of the preceding quarter for submittal to the Parties no later than forty-five (45) days following the close of the quarter, provided however, that the quarterly report for the fourth quarter/WMATA Fiscal Year end shall be due sixty (60) days following the close of the quarter. Such report shall contain a review of capital project scope, cost, and schedule changes; the status of contracts necessary for the implementation of capital projects; the status of year-to-date expenditures relative to budget and the Capital Budget; the status of all cash and debt sources relative to budget and the Capital Budget; updated project cash flow projections and program cash requirements; and a comparison of the billed amount to amounts actually paid out for the preceding quarter.	08/29/2022	Quarterly CIP Reports were provided to the jurisdictions. See requirement VA DFA Sec. 5.E for report submission dates and attachments.
Completed	Virginia Dedicated Capital Funding Agreement;#Virginia Dedicated Funding Legislation (2018 HB 1539/SB 856)	Va. DFA Sec 4.A	Annual Commitment Letter. Subject to allocation and appropriation, and the other requirements contained in the Code, the Commonwealth shall annually provide WMATA with written notice that funds have been, are intended to be, or will not be appropriated to cover its Contribution for the upcoming Fiscal Year and committing to disburse such Contribution to WMATA per the terms of this Agreement. If the Commonwealth's appropriations process is not completed by June 1, the Commonwealth shall provide to WMA TA: (i) a written explanation for the failure to make such submissions by June 1 and confirmation that an amount equal to its Contribution has been or will be included in the next Fiscal Year budget to be considered by the Commonwealth's fiscal authority; and (ii) written assurances that all reasonable efforts will be undertaken to secure the ultimate appropriation of funds in a prompt and timely fashion. If funds will not be appropriated, then the Commonwealth shall notify WMA TA within five business days of the fiscal body's action.	06/01/2021	This is a VA reporting requirement. VA provided its full dedicated funding commitment in FY2022.
Completed	Virginia Dedicated Capital Funding Agreement;#Virginia Dedicated Funding Legislation (2018 HB 1539/SB 856)	Va. DFA Sec.17.F(2)-(3)	(2) WMATA shall either be sufficiently self-insured or carry insurance to cover the risks for WMATA, its employees, agents, contractors and subcontractors, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable related to any CIP work covered by this Agreement. WMATA shall require all commercial insurance policies obtained by WMATA to satisfy its obligations under this section to list the Commonwealth, DRPT, and their respective officers, agents, and employees as Additional Insureds. WMATA certifies that as of the Effective Date of this Agreement, all commercial insurance and self-insurance lists the Commonwealth, DRPT, and their respective officers, agents, and employees as Additional Insureds. WMATA shall not remove the Commonwealth, DRPT, or their respective officers, agents, and employees as Additional Insureds for any self-insurance without the written consent of the Commonwealth. (3) In the event WMATA receives notice from an insurer that any insurance policy is going to be, or has been, subject to cancellation, nonrenewal, or material adverse changes to the insurance contract, WMA TA shall provide DRPT with prompt notice. WMATA shall provide 30-days advance written notice to DRPT of any cancellation or material adverse change to any self-insurance. (4) For all self-insurance and commercial insurance, WMATA shall provide Certificates of Insurance listing the Commonwealth, DRPT, and their respective officers, agents, and employees, as Additional Insureds.	Not Specified	WMATA was sufficiently self-insured and carried additional excess liability insurance during FY2022.

Status	Source	Reference	Requirement	Deadline	Status Comment
Completed	Maryland Dedicated Capital Funding Agreement;#Maryland Dedicated Funding Legislation (2018 HB 372/SB 277)	Md. DFA Sec. 16.F	<p>(2) WMA TA shall either be sufficiently self-insured or carry insurance to cover the risks for WMATA, its employees, agents, contractors and subcontractors, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable related to any CIP work covered by this Agreement. WMATA shall require all commercial insurance policies obtained by WMA TA to satisfy its obligations under this section to list the State, WSTD, and their respective officers, agents, and employees as Additional Insured's. WMA TA certifies that as of the Effective Date of this Agreement, all commercial insurance and self-insurance lists the State, WSTD, and their respective officers, agents and employees as Additional Insured's. WMA TA shall not remove the State, WSTD, or their respective officers, agents, and employees as Additional Insured's for any self-insurance without the written consent of the State.</p> <p>(3) In the event WMATA receives notice from an insurer that any insurance policy is going to be, or has been, subject to cancellation, nonrenewal, or material adverse changes to the insurance contract, WMA TA shall provide WSTD with prompt notice. WMA TA shall provide 30-days advance written notice to WSTD of any cancellation or material adverse change to any self-insurance.</p> <p>(4) For commercial insurance, WMATA shall provide Certificates of Insurance listing the State, WSTD, and their respective officers, agents, and employees, as Additional Insured's. WMATA shall provide a self-insurance letter indicating the extent of WMATA's self-insurance.</p>	Not Specified	There is no deadline. Target submission date is 12/31.
Completed	DC Dedicated Capital Funding Agreement;#DC Dedicated WMATA Funding and Tax Changes ... Act of 2018	DC DFA Sec. 21(b)-(d)	<p>(b) WMATA shall either be sufficiently self-insured or carry insurance to cover the risks for WMATA, its employees, agents, contractors and subcontractors, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable related to any CIP work covered by this Agreement. WMATA shall require all commercial insurance policies obtained by WMATA to satisfy its obligations under this section to list the District, and its respective officers, agents, and employees as Additional Insureds. WMATA certifies that as of the Effective Date of this Agreement, all commercial insurance and self-insurance lists the District and its respective officers, agents and employees as Additional Insureds. WMATA shall not remove the District, or its respective officers, agents, and employees as Additional Insureds for any self-insurance without the written consent of the District.</p> <p>(c) In the event WMATA receives notice from an insurer that any insurance policy is going to be, or has been, subject to cancellation, nonrenewal, or material adverse changes to the insurance contract, WMATA shall provide the District with prompt notice. WMATA shall provide 30-days advance written notice to the District of any cancellation or material adverse change to any self-insurance.</p> <p>(d) For commercial insurance, WMATA shall provide Certificates of Insurance listing the District, and its respective officers, agents, and employees, as Additional Insureds. WMATA shall provide a self-insurance letter indicating the extent of WMATA's self-insurance.</p>	Not Specified	
Completed	Maryland Dedicated Funding Legislation (2018 HB 372/SB 277);#Maryland Dedicated Capital Funding Agreement	Md. DFA Sec. 4.D	D. WMATA shall prepare and submit as available, quarterly updates on the measures established in C.6 above. (NOTE: C.6 states "Measures to assess capital project investments and measures to gauge performance toward outcomes demonstrating responsible investment of grant funds toward meeting the goals of keeping WMATA safe and its infrastructure in a state of good repair.")	08/29/2022	WMATA uses the National Transit Database Narrative Report as its performance measures. This report is updated on an annual basis and provided to Maryland on an annual basis. See submission for Maryland DFA Section 4.D for details.
Completed	Capital Funding Agreement (2010);#DC Local Capital Funding Agreement (2010)	CFA Sec. 4(a)(1)	The annual documentation of the CIP will describe qualitatively and quantitatively the broad outlines of the proposed capital spending and sources for that spending for the forthcoming fiscal year and the outcomes expected to be achieved by the proposed program. The discussion of the proposed spending shall include at least the following: (i) the sources of funds for the proposed spending, (ii) expenditures by mode (e.g. bus, rail, paratransit, administrative), (iii) expenditures by project phase (e.g. planning, design, land acquisition, construction), (iv) the indicators of the outcomes to be achieved by the proposed projects, and (v) life to date expenditures by project. See Attachment 2 for an example of a Capital Project page from WMATA's FY2021 approved budget book.	06/30/2021	The approved FY2022 Budget fulfills this requirement and is available at: https://wmata.com/about/records/public-records.cfm . The attached compliance matrix is also provided for further detail.
Completed	Capital Funding Agreement (2021);#DC Local Capital Funding Agreement (2021)	CFA Sec. 4(a)(5)(C)	(C) Reprogramming and Revisions to the Capital Improvement Program. The WMATA staff may, as necessary for the efficient prosecution of the approved CIP revise the Programs and Projects within the CIP so long as no additional funding is required from the Contributing Jurisdictions and such revisions are within the authority delegated by the WMATA Board of Directors. Delegated authority is expressed in resolution 2011-30 as amended by 2016-24 and 2017-11. Nothing in this Agreement is intended to or shall limit the discretion of the WMATA Board of Directors to delegate or rescind delegations of authority. These revisions shall be reflected in future CIPs presented to the Board of Directors for adoption as part of the annual budget process. The Parties recognize that the scope, costs, scheduled completion date, or priority of some projects will change during the term of this Agreement. To address these possibilities, WMATA agrees to provide the Contributing Jurisdictions with monthly reports regarding reprogramming of project budgets into or out of Capital Projects or Capital Programs during the term of this Agreement where such reprogramming results in either 1) an increase of the total project budget as shown in the CIP; 2) a revision to the scope of a Capital Project; 3) a movement of \$5 Million or more between Capital Projects; or 4) creates a new Capital Project. WMATA shall provide notice as soon as practicable when a project or program funded is terminated. Each movement of budget between Capital Projects and/or Capital Programs for cash flow purposes or for schedule adjustments (that do not impact completion date) in an amount of \$1 Million to \$5 Million during the term of this Agreement shall be reported to the Contributing Jurisdictions on a quarterly basis. In no case shall WMATA request an increase in the Allocated Contributions for any fiscal year due to a reprogramming.	Not Specified	Reprogramming reports were provided on 01/03/22 (Jul, Aug, Sep); 3/4/22 (Oct, Nov, Dec); 5/18/22 (Jan, Feb, Mar); and 09/15/22 (Apr, May, Jun).

Status	Source	Reference	Requirement	Deadline	Status Comment
Completed	DC Dedicated WMATA Funding and Tax Changes ... Act of 2018;#DC Dedicated Capital Funding Agreement	DC Code §1-325.401(c)(2)	<p>Creates WMATA Dedicated funding Fund, provides \$178.5 million annually. Requires a grant agreement with WMATA.</p> <p>§ 1—325.401. Dedicated funding for WMATA.</p> <p>(a) There is established as a special fund the Washington Metropolitan Area Transit Authority Dedicated Financing Fund ("Fund"), which shall be administered by the Mayor in accordance with subsection (c) of this section.</p> <p>(b) There shall be deposited into the Fund general retail sales tax revenue collected pursuant to Chapter 20 of Title 47 as follows:</p> <p>(1) In Fiscal Year 2019 -- \$178.5 million;</p> <p>(2) In Fiscal Year 2020 -- \$178.5 million; and</p> <p>(3) In Fiscal Year 2021, and each successive year, an amount of general retail sales tax revenue equal to the District's allocation of the Washington Metropolitan Area Transit Authority ("WMATA") jurisdictional formula, applied to the total annual WMATA capital funding need of \$500 million in Fiscal Year 2020, escalated annually by 3% above the preceding fiscal year.</p> <p>(c)(1) Money in the Fund in Fiscal Year 2019 shall be used as a source of funding to make the District's payment to WMATA through agency KE0 as shown in the Fiscal Year 2019 Budget and Financial Plan.</p> <p>(2) Pursuant to a grant agreement between the District and WMATA, and subject to subsection (d) of this section, starting in Fiscal Year 2020, money in the Fund shall be distributed to WMATA by the Mayor as a grant for the purposes of WMATA capital improvements, including payment on borrowings for such capital improvements.</p> <p>The new dedicated funding of the District is authorized by the "Dedicated WMATA Funding and Tax Changes Affecting Real Property and Sales Amendment Act of 2018," which was approved as part of the Fiscal Year 2019 Budget Support Act of 2018, effective October 30, 2018 (D.C. Law 22-168; D.C. Official Code 1-325.401). Under this act, the District will provide the new dedicated funding to WMATA through a grant agreement. This Agreement is the grant agreement required by the act fund state-of-good-repair capital needs.</p>	Not Specified	The DC DFA was in effect during FY2022. This agreement expires 9/30/26.
Completed	Capital Funding Agreement (2021);#DC Local Capital Funding Agreement (2021)	CFA Sec. 2(b)(2)	Description. Notwithstanding the flexibility provided in section (1) immediately above, WMATA shall provide CIP-level detail as shown in Attachment 2 in each approved fiscal year Capital Budget book including the sources of funding anticipated to support those Projects and Programs; a description of the scope of work, and a schedule.	06/30/2021	For details, see "CIP investment summaries" in the FY22-27 CIP for each project/program. These can be accessed here: https://www.wmata.com/about/records/public-records.cfm
Completed	Capital Funding Agreement (2021);#DC Local Capital Funding Agreement (2021)	CFA Sec. 3(a)	<p>(a) Funding Sources.</p> <p>The Projects and Programs in the Capital Improvement Program shall be funded in the most cost-effective manner from any legal funding source, including but not limited to one or more Funding Sources. WMATA may employ cash management strategies or financing methods as the WMATA Board determines to be appropriate to accomplish the Programs and Projects identified in the Capital Improvement Program. The specific amounts estimated from each Funding Source will be set forth in each Capital Budget. The categories, sub-categories, and details of Funding Sources are shown in Attachment 1. In no case may the WMATA Board of Directors adopt a budget without identifying Funding Sources by the categories shown in Attachment 1, provided, however, that 1) WMATA may revise sub-categories and details in future budgets, and 2) WMATA is not required to include any category or sub-category that shows a zero-dollar entry.</p>	06/30/2021	The approved Budget and CIP contains the specific amounts estimated from each Funding Source as outlined in the attached document. The full Budget and CIP can be accessed here: https://www.wmata.com/about/records/public-records.cfm .
Completed	DC Local Capital Funding Agreement (2021);#Capital Funding Agreement (2021)	CFA Sec. 4(a)(4)	(F) The draft Annual Work Plan shall be submitted to the Contributing Jurisdictions by December 15.	12/15/2020	A presentation on the FY2022 Budget and CIP was provided to the Finance and Capital Committee, and shared with the contributing jurisdictions, on 12/04/20.

FY2022 Dedicated
Funding Report

ATTACHMENTS

Dedicated Funding
Agreements

**WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY CAPITAL FUND
AGREEMENT**

Among

**The Commonwealth of Virginia Acting By and Through
The Virginia Department of Rail and Public Transportation**

And

The Washington Metropolitan Area Transit Authority

WMATA CAPITAL FUND AGREEMENT

THIS WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY CAPITAL FUND AGREEMENT ("Agreement") is made and entered into this 1 day of May, 2019, by and between **the Washington Metropolitan Area Transit Authority ("WMATA")**, a body corporate and politic created by interstate compact between Maryland, Virginia, and the District of Columbia, and **the Commonwealth of Virginia acting by and through the Virginia Department of Rail and Public Transportation** (collectively, the "Parties").

RECITALS

1. The WMATA transit system has played a critical role in the growth and prosperity of the National Capital Region and environs, and WMATA's continued economic vitality is essential to the regional transportation system and the environmental quality, and economic, educational and cultural life of the National Capital Region.

2. The WMATA system was built and is operated through the substantial investment of public funds by the Federal Government and by State and local governments in the region.

3. The lack of sufficient secure and reliable funding to rehabilitate and maintain the WMATA transit system and to replace rail cars, buses, and other key transit assets is creating a transportation crisis, threatening the continued health and vitality of the system and jeopardizing the public investment.

4. In order to provide a dedicated source of revenue, the Virginia General Assembly in its 2018 legislative session created the WMATA Capital Fund. The dedicated funding and related matters are established in Sections 33.2-3400 through 33.2-3404 of the Code of Virginia (1950), as amended.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth in this Agreement, the sufficiency of which is acknowledged, the Parties agree as follows:

SEC. 1 DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings, unless the context otherwise requires:

- A. "Agreement" means this WMATA Capital Fund Agreement.
- B. "Capital Improvement Program" or "CIP" means the list of project elements contained therein approved by the WMATA Board of Directors and that advance the Authority's strategic objectives. The CIP is not considered a payment schedule.
- C. "Code" means the Code of Virginia (1950), as amended.
- D. "Commonwealth" means the Commonwealth of Virginia.
- E. "Contribution" means the estimated annual amount of funding to be disbursed to WMATA by the Commonwealth paid with funds from the WMATA Capital Fund in accordance with Code Section 33.2-3401.
- F. "CTB" means the Virginia Commonwealth Transportation Board.
- G. "Days" means calendar days.
- H. "Debt" means any bond, security, debt issuance, certificate of participation, or other evidence of indebtedness issued by a public body, and includes commercial paper, lines of credit, and letters of credit to finance the program of projects to be completed under the terms of this Agreement.
- I. "DRPT" means the Virginia Department of Rail and Public Transportation.
- J. "Effective Date" means the date on which this Agreement becomes effective, as further defined in Section 10 of this Agreement.

- K. "Fiscal Year" means each of the Commonwealth's and WMATA's fiscal years beginning on July 1 and ending June 30.
- L. "Non-Restricted Funds" means those state funds provided to WMATA pursuant to Code Sections 33.2-3401.B.2 and 33.2-3404 that shall be made available for use by WMATA for capital purposes, including for the payment of, or security for, debt service on bonds or other indebtedness of WMATA.
- M. "Party" means a party to this Agreement. WMATA and the Commonwealth, acting by and through DRPT, individually are a Party and collectively are the Parties.
- N. "Restricted Funds" means those state funds provided to WMATA pursuant to Code Section 33.2-3401.B.1 that shall be made available for use by WMATA for capital purposes other than for the payment of, or security for, debt service on bonds or other indebtedness of WMATA.
- O. "WMATA" or "Authority" means the Washington Metropolitan Area Transit Authority.
- P. "WMATA Capital Fund" means the fund established pursuant to Chapter 34 of Title 33.2 of the Code.

SEC. 2 AGREEMENT OF THE PARTIES

WMATA and the Commonwealth agree to comply with the terms and conditions of this Agreement and to fully and faithfully carry out their respective obligations under this Agreement. Any commitment or agreement of the Commonwealth required by this Agreement shall be subject to the annual appropriation and allocation of funds and other limitations on expenditures or obligations under the law of the Commonwealth or under other applicable law. This Agreement shall not constitute an indebtedness of the Commonwealth until funds are duly appropriated and allocated and monthly payments become due pursuant to Section 4 of this Agreement, nor shall it constitute an obligation for which the Commonwealth is obligated to levy

or pledge any form of taxation in addition to the revenues identified in Code Sections 33.2-3400 et seq.

SEC. 3 CAPITAL IMPROVEMENT PROGRAM

The WMATA Board of Directors adopts a Capital Improvement Program each year. The CIP may include any capital project or purchase eligible for capital funding.

SEC. 4 COMMONWEALTH RESPONSIBILITY

A. Annual Commitment Letter. Subject to allocation and appropriation, and the other requirements contained in the Code, the Commonwealth shall annually provide WMATA with written notice that funds have been, are intended to be, or will not be appropriated to cover its Contribution for the upcoming Fiscal Year and committing to disburse such Contribution to WMATA per the terms of this Agreement. If the Commonwealth's appropriations process is not completed by June 1, the Commonwealth shall provide to WMATA: (i) a written explanation for the failure to make such submissions by June 1 and confirmation that an amount equal to its Contribution has been or will be included in the next Fiscal Year budget to be considered by the Commonwealth's fiscal authority; and (ii) written assurances that all reasonable efforts will be undertaken to secure the ultimate appropriation of funds in a prompt and timely fashion. If funds will not be appropriated, then the Commonwealth shall notify WMATA within five business days of the fiscal body's action.

B. Disbursement of Contribution

(1) Monthly Disbursements. Subject to allocation and appropriation, and the other requirements contained in the Code, the Commonwealth shall disburse one-twelfth

(1/12th) of the Contribution to WMATA on a monthly basis, except for the first disbursement under this Agreement which is covered by Section (4)(B)(3) of this Agreement. The Commonwealth shall make the monthly disbursements from the WMATA Capital Fund no later than the 25th Day of the following month into two accounts set up by WMATA – one account for the Restricted Funds and one account for the Non-Restricted Funds.

(2) Insufficient Balance in the WMATA Capital Fund. Subject to allocation and appropriation, and other requirements contained in the Code, the monthly disbursements shall be based upon one-twelfth (1/12th) of the Contribution unless the balance in the WMATA Capital Fund is not sufficient to cover the monthly disbursement amount, in which event the Commonwealth shall disburse to WMATA the entire balance in the WMATA Capital Fund as of the end of the prior month. The Commonwealth shall continue to disburse the entire balance in the WMATA Capital Fund each month until such time as the monthly disbursement has returned to the scheduled 1/12th monthly payment in full, and all prior monthly disbursements have been made whole.

(3) First Disbursement. Not more than 10 Days after the Effective Date of this Agreement, the Commonwealth shall make the first disbursement of the Contribution to WMATA in a lump sum that equals the lesser of (a) 1/12th of the Contribution times the number of months that would have been paid if this Agreement had been executed on July 1, 2018 or (b) the balance of the funds in the WMATA Capital Fund as of March 31, 2019.

(4) Notwithstanding any other provision of this Agreement, if at any time the Commonwealth determines that the funds collected in the WMATA Capital Fund will not be sufficient to pay in full the Contribution, the following shall occur: (a) the

Commonwealth shall notify WMATA in writing that the available funds are expected to be insufficient to satisfy the current Contribution amount; (b) the written notification shall include a new Contribution amount; and (c) the remaining monthly payments for that year combined with the payments made prior to notification of the new Contribution amount shall not exceed the new Contribution amount.

If such notification occurs, the Parties agree to meet with representatives from Maryland and the District of Columbia to determine an appropriate course of action with respect to the annual CIP budget commitments. Under no circumstance will the Commonwealth be obligated under this Agreement to pay more than what is contained in the WMATA Capital Fund.

(5) The percentage of funding provided by the Commonwealth for its share of the WMATA CIP funding pursuant to this Agreement shall be 30.9%. On an annual basis, this percentage shall be applied to no more than \$500 million of the annual WMATA CIP each year to calculate the Contribution for that Fiscal Year. For Fiscal Year 2019 only, the Contribution shall be \$121,300,000.

C. General. Nothing in this Agreement shall be construed to obligate the Commonwealth to have, as of the Effective Date, funding or an appropriation in the full amount of the Contribution. Subject to allocation and appropriation, the Commonwealth shall be solely responsible for the Contribution. The Commonwealth commits, subject to its constitutional or legally equivalent provisions and throughout the term of this Agreement, to use all reasonable efforts including, but not limited to, a request by the responsible official to include the Contribution in the Commonwealth's annual proposed budget or other financial submission to its fiscal authority and to pursue all legally available means

to secure the necessary and appropriate budget, legislative, appropriation, and allocation actions in order to obtain funding in the full amount of its Contribution.

SEC. 5 WMATA RESPONSIBILITY

- A. WMATA shall apply the Commonwealth's Contribution under this Agreement to items identified in the approved CIP.
- B. WMATA shall not use Restricted Funds for the payment of, or security for, debt service on bonds or other indebtedness of WMATA. WMATA may use Non-Restricted Funds for the payment of, or as a pledge of security for, debt service on bonds or other indebtedness of WMATA.
- C. Provide information to NVTC. WMATA shall provide information to the Northern Virginia Transportation Commission ("NVTC") as required by Section 33.2-3402 of the Code. Upon reasonable request, WMATA shall provide information, reports, and other data to NVTC consistent with Section 33.2-3403 of the Code so that NVTC can report to the Governor of Virginia and the Virginia General Assembly by November 1 of each year.
- D. Upon reasonable request from DRPT, WMATA shall provide information necessary for the CTB to meet its obligations under Code Section 33.2-3400, et seq., and the requirements set forth in the CTB resolution dated September 18, 2018, included as Attachment A to this Agreement.
- E. Reporting. At the end of every quarter, WMATA shall prepare, and submit to the Commonwealth, a report on WMATA financials of the preceding quarter in the same form as submitted to the WMATA Board of Directors. WMATA shall submit the report to the Commonwealth no later than 45 Days following the close of the quarter. Such

report shall contain a roll forward of the balance in the Restricted Funds account and Non-Restricted Funds account held by WMATA.

- F. Interest on Payments. Interest shall accrue on all deposits made by the Commonwealth into the Restricted Funds account and the Non-Restricted Funds account at WMATA until the funds are expended. The Restricted Funds account and the Non-Restricted Funds account at WMATA shall be interest bearing, with interest pursuant to the applicable WMATA interest policy.
- G. Limitation. The borrowing authority authorized by this Section 5 may not be used by the Commonwealth to satisfy its funding obligations under this Agreement.

SEC. 6 **Final Distribution**. In the event that this Agreement is terminated pursuant to Section 8 of this Agreement, any amounts remaining on hand at WMATA at the termination of this Agreement, except for any amounts incurred but not drawn, shall be credited or refunded to the Commonwealth, as directed by the Commonwealth.

SEC. 7 **Financial Records**.

- A. Maintenance of Records. During the term of this Agreement, WMATA agrees to maintain complete accounting records which are consistent with generally accepted governmental accounting procedures and which accurately reflect all income and expenditures of funds which may be provided under this Agreement. WMATA will retain all such CIP records for the same period that records are required to be kept for the Federal Transit Administration (“FTA”) or other federal grants, unless there is an outstanding written Commonwealth or FTA financial or audit question, which is not resolved by the Commonwealth or FTA auditor. The records of WMATA must be in

sufficient detail to determine the character and timing of fund items and of contract obligation and expenditure transactions authorized by this Agreement.

B. Audits

(1) Timing for Performance. The Commonwealth or its agent may engage a third party to perform an audit of WMATA's expenditures of funds and the sources of those funds provided by this Agreement. The request for the performance of such audit may cover a period of up to three audited fiscal years immediately preceding such request. Any such audit shall be commenced within 60 days after the date of the request and shall be completed (to the maximum extent practicable) within 180 days after the date it is commenced. The Commonwealth or its authorized agent will assume all financial responsibility for any costs associated with the performance of such audit, exclusive of WMATA's internal costs. WMATA agrees to cooperate fully with the Commonwealth or its authorized agent in the conduct of any such audit carried out in accordance with this paragraph.

(2) Audit Results. If it is determined by the third party auditor as a result of such audit under this section that funds provided by the Commonwealth have not been administered pursuant to the terms and conditions of this Agreement or contrary to law, WMATA shall make appropriate accounting adjustments to the Restricted Funds account or the Non-Restricted Funds account; or remit payment due to the Commonwealth. The audit rights provided under this paragraph shall survive for three audited fiscal years from the termination date of this Agreement and shall not limit any other rights of the Commonwealth under this Agreement.

SEC. 8 NON-COMPLIANCE & TERMINATION

In the event either Party determines that the other Party to the Agreement is not satisfactorily complying with the terms of this Agreement, the complaining Party shall notify the other Party in writing of its complaint and the basis for it. The Parties agree to use all reasonable efforts to resolve any such issues which arise under or otherwise relate to this Agreement. If the Parties, at staff level, cannot resolve such matters through initial discussions within 30 Days after receipt of the written notification, then executive level staff of each Party shall meet to resolve the matter within 60 additional Days. If no satisfactory resolution is achieved, either Party may, upon 30 Days' notice to the other Party, terminate this Agreement in whole or in part.

SEC. 9 REPRESENTATIONS AND WARRANTIES

A. By WMATA. WMATA makes the following representations as of the Effective Date of this Agreement as a basis for the undertakings pursuant to this Agreement:

- (1) WMATA has full power and authority to enter into this Agreement, the transactions contemplated by this Agreement, and to carry out its obligations hereunder;
- (2) When executed and delivered by the Commonwealth and by WMATA, this Agreement will constitute the legal, valid and binding obligation of WMATA enforceable in accordance with its terms, except as such enforceability is limited by annual appropriations, allocations, bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally.
- (3) WMATA procurement contracts in connection with the Capital Improvement Program shall be administered pursuant to the applicable WMATA procurement requirements and the WMATA Code of Ethics.

B. By the Commonwealth. The Commonwealth makes the following representations as of the Effective Date of this Agreement as a basis for the undertakings pursuant to this Agreement:

(1) The Commonwealth has all necessary power and authority to enter into this Agreement, the transactions contemplated by this Agreement, and to carry out its individual obligations hereunder;

(3) When executed and delivered by the Commonwealth and by WMATA, this Agreement will constitute the legal, valid and binding obligation of the Commonwealth enforceable in accordance with its terms, except as such enforceability is limited by annual appropriations, allocations, bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally.

SEC. 10 EFFECTIVE DATE, TERM OF AGREEMENT

- A. Effective Date. This Agreement shall take effect on the date of execution by the last signatory to this Agreement.
- B. Counterparts. This Agreement may be executed in identical counterparts, each of which shall constitute an original and all of which shall constitute, collectively, one agreement.
- C. Term. The term of this Agreement shall begin on the Effective Date and shall automatically renew each July 1 unless one Party provides written notice requesting to amend or modify the agreement at least 90 Days prior to July 1.

SEC. 11 NO THIRD PARTY BENEFICIARIES

The Parties to this Agreement do not intend any non-signatory to this Agreement or any other third party to be a third-party beneficiary to this Agreement, nor do the Parties intend for

any such third party to have any rights or benefits under this Agreement or to have standing to bring an action or claim in any court or other forum to enforce any provision of this Agreement.

SEC. 12 AMENDMENTS

This Agreement may be amended or modified only by written agreement duly executed by both Parties.

SEC. 13 NOTICES

All notices under this Agreement shall be in writing and shall be deemed to have been sufficiently given or served when presented personally, electronically, or sent by the U.S. Postal Service or by a courier service or national overnight delivery service, to any Party as follows:

To the Commonwealth of Virginia acting by and through the
Virginia Department of Rail and Public Transportation:

Director
Virginia Department of Rail and Public Transportation
600 East Main Street, Suite 2102
Richmond, VA 23219

with a copy to:

Chief of Public Transportation
Virginia Department of Rail and Public Transportation
600 East Main Street, Suite 2102
Richmond, VA 23219

and

Chief Financial Officer
Virginia Department of Rail and Public Transportation
600 East Main Street, Suite 2102
Richmond, VA 23219

To the Washington Metropolitan Area Transit Authority:

General Manager

600 Fifth Street, N.W.
Washington, D.C. 20001

with copies to:

General Counsel
Washington Metropolitan Area Transit Authority
600 Fifth Street, N.W., Second Floor
Washington, D.C. 20001

Chief Financial Officer
Washington Metropolitan Area Transit Authority
600 Fifth Street, NW, Sixth Floor
Washington, DC 20001

SEC. 14 SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the successors and assigns of the Commonwealth and WMATA.

SEC. 15 NO DEBT GUARANTEES

The Commonwealth does not guarantee the debt of WMATA or any obligation of WMATA.

SEC. 16 REQUIREMENT FOR ANNUAL APPROPRIATIONS

Notwithstanding any other provisions of this Agreement, all obligations of the Commonwealth are subject to discretionary annual appropriation and allocation of funds by the governing body thereof or other appropriate legislative body thereof and shall be consistent with the anti-deficiency laws applicable to the Commonwealth.

SEC. 17 MISCELLANEOUS PROVISIONS

A. COVENANT AGAINST CONTINGENT FEES: WMATA warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for WMATA, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for

WMATA, any fee, commission, percentage, brokerage fee, or other considerations, contingent upon or resulting from the award or making of this Agreement.

B. SPECIAL CAPITAL PROVISIONS:

(1) WMATA shall permit the DRPT or its authorized representatives to inspect at any reasonable time, with reasonable prior notice and subject to WMATA safety requirements, all vehicles, facilities and equipment purchased or constructed by WMATA as part of the CIP with Restricted Funds or Non-Restricted Funds; and all transportation services rendered by WMATA using such vehicles, facilities or equipment.

(2) With respect to vehicles, facilities, and equipment purchased or constructed by WMATA as part of the CIP, WMATA shall maintain, in accordance with applicable laws, such insurance or self-insurance as will be adequate to protect such vehicles, facilities and equipment, and persons using such vehicles, facilities and equipment, throughout WMATA's ownership and use of such vehicles, facilities and equipment.

C. APPLICABLE LAW:

(1) This Agreement shall be governed by the law of the Commonwealth of Virginia. Nothing in this Agreement shall constitute a waiver of the Commonwealth's or WMATA's sovereign immunity.

(2) The Parties acknowledge and agree that each shall comply with all applicable local, state, and federal laws, regulations, and ordinances. Nothing in this Agreement shall require WMATA to violate the WMATA Compact or applicable laws, regulations, or ordinances, or require the Commonwealth to violate any applicable laws, regulations, or ordinances.

D. SEVERABILITY OF PROVISIONS: If any term or provision of this Agreement is determined to be invalid, illegal or unenforceable, it shall not affect the legality or

validity or enforceability of any other part of this Agreement, and the remaining parts of this Agreement shall be binding upon the Parties.

E. RECITALS: The Recitals are incorporated and made a part of this Agreement.

F. INDEMNIFICATION AND INSURANCE:

(1) WMATA shall indemnify, defend, and hold harmless the Commonwealth and DRPT, and their directors, officers, agents, and employees, from and against all claims, suits, judgments, actions, losses, damages, liabilities, costs and expenses of every name and description, including but not limited to reasonable attorney's fees and costs, brought by any third party arising out of, resulting from, or in connection with any negligent act or omission by WMATA, its contractors, subcontractors, agents, or employees, or anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, relating to any CIP work covered by this Agreement.

(2) WMATA shall either be sufficiently self-insured or carry insurance to cover the risks for WMATA, its employees, agents, contractors and subcontractors, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable related to any CIP work covered by this Agreement. WMATA shall require all commercial insurance policies obtained by WMATA to satisfy its obligations under this section to list the Commonwealth, DRPT, and their respective officers, agents, and employees as Additional Insureds. WMATA certifies that as of the Effective Date of this Agreement, all commercial insurance and self-insurance lists the Commonwealth, DRPT, and their respective officers, agents, and employees as Additional Insureds. WMATA shall not remove the Commonwealth, DRPT, or their respective officers, agents, and employees as Additional Insureds for any self-insurance without the written consent of the Commonwealth.

(3) In the event WMATA receives notice from an insurer that any insurance policy is going to be, or has been, subject to cancellation, nonrenewal, or material adverse changes to the insurance contract, WMATA shall provide DRPT with prompt notice. WMATA shall provide 30-days advance written notice to DRPT of any cancellation or material adverse change to any self-insurance.

(4) For all self-insurance and commercial insurance, WMATA shall provide Certificates of Insurance listing the Commonwealth, DRPT, and their respective officers, agents, and employees, as Additional Insureds.

(5) In lieu of carrying insurance for its agents, contractors or subcontractors, WMATA may require all its agents, contractors or subcontractors who perform any CIP work or activity of any type to carry insurance sufficient to cover the risks for all damage to persons and property due to CIP work under this Agreement. However, such insurance does not relieve WMATA of the burden of being self-insured and/or carrying insurance to cover the actions of its employees. WMATA shall require of its agents, contractors, and subcontractors that the Commonwealth, DRPT, and their respective officers, agents, and employees, are identified as Additional Insureds on all such insurance policies obtained in lieu of WMATA providing such insurance for its agents, contractors or subcontractors, and WMATA shall require that its agents, contractors, and subcontractors provide Certificates of Insurance listing the Commonwealth, DRPT and their respective officers, agents, and employees as Additional Insureds for any such insurance policies.

(6) Payment of any funds by DRPT shall not waive any of the rights of DPRT contained in this section nor release WMATA from any responsibilities or duties contained in this Agreement.

(7) The obligations of this section shall survive the termination of this Agreement for the life of the assets purchased with the funding provided or for 20 years after termination, whichever is longer.

[signatures appear on following page]

IN WITNESS WHEREOF, WMATA and the Commonwealth have executed this Agreement on
this 1 day of May, 2019.

WASHINGTON METROPOLITAN AREA
TRANSIT AUTHORITY

Attest:



Secretary
Witness

By:



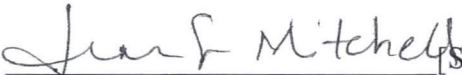
Dennis Anosike [Seal]
Chief Financial Officer

COMMONWEALTH OF VIRGINIA
ACTING BY AND THROUGH THE VIRGINIA
DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION

Attest:



Witness

By: 

Jennifer Mitchell [Seal]
Director



**ATTACHMENT A – Commonwealth Transportation Board
Resolution Dated September 18, 2018**





COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

1401 East Broad Street
Richmond, Virginia 23219

(804) 786-2701
Fax: (804) 786-2940

Agenda item # 3

**RESOLUTION
OF THE
COMMONWEALTH TRANSPORTATION BOARD**

September 18, 2018

MOTION

Made By: Seconded By: Action:

**Title: Approval of Policy and Guidelines for Implementation of Governance and
Funding Reforms for the Washington Metropolitan Area Transit Authority
(WMATA)**

WHEREAS, the Commonwealth Transportation Board (CTB), the Northern Virginia Transportation Commission (NVTC), and the jurisdictions that comprise the NVTC, who provide local funding and receive transit service from the Washington Metropolitan Area Transit Authority (WMATA), are mutually interested in the success of the WMATA; and

WHEREAS, WMATA was established pursuant to an interstate compact between Virginia, Maryland, and the District of Columbia to operate a regional mass transit system in the Washington, D.C. metropolitan area; and

WHEREAS, NVTC was founded in part to represent the interests of the Commonwealth of Virginia during the establishment of WMATA; and

WHEREAS, NVTC's member jurisdictions – the cities of Alexandria, Falls Church and Fairfax and the counties of Arlington and Fairfax – are the current WMATA Compact funding partners, with Loudoun County to become a funding partner in advance of the start of operations on Phase 2 of the Silver Line; and

WHEREAS, Section 33.2-1936 of the *Code of Virginia* establishes that the Northern Virginia Transportation District has unique needs and that the operation of the rapid heavy rail mass transportation system and the bus mass transportation system by WMATA provides particular and substantial benefit to the persons living, traveling, commuting, and working in the localities embraced by the NVTC; and

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Approval of Policy and Guidelines for Implementation of Governance and Funding Reforms for the Washington
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WHEREAS, Section 33.2-3401 of the *Code of Virginia*, pursuant to Chapter 854 of the 2018 Virginia Acts of Assembly, establishes a WMATA Capital Fund to provide Virginia's agreed upon share of regional dedicated capital funding to WMATA; and

WHEREAS, Section 33.2-1526.1 of the *Code of Virginia*, pursuant to Chapter 854 of the 2018 Virginia Acts of Assembly, restructures the Commonwealth Mass Transit Fund so that 53.5 percent of its funds shall be annually allocated to NVTC for distribution to WMATA on behalf of its local jurisdictions for capital purposes and operating assistance ("Commonwealth Mass Transit Fund WMATA Allocation"), as determined by NVTC; and

WHEREAS, the enactment clauses of Chapter 854 of the 2018 Virginia Acts of Assembly requires the Commonwealth Transportation Board to withhold funding available to WMATA pursuant to Section 33.2-1526.1(C)(3) of the *Code of Virginia* Allocation under the following conditions:

1. The seventh enactment requires the CTB shall withhold 20 percent of the funds available if (i) any alternate directors participate or take action at an official WMATA Board meeting or committee meeting as Board directors for a WMATA compact member when both directors appointed by that same WMATA Compact member are present at the WMATA Board meeting or committee meeting or (ii) the WMATA Board of Directors has not adopted bylaws that would prohibit such participation by alternate directors.
2. The eighth enactment requires that, beginning July 1, 2019, the CTB shall withhold 20 percent of the funds available each year unless (i) WMATA has adopted a detailed capital improvement program covering the current fiscal year and, at a minimum, the next five fiscal years, and at least one public hearing on such capital improvement program has been held in a locality embraced by the NVTC; and (ii) WMATA has adopted or updated a strategic plan within the preceding 36 months, and at least one public hearing on such plan or updated plan has been held in a locality embraced by the NVTC. The first strategic plan adopted to comply with such requirements shall include a plan to align services with demand and to satisfy the other recommendations included in the report submitted pursuant to Item 436 R of Chapter 836 of the Acts of Assembly of 2017.
3. The first enactment requires that, in any year that the total Virginia operating assistance in the approved WMATA budget increases by more than 3 percent from the total operating assistance in the prior year's approved WMATA budget, the Board shall withhold an amount equal to 35 percent of the funds available. The following items shall not be included in the calculation of any WMATA budget increase: (i) any service, equipment, or facility that is required by any applicable law, rule, or regulation; (ii) any capital project approved by the WMATA Board before or after the effective date of this provision; and (iii) any payments or obligations of any kind arising from or related to legal disputes or proceedings between or among WMATA and any other person or entity.

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WHEREAS, it is in the best interest of the CTB, NVTC, and the jurisdictions that are WMATA Compact funding partners to ensure that WMATA receives the full allocation of funding from the Commonwealth Mass Transit Fund that is distributed by the NVTC on behalf of its jurisdictions; and

NOW THEREFORE, BE IT RESOLVED that the Board hereby adopts the following policy and guidelines to govern future Board decisions related to the Governance and Funding Reforms for the Washington Metropolitan Area Transit Authority enacted by the General Assembly of Virginia in 2018:

Participation by Alternate Directors of the WMATA Board (Enactment Clause 7 of Chapter 854 of the 2018 Virginia Acts of Assembly)

1. The CTB shall withhold funding if the WMATA Board of Directors has not adopted bylaws that prohibit the participation of alternate directors specified in clause (ii) of Enactment Clause 7.
2. When determining whether to withhold funding in response to an action taken by an alternate director that is prohibited by clause (i) of Enactment Clause 7, the CTB shall consider the following as prohibited activities by alternate directors at an official WMATA Board or committee meeting (unless the alternate director is acting in the absence of a Board director who serves on the committee): (i) participating in the discussion among Board directors; (ii) making or seconding a motion; (iii) voting on motions, resolutions or other Board actions; (iv) being counted toward the required quorum; (v) attendance or participation in any Executive Session of the WMATA Board or its committees; (vi) any action in violation of WMATA Bylaws in regards to the activities of alternate directors. Attendance by alternate directors at official WMATA Board or committee meetings, excluding Executive Sessions, shall not be a basis for withholding funding, nor shall the provision of information or reports to directors at a WMATA committee meeting in response to a request to do so by the director chairing the committee meeting.
3. WMATA shall provide a written notification to the CTB by July 1 of each year that it has adopted bylaws that prohibit the participation of alternate directors specified in clause (ii) of Enactment Clause 7 and that no violations of the bylaws by alternate directors have occurred during the previous year.
4. WMATA shall immediately notify the CTB in writing if a violation of its bylaws by an alternate director or some other action prohibited by this CTB policy occurs.

Resolution of the Board

Approval of Policy and Guidelines for Implementation of Governance and Funding Reforms for the Washington Metropolitan Area Transit Authority (WMATA)

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Adoption of a Detailed Capital Improvement Program (Enactment Clause 8(i) of Chapter 854 of the 2018 Virginia Acts of Assembly)

1. The CTB shall withhold funding if:
 - a. Beginning July 1, 2019, WMATA has not annually adopted or updated by July 1 of each year a detailed capital improvement program covering the current fiscal year and the next five fiscal years, including projections of funding sources and uses for the six-year period.
 - b. Beginning July 1, 2019, WMATA has not annually held by July 1 of each year at least one public hearing on such capital improvement program held in a locality embraced by the NVTC.
2. WMATA shall provide a written notification to the CTB by July 1 of each year that it has: (i) adopted a capital improvement program that complies with the above requirements; and (ii) held a public hearing on the capital improvement program in a locality embraced by the NVTC.

Adoption or Update of a Strategic Plan (Enactment Clause 8(ii) of Chapter 854 of the 2018 Virginia Acts of Assembly)

1. The CTB shall withhold funding if:
 - a. Beginning July 1, 2019, the WMATA Board has not adopted or updated a strategic plan within the preceding 36 months. After submission of the first strategic plan, WMATA must submit updated plans every 3 years thereafter.
 - b. Beginning July 1, 2019, WMATA has not held at least one public hearing on such strategic plan held in a locality embraced by the NVTC.
2. The first strategic plan adopted to comply with such requirements shall include a plan to align services with demand and to satisfy the other recommendations included in the report submitted pursuant to Item 436 R of Chapter 836 of the Acts of Assembly of 2017.
3. WMATA shall provide a written notification to the CTB by July 1 of the year of any strategic plan update that it has: (i) adopted or updated a strategic plan that complies with the above requirements; and (ii) held a public hearing on the strategic plan or strategic plan update in a locality embraced by the NVTC.

3% Cap on Growth in Total Virginia Operating Assistance (Enactment Clause 1 of Chapter 854 of the 2018 Virginia Acts of Assembly)

1. The CTB shall withhold funding if:
 - a. The total operating subsidy for Virginia in the current year approved WMATA budget increases (effective July 1) by more than 3 percent over the prior year approved WMATA budget (as of June 30).

Resolution of the Board

Approval of Policy and Guidelines for Implementation of Governance and Funding Reforms for the Washington Metropolitan Area Transit Authority (WMATA)

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2. The following items shall not be included in the calculation of any WMATA budget increase:
 - a. Any service, equipment, or facility that is required by any applicable law, rule, or regulation.
 - i. Includes, but is not limited to, compliance with any safety directives to WMATA issued by the Metrorail Safety Commission (MSC), the Federal Transit Administration (FTA), the National Transportation Safety Board (NTSB) or any other relevant safety oversight agency; actions taken to comply with the Americans with Disabilities Act (ADA); and actions taken to comply with Title VI requirements.
 - b. Any major capital project approved by the WMATA Board before or after the effective date of this provision.
 - i. Includes operating subsidy increases related to major capital projects that improve WMATA's state of good repair, support a major system expansion project (such as the planned Potomac Yard Metrorail Station in Alexandria and the Silver Line Metrorail Phase 2 project in Fairfax and Loudoun Counties), and respond to service disruptions caused by implementation of approved capital projects to address state of good repair needs or from emergency system shutdowns.
 - c. Any payments or obligations of any kind arising from or related to legal disputes or proceedings between or among WMATA and any other person or entity.
 - d. Operating subsidies for specific WMATA transit services that are funded in whole by one or more WMATA member jurisdictions and/or from other non-WMATA funding sources.
 - e. Regularly-scheduled adjustments of the inputs to the regional subsidy allocation formulas by WMATA.
3. WMATA shall provide a written notification to the CTB no later than July 1 of each year of the annual growth in total Virginia operating assistance, including a detailed description of the costs contributing to the increased operating subsidy and a year over year comparison of such costs. WMATA shall also provide a detailed description and justification of costs considered exempt from the calculation of the annual growth rate in operating subsidy. The written notification shall include sufficient documentation to allow the CTB to perform its own verification of the annual growth rate and amount of total Virginia operating assistance.
4. By July 1 of each year, WMATA shall notify the CTB if it is scheduled or plans to adjust the regional subsidy allocation formulas in the budget to be proposed for the next fiscal year.

Resolution of the Board

Approval of Policy and Guidelines for Implementation of Governance and Funding Reforms for the Washington Metropolitan Area Transit Authority (WMATA)

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Resolution of Withholding of Funds

1. The CTB will release any withheld funding upon approval or implementation of an approved mitigation action.
 - a. The CTB will determine what constitutes an approved mitigation action, except that approval by the WMATA Board of a budget amendment reducing the amount of annual operating assistance required by Virginia to no more than 3 percent greater than the prior year shall be considered an approved mitigation action for a violation of the restriction related to the 3% cap on growth in Virginia operating assistance.
2. The CTB shall retain as a penalty any funding withheld during a fiscal year in response to a violation for which there is no mitigation.

Additional Considerations

1. The CTB, the Virginia Department of Rail and Public Transportation (DRPT), WMATA, the NVTC, and NVTC's member jurisdictions shall proactively collaborate to avoid activities that would require the CTB to withhold funding.
2. WMATA shall submit the documents required to demonstrate compliance to DRPT by the deadlines specified. DRPT will analyze the information received from WMATA and present to the CTB, in September of each year (beginning in 2019), a recommendation on enforcement actions, if any, that are required to be taken by this policy.
3. DRPT will provide regular reports to the CTB on observations related to compliance with this policy throughout the year.
4. After November 1 of each year, the NVTC shall present to the CTB the findings included in its report on the performance and condition of WMATA required under Section 33.2-3403 of the *Code of Virginia*.
5. The CTB reserves the right to approve exceptions to this policy at any time in response to special or extraordinary circumstances.
6. Given that the condition of the WMATA system may change over time, the CTB will consider revisions and/or updates to these guidelines every two years.

####

CTB Decision Brief

Title: **Approval of Policy and Guidelines for Implementation of Governance and Funding Reforms for the Washington Metropolitan Area Transit Authority (WMATA)**

Issue: The enactment clauses of Chapter 854 of the 2018 Virginia Acts of Assembly require the CTB to withhold funding available to WMATA pursuant to Section 33.2-1526.1(C)(3) under certain conditions. The Department of Rail and Public Transportation (DRPT) recommends that the CTB approve the proposed policy and guidelines for determining the conditions under which it must withhold funding from WMATA.

Facts: During the 2018 session, the General Assembly established a new WMATA Capital Fund to provide Virginia's share of new regional dedicated capital funding to WMATA. The same legislation restructured the Mass Transit Trust Fund (MTTF) so that 53.5% of the funding from the MTTF shall be allocated to the Northern Virginia Transportation Commission (NVTC) each year for distribution to WMATA on behalf of its member jurisdictions. The legislation also included a number of required reforms and conditions with which WMATA must comply to receive its full amount of annual funding from the Commonwealth. WMATA shall submit the documents required to demonstrate compliance to DRPT each year. The CTB is charged with determining WMATA's compliance with the required reforms and conditions and shall withhold funding in instances of non-compliance as specified in the legislation. The CTB may also restore funding when WMATA returns to a state of compliance. As the funding to be withheld from WMATA for occasions of non-compliance shall be deducted from the annual allocation from the MTTF to the NVTC, DRPT consulted extensively with NVTC in the development of the proposed Policy and Guidelines for Implementation of Governance and Funding Reforms for WMATA. The proposed policy and guidelines will assist the CTB in performing an objective annual review of WMATA's compliance with the required reforms and conditions.

Recommendation: DRPT recommends that the CTB approve the proposed Policy and Guidelines for Implementation of Governance and Funding Reforms for WMATA.

Action Required by CTB: Approval of the attached resolution adopting the proposed Policy and Guidelines for Implementation of Governance and Funding Reforms for WMATA as an official CTB policy.

Options: Approve, Deny or Defer.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
DEDICATED CAPITAL FUNDING AGREEMENT

Among

The State of Maryland, Acting By and Through
the Washington Suburban Transit District and
the Maryland Department of Transportation

And

The Washington Metropolitan Area Transit Authority

WMATA DEDICATED CAPITAL FUNDING AGREEMENT

THIS WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY DEDICATED CAPITAL FUNDING AGREEMENT ("Agreement") is made and entered into this 26 day of ~~September~~ 2019 by and between the Washington Metropolitan Area Transit Authority ("WMATA"), a body corporate and politic created by interstate compact between Virginia, the District of Columbia, and the State of Maryland ("the State"), acting by and through the Washington Suburban Transit District ("WSTD") and the Maryland Department of Transportation ("MDOT") (collectively, the "Parties").

RECITALS

The WMATA system was built and is operated through the substantial investment of public funds by the Federal Government, the State of Maryland, the District of Columbia, and Commonwealth and local governments in Virginia.

In order to provide a dedicated source of revenue (\$167,000,000 each year), the General Assembly of Maryland passed, and the Governor signed, Chapters 351 and 352 in the Acts of the Maryland, 2018 as amended ("Chapters 351 and 352").

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth in this Agreement, the sufficiency of which is acknowledged, the Parties agree as follows:

SEC. 1 DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings, unless the context otherwise requires:

- A. "Agreement" means this WMATA Dedicated Capital Funding Agreement.
- B. "Capital Project" means the definition in 49 USC §5302(3).
- C. "Capital Improvement Program" or "CIP" means the list of project elements contained therein approved by the WMATA Board of Directors and that advance the WMATA's strategic objectives. The CIP is not considered a payment schedule.
- D. "Contribution" means the estimated annual amount of funding to be disbursed to WMATA by the State paid with funds in accordance with Chapters 351 and 352.
- E. "Days" means calendar days.
- F. "Debt" means any bond, security, debt issuance, certificate of participation, or other evidence of indebtedness issued by a public body, and includes commercial paper, lines of credit, and letters of credit to finance the program of projects to be completed

under the terms of this Agreement.

- G. "Effective Date" means the date on which this Agreement becomes effective, as further defined in Section 9 of this Agreement.
- H. "Fiscal Year" means the State's and WMATA's fiscal year beginning on July 1 and ending on June 30.
- I. "Party" means a party to this Agreement. WMATA and the State, acting by and through the Washington Suburban Transit District and Maryland Department of Transportation, individually are a Party and collectively are the Parties.

SEC. 2 AGREEMENT OF THE PARTIES

WMATA and the State agree to comply with the terms and conditions of this Agreement and to fully and faithfully carry out their respective obligations under this Agreement. Any commitment or agreement of the State required by this Agreement shall be subject to the annual appropriation and allocation of funds and other limitations on expenditures or obligations under the law of the State or under other applicable law. This Agreement shall not constitute an indebtedness of the State until funds are duly appropriated.

SEC. 3 STATE RESPONSIBILITY

- A. The State of Maryland is required under Transportation Article ("TR") §10-205(g) to provide an annual grant of at least \$167,000,000 to the Washington Suburban Transit District to be used only to pay the capital costs of the Washington Metropolitan Area Transit Authority. The District of Columbia and Commonwealth of Virginia, also provide dedicated funding capital grants for capital costs on terms and conditions established by their respective jurisdictions.
- B. To ensure MDOT is fully able to carry out its fiduciary duty to Maryland taxpayers, and as a condition of the funds being distributed to WSTD for WMATA in accordance with TR §10-205(g), MDOT will conduct a fiscal/compliance audit of the combined dedicated capital funds to ensure they are spent in accordance with WMATA's approved CIP.

SEC. 4 WMATA RESPONSIBILITY

- A. WMATA shall apply the Contribution provided under this Agreement to items identified in the approved CIP.
 - (1) The approved CIP shall contain:
 - a. The Authority's safety, state of good repair, and financial accountability goals;
 - b. Program priorities;
 - c. The criteria used to select capital projects for inclusion in the CIP;
 - d. The manner in which each project was evaluated and ranked;

- e. Descriptions of capital projects;
 - f. A list of capital projects, including reimbursable projects and an estimate of program level expenditures, for the budget request year, and the 5 successive planning years, including estimates of future funding requirements for the planning year;
 - g. For each listed capital project, an indication whether the revenue source anticipated to support that project consists of federal, jurisdictional, or other funds;
 - h. The Authority's estimates of the levels and sources of revenues to be used to fund the projects in the Program; and
 - i. A glossary of terms.
- B. WMATA shall submit, annually by June 1 for the most recently audited fiscal year, to MDOT and WSTD the Authority's:
- (1) Annual independent financial audit and Single Audit;
 - (2) Annual National Transit Database profile; and
 - (3) Assessment of safety-critical infrastructure and state of good repair needs.
- C. WMATA shall prepare and submit, annually by June 1, for the next to occur fiscal year, to MDOT and WSTD:
- (1) Annual budget, including funding sources for the budget, anticipated debt capacity, and any anticipated cash reserves and dedicated funding debt, if any;
 - (2) Policies and procedures for the capital planning process, which includes prioritizing and selecting individual projects based on specific and clearly-stated methodology;
 - (3) Annual approved CIP;
 - (4) Debt Policy reviewed and approved by the Board at least annually;
 - (5) Asset inventory and condition assessment procedures; and
 - (6) Measures to assess capital project investments and measures to gauge performance toward outcomes demonstrating responsible investment of grant funds toward meeting the goals of keeping WMATA safe and its infrastructure in a state of good repair.
- D. WMATA shall prepare and submit as available, quarterly updates on the measures established in C.6 above.
- E. The Parties recognize that the scope, pricing, scheduled completion date, or priority of some projects will change during the term of this Agreement. To address these possibilities, WMATA agrees to provide the State with monthly reports regarding reprogramming of project budgets into or out of Capital Projects during the term of this Agreement where such reprogramming results in either 1) an increase of the total project budget as shown in the CIP; 2) revises the scope of a Capital Project; 3) a movement of \$5 Million or more; or 4) creates a new Capital Project. Each movement of budget between Capital Projects for cash flow purposes or for schedule adjustments (that do not impact completion date) in an amount of \$1 Million to \$5 Million during the term of this Agreement shall be reported on a quarterly basis.

- F. WMATA shall submit, annually by December 31 for the most recently audited fiscal year, to MDOT a reconciliation report that addresses expenditures made in excess of the one-year capital budget as follows:
- (1) For Capital Projects exceeding approved one-year budget:
 - a. The amount by which costs exceed projected costs during the completed fiscal year; and
 - b. The total amount that has been expended for the project to date;
 - (2) For new Capital Projects added during a fiscal year:
 - a. A purpose and need summary statement that includes:
 - i. A general description and summary that describes why the project is necessary and satisfies WMATA's safety, state of good repair, and financial accountability goals;
 - ii. The location of the project, including a map of the project limits, project area, or transportation corridor;
 - iii. A summary of how the project meets the selection criteria for inclusion in the CIP; and
 - iv. Any other information that WMATA believes would be useful to MDOT and WSTD.
- G. WMATA shall provide any and all documentation requested by State auditors to fulfill the State's responsibilities under Section 3 of this Agreement. Failure to provide requested documentation in accordance with this Agreement may result in full or partial withholding of funds covered by this Agreement.

SEC. 5 PROVISION OF FUNDS – COMMONWEALTH OF VIRGINIA AND DISTRICT OF COLUMBIA

If the Commonwealth of Virginia or the District of Columbia reduce the amount of dedicated funding appropriated for the Washington Metropolitan Area Transit Authority, the Governor may reduce the Maryland appropriation by a proportional amount.

SEC. 6 FINANCIAL RECORDS.

- A. Maintenance of Records. During the term of this Agreement, WMATA agrees to maintain complete accounting records which are consistent with generally accepted governmental accounting principles that accurately reflect all income and expenditures of funds provided under this Agreement. WMATA will retain all such records for the same period that records are required to be kept for the Federal Transit Administration ("FTA") or other federal grants, unless there is an outstanding written State or FTA financial or audit question, which is not resolved by the State or FTA auditor. The records of WMATA must be in sufficient detail to determine the character and timing of transactions authorized by this Agreement.
- B. Audits

- (1) Timing for Performance. The State or its agent may perform or engage a third party

to perform an audit of WMATA's expenditures of funds in accordance with the information provided under this Agreement. The request for the performance of such audit may cover a period of up to three fiscal years immediately preceding such request. The State or its authorized agent will assume all financial responsibility for any costs associated with the performance of such audit, exclusive of WMATA's internal costs. WMATA agrees to cooperate fully with the State or its authorized agent in the conduct of any such audit carried out in accordance with this Agreement.

- (2) **Audit Findings.** Any issue identified by the auditor during the course of the audit that may result in a finding will be discussed with WMATA management, who may provide additional input or information to the auditor. If WMATA management disagrees with a preliminary audit finding, reasonable efforts shall be made to resolve the dispute before the final audit report is issued. The auditor's final report will contain the audit findings along with a response from WMATA and, if appropriate, any rebuttal from the auditor.
- (3) **Audit Results.** If it is determined by the auditor as a result of such audit under this section that funds provided by the State have not been administered pursuant to the terms and conditions of this Agreement or have been administered in a way contrary to law, WMATA shall make appropriate accounting adjustments, including, the return of funds to the State. The audit rights provided under this paragraph shall survive for three audited fiscal years from the termination date of this Agreement and shall not limit any other rights of the State under this Agreement.

Sec. 7 NON-COMPLIANCE & TERMINATION

In the event either Party determines that the other Party to the Agreement is not satisfactorily complying with the terms of this Agreement, the complaining Party shall notify the other Party in writing of its complaint and the basis for it. The Parties agree to use all reasonable efforts to resolve any such issues which arise under or otherwise relate to this Agreement. If the Parties, at staff level, cannot resolve such matters through initial discussions within 30 Days after receipt of the written notification, then executive level staff of each Party shall meet to resolve the matter within 60 additional Days. If no satisfactory resolution is achieved, either Party may, upon 30 Days' notice to the other Party, terminate this Agreement.

SEC. 8 REPRESENTATIONS AND WARRANTIES

- A. By WMATA. WMATA makes the following representations as of the Effective Date of this Agreement as a basis for the undertakings pursuant to this Agreement:
 - a. WMATA has full power and authority to enter into this Agreement, the transactions contemplated by this Agreement, and to carry out its obligations hereunder;
 - b. When executed and delivered by the State and by WMATA, this Agreement will constitute the legal, valid and binding obligation of WMATA enforceable in accordance with its terms, except as such enforceability is limited by annual appropriations, allocations, bankruptcy, reorganization, insolvency, moratorium or

- other laws affecting the enforcement of creditors' rights generally.
- c. WMATA procurement contracts in connection with the Capital Improvement Program shall be administered pursuant to the applicable WMATA procurement requirements and the WMATA Code of Ethics.
- B. By the State. The State makes the following representations as of the Effective Date of this Agreement as a basis for the undertakings pursuant to this Agreement:
- a. The State has all necessary power and authority to enter into this Agreement, the transactions contemplated by this Agreement, and to carry out its individual obligations hereunder;
 - b. When executed and delivered by the State and by WMATA, this Agreement will constitute the legal, valid, and binding obligation of the State enforceable in accordance with its terms, except as such enforceability is limited by annual appropriations, allocations, bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally.

SEC. 9 EFFECTIVE DATE, TERM OF AGREEMENT

- A. Effective Date. This Agreement shall take effect on the date of execution by the last signatory to this Agreement.
- B. Counterparts. This Agreement may be executed in identical counterparts, each of which shall constitute an original and all of which shall constitute, collectively, one agreement.
- C. Term. The term of this Agreement shall begin on the Effective Date and shall automatically renew each July 1 unless one Party provides written notice requesting to amend or modify the agreement at least 90 Days prior to July 1.

SEC. 10 NO THIRD PARTY BENEFICIARIES

The Parties to this Agreement do not intend any non-signatory to this Agreement or any other third party to be a third-party beneficiary to this Agreement, nor do the Parties intend for any such third party to have any rights or benefits under this Agreement or to have standing to bring an action or claim in any court or other forum to enforce any provision of this Agreement.

SEC. 11 AMENDMENTS

This Agreement may be amended or modified only by written agreement duly executed by both Parties.

SEC. 12 NOTICES

All notices under this Agreement shall be in writing and shall be deemed to have been sufficiently given or served when presented personally, electronically, or sent by the U.S. Postal Service or by a courier service or national overnight delivery service, to any Party as follows:

To the Maryland Department of Transportation acting by and through the
Washington Suburban Transit District:

Secretary
Maryland Department of Transportation
7201 Corporate Center Drive
Hanover, Maryland 21076

Chair
Washington Suburban Transit Commission
4351 Garden City Drive
Suite 305
Hyattsville, Maryland 20785

With copies to:
Attorney General
Maryland Department of Transportation
7201 Corporate Center Drive
Hanover, Maryland 21076

Chief Financial Officer
Maryland Department of Transportation
7201 Corporate Center Drive
Hanover, Maryland 21076

To the Washington Metropolitan Area Transit Authority:

General Manager
Washington Metropolitan Area Transit Authority
600 Fifth Street, NW
Washington, DC 20001

With copies to:
General Counsel
Washington Metropolitan Area Transit Authority
600 Fifth Street, NW, Second Floor Washington, DC 20001

Chief Financial Officer
Washington Metropolitan Area Transit Authority
600 Fifth Street, NW, Sixth Floor
Washington, DC 20001

SEC. 13 SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the successors and assigns of the Parties.

SEC. 14 NO DEBT GUARANTEES

The State does not guarantee the debt of WMATA or any obligation of WMATA. Any bonds issued by WMATA do not constitute a debt or a pledge of the faith and credit of the State, MDOT, or WSTD, and neither the faith and credit nor the taxing power of the State nor the revenues of the Department are pledged to payment of bonds issued by WMATA. The issuance of any bonds by WMATA does not directly, indirectly, or contingently obligate, morally or otherwise, the State, MDOT, or WSTD.

SEC. 15 REQUIREMENT FOR ANNUAL APPROPRIATIONS

Notwithstanding any other provisions of this Agreement, all obligations of the State are subject to discretionary annual appropriation and allocation of funds by the governing body thereof or other appropriate legislative body thereof and shall be consistent with the anti-deficiency laws applicable to the State.

SEC. 16 MISCELLANEOUS PROVISIONS

A. COVENANT AGAINST CONTINGENT FEES: WMATA warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for WMATA, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for WMATA, any fee, commission, percentage, brokerage fee, or other considerations, contingent upon or resulting from the award or making of this Agreement.

B. SPECIAL CAPITAL PROVISIONS:

(1) WMATA shall permit the MDOT, WSTD, or its authorized representatives to inspect at any reasonable time, with reasonable prior notice and subject to WMATA safety requirements, all vehicles, facilities and equipment purchased or constructed by WMATA as part of the CIP; and all transportation services rendered by WMATA using such vehicles, facilities or equipment.

(2) With respect to vehicles, facilities, and equipment purchased or constructed by WMATA as part of the CIP, WMATA shall maintain, in accordance with applicable laws, such insurance or self-insurance as will be adequate to protect such vehicles, facilities and equipment, and persons using such vehicles, facilities and equipment, throughout WMATA's ownership and use of such vehicles, facilities and equipment.

C. APPLICABLE LAW:

(1) This Agreement shall be governed by the law of the State of Maryland. Nothing

in this Agreement shall constitute a waiver of the State's or WMATA's sovereign immunity.

(2) The Parties acknowledge and agree that each shall comply with all applicable local, state, and federal laws, regulations, and ordinances. Nothing in this Agreement shall require WMATA to violate the WMATA Compact or applicable laws, regulations, or ordinances, or require the State to violate any applicable laws, regulations, or ordinances.

D. SEVERABILITY OF PROVISIONS: If any term or provision of this Agreement is determined to be invalid, illegal or unenforceable, it shall not affect the legality or validity or enforceability of any other part of this Agreement, and the remaining parts of this Agreement shall be binding upon the Parties.

E. RECITALS: The Recitals are incorporated and made a part of this Agreement.

F. INDEMNIFICATION AND INSURANCE:

(1) WMATA shall indemnify, defend, and hold harmless the State and WSTD, and their directors, officers, agents, and employees, from and against all claims, suits, judgments, actions, losses, damages, liabilities, costs and expenses of every name and description, including but not limited to reasonable attorney's fees and costs, brought by any third party arising out of, resulting from, or in connection with any negligent act or omission by WMATA, its contractors, subcontractors, agents, or employees, or anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, relating to any CIP work covered by this Agreement.

(2) WMATA shall either be sufficiently self-insured or carry insurance to cover the risks for WMATA, its employees, agents, contractors and subcontractors, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable related to any CIP work covered by this Agreement. WMATA shall require all commercial insurance policies obtained by WMATA to satisfy its obligations under this section to list the State, WSTD, and their respective officers, agents, and employees as Additional Insured's. WMATA certifies that as of the Effective Date of this Agreement, all commercial insurance and self-insurance lists the State, WSTD, and their respective officers, agents and employees as Additional Insured's. WMATA shall not remove the State, WSTD, or their respective officers, agents, and employees as Additional Insured's for any self-insurance without the written consent of the State.

(3) In the event WMATA receives notice from an insurer that any insurance policy is going to be, or has been, subject to cancellation, nonrenewal, or material adverse changes to the insurance contract, WMATA shall provide WSTD with prompt notice. WMATA shall provide 30-days advance written notice to WSTD of any cancellation or material adverse change to any self-insurance.

(4) For commercial insurance, WMATA shall provide Certificates of Insurance listing the State, WSTD, and their respective officers, agents, and employees, as

Additional Insured's. WMATA shall provide a self-insurance letter indicating the extent of WMATA's self-insurance.

(5) In lieu of carrying insurance for its agents, contractors or subcontractors, WMATA may require all its agents, contractors or subcontractors who perform any CIP work or activity of any type to carry insurance sufficient to cover the risks for all damage to persons and property due to CIP work under this Agreement. However, such insurance does not relieve WMATA of the burden of being self-insured and/or carrying insurance to cover the actions of its employees. WMATA shall require of its agents, contractors, and subcontractors that the State, WSTD, and their respective officers, agents, and employees, are identified as Additional Insured's on all such insurance policies obtained in lieu of WMATA providing such insurance for its agents, contractors or subcontractors, and WMATA shall require that its agents, contractors, and subcontractors provide Certificates of Insurance listing the State, WSTD and their respective officers, agents, and employees as Additional Insured's for any such insurance policies.

(6) Payment of any funds by or through the WSTD shall not waive any of the rights of the State, MDOT or WSTD contained in this section nor release WMATA from any responsibilities or duties contained in this Agreement.

(7) The obligations of this section shall survive the termination of this Agreement for the life of the assets purchased with the funding provided or for 20 years after termination, whichever is longer.

[Signatures appear on following page]

STATE OF MARYLAND


acting by and through the Washington Suburban Transit District and the Department of
Transportation

Approved as to Form and Legal Sufficiency as a Grant:

By: 
Assistant Attorney General

Dated: 9/25/19

MARYLAND DEPARTMENT OF TRANSPORTATION

By: 
Secretary

Dated: 9-26-19

and

WASHINGTON SUBURBAN TRANSIT DISTRICT

By: 
Chairman

Dated: 9-26-19

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

By: 
Paul J. Wiedefeld
General Manager and Chief Executive Officer

Dated: 9/26/19

**AGREEMENT BETWEEN
THE GOVERNMENT OF THE DISTRICT OF COLUMBIA
AND THE WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY
FOR AWARD AND USE OF DEDICATED FUNDING GRANT**

(WMATA Dedicated Funding Grant Agreement)

This Dedicated Funding Grant Agreement (“Agreement”) is made this 22 day of October, 2020, by and between the Government of the District of Columbia (“District”) and the Washington Metropolitan Area Transit Authority (“WMATA”), an instrumentality and agency of each of the Commonwealth of Virginia, the State of Maryland, and the District of Columbia and a body corporate and politic created by that interstate compact, as amended, between Maryland, Virginia, and the District of Columbia and approved by Congress. The District and WMATA are referred to collectively in this Agreement as the “Parties” and each individually is referred to in this Agreement as a “Party”.

RECITALS

(R1) The WMATA transit system has played a critical role in the growth and prosperity of the National Capital Region, and WMATA’s continued health and vitality is essential to the regional transportation system and important to the environmental quality, and economic, educational, and cultural life of the National Capital Region.

(R2) Through extensive financial analyses it was determined that WMATA faces a capital funding deficit and, without additional funding, will not be able to fund the capital infrastructure repairs and replacements necessary to return the WMATA transit system to a state of good repair. These state-of-good-repair capital requirements include track and station repairs and upgrades, the purchase of new railcars and buses, and upgrades of outdated information technology systems. Without the necessary state-of-good-repair improvements, the continued health and vitality of the WMATA transit system will be at risk.

(R3) Following years of discussions between the WMATA compact member jurisdictions, the legislatures of the District, Maryland, and Virginia passed legislation identifying ongoing dedicated funding sources and amounts for capital projects and programs as defined in this Agreement designed to address WMATA’s state-of-good-repair needs. *See* D.C. Code § 1–325.401; Md. Transportation Code Ann. § 10-205; and Va. Code § 33.2-3401. The jurisdictions agreed to provide WMATA, beginning in Fiscal Year 2020, dedicated funding for these capital needs.

(R4) The new dedicated funding is in addition to the existing, or regular, capital contributions that the Compact member jurisdictions already provide to WMATA and existing federal funding,

such as the federal Passenger Rail Investment Improvement Act of 2008 (PRIIA) funding, and jurisdictional matches to federal funding.

(R5) The new dedicated funding of the District is authorized by the “Dedicated WMATA Funding and Tax Changes Affecting Real Property and Sales Amendment Act of 2018,” which was approved as part of the Fiscal Year 2019 Budget Support Act of 2018, effective October 30, 2018 (D.C. Law 22-168; D.C. Official Code § 1-325.401). Under this act, the District will provide the new dedicated funding to WMATA through a grant agreement. This Agreement is the grant agreement required by the act to fund state-of-good-repair capital needs.

(R6) The general purpose of this Agreement is to establish the District’s long-term commitment to provide new dedicated funding to WMATA for its state-of-good repair capital improvements, and to establish the requirements WMATA must follow in receiving and spending the funds. The Agreement also identifies when the new dedicated funds are to be conveyed from the District to WMATA, the authorized uses of these funds by WMATA, WMATA’s authority to pledge these funds for the payment of debt service on capital borrowings to support the state of good repair capital needs in its capital improvement plan, how any unexpended funds are to be invested by WMATA, how any interest earned on those investments should be used, the term of this Agreement, the dispute resolution mechanisms, and reporting and audit requirements.

NOW, THEREFORE, in consideration of the mutual promises and obligations set forth herein, the Parties agree as follows:

SEC. 1. DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings, unless the context requires a different meaning:

- (a) “Agreement” means this Dedicated Funding Grant Agreement and any successor agreement.
- (b) “Capital Budget” means the annual capital budget adopted by the WMATA Board of Directors.
- (c) “Capital Funding Agreement” (“CFA”) means that certain agreement entered into by and between the District of Columbia; the State of Maryland; Arlington County, Virginia; Fairfax County, Virginia; the City of Alexandria, Virginia; the City of Fairfax, Virginia; and the City of Falls Church, Virginia; and WMATA dated July 1, 2010, as amended, and each substantively similar successor agreement, including that Fiscal Year 2020 Capital Funding Agreement and all related Local Capital Funding Agreements and any future Capital Funding Agreement, including but not limited to agreements where Loudoun County, Virginia is a party as and if required by applicable law or the WMATA Board of Directors.

- (d) “Capital Improvement Program” (“CIP”) means the list of projects and programs, adopted by the WMATA Board of Directors pursuant to the terms and conditions, including applicable selection or ranking requirements that advance strategic objectives identified in the CIP. The CIP is not considered a payment schedule.
- (e) “Capital Projects” means those projects and programs authorized in the WMATA CIP; provided, however, that this Agreement authorizes expenditure only for State of Good Repair (“SGR”) projects as defined herein and expressly does not authorize funding for system expansion projects. For purposes of this Agreement system expansion means, for example, any new rail infrastructure inclusive of infill stations and line extensions. Further, this Agreement does not authorize funding for increases to the number of revenue vehicles in WMATA’s fleet, except where those increases are incidental to a larger SGR purchase, to meet demand/service levels on then-existing infrastructure or hours of service, or as required to address a documented safety hazard. For clarity, debt service associated with Dedicated Funding Debt issued to fund SGR Capital Projects is an authorized expense.
- (f) “Dedicated Funding Grant” means the estimated annual amount of funding to be disbursed to WMATA by the District of Columbia paid with funds from the Washington Metropolitan Area Transit Authority Dedicated Financing Fund, as provided in this Agreement.
- (g) “Days” means calendar days, unless otherwise specifically provided.
- (h) “Debt” means any bond, security, debt issuance, certificate of participation, or other evidence of indebtedness, and includes commercial paper, lines of credit, and letters of credit.
- (i) “Dedicated Funding Debt” means specifically that debt that may be authorized by the Board of Directors as backed by a pledge of those funds committed to WMATA pursuant to the following legislative enactments: (a) from the District of Columbia under D.C. Official Code § 1-325.401 or any successor statute, as the same may be amended from time to time; (b) from the State of Maryland under Md. Transportation Code Ann. § 10-205(g) or any successor statute, as the same may be amended from time to time; and (c) from the Commonwealth of Virginia under the Va. Code §33.2-3401.B or any successor statute, as the same may be amended from time to time.
- (j) “District” means the District of Columbia.
- (k) “District Fiscal Year” means the period from and including October 1 through September 30. Each District Fiscal Year is numbered by the calendar year after the calendar year in which the District Fiscal Year begins, such that, for example, District Fiscal Year 2021 begins on October 1, 2020.
- (l) “Effective Date” means the date on which this Agreement becomes effective, as further defined in Section 14 of this Agreement.
- (m) “Other Dedicated Funding” means the funds authorized by Md. Transportation Code Ann. § 10-205; and Va. Code § 33.2-3401 to be provided to WMATA by the Commonwealth of Virginia and the State of Maryland including funds paid by any other authorized person or entity in-lieu-of such amounts.

(n) “State of Good Repair” or “SGR” means Capital Projects for the replacement, rehabilitation, or annual capital maintenance of existing capital assets necessary for system preservation. Eligible activities within replacement or rehabilitation projects include the incorporation of then-current design standards and additional and new features necessary for the proper functioning of the new facility or as required by federal, state, or local laws. Assets to be replaced must have either i) reached or exceeded their minimum useful life; ii) been deemed obsolete or unsafe; or iii) been identified as not cost effective to maintain or repair. In addition to replacement and rehabilitation, critical needs, including but not limited to new maintenance, repair, administrative, or overhaul facilities or maintenance equipment or non-revenue vehicles are eligible for Dedicated Funding Grant funds if they are needed to maintain the operations or administration of the then-existing Metrorail, Metrobus or MetroAccess systems. More specifically, these Capital Projects include replacing, rehabilitating, and modernizing existing capital assets of the system to address issues of safety and reliability including:

- (i) Railcars, including but not limited to railcar acquisition for replacement vehicles, non-revenue equipment, railcar maintenance, repair, and overhaul facilities, etc.;
 - (ii) Rail Systems, including but not limited to propulsion, signals and communications, etc.;
 - (iii) Track and Structures Rehabilitation including but not limited to fixed guideway, structures, track maintenance, equipment, etc.;
 - (iv) Stations and Passenger Facilities including but not limited to platforms and structures, customer information and wayfinding, vertical transportation, fare collections, parking facilities, station systems, etc.;
 - (v) Bus and Paratransit including but not limited to bus acquisition, maintenance facilities, passenger facilities/systems, paratransit, non-revenue vehicles etc.; and
 - (vi) Business Support including but not limited to real and personal property supporting administrative, non-revenue, and revenue functions, IT upgrades, support equipment and services, security equipment and services, etc.
- (o) “Washington Metropolitan Area Transit Authority Dedicated Financing Fund” means the fund established pursuant to D.C. Official Code § 1-325.401.
- (p) “WMATA” means the Washington Metropolitan Area Transit Authority.
- (q) “WMATA Fiscal Year” means the period from and including July 1 through June 30. Each WMATA Fiscal Year is numbered by the calendar year after the calendar year in which the WMATA Fiscal Year begins, such that, for example, WMATA Fiscal Year 2020 begins on July 1, 2019.

SEC. 2. GENERAL AGREEMENT OF THE PARTIES

WMATA and the District agree to comply with the terms and conditions of this Agreement and to fully and faithfully carry out their respective obligations under this Agreement. A CFA to which both WMATA and the District are parties shall be incorporated by reference

as a material requirement of this Agreement. The District shall not be required to make any Dedicated Funding Grant payment under this Agreement unless and until a CFA that covers the corresponding time period is signed by WMATA and DC. Any commitment or agreement of the District required by this Agreement shall be subject to the appropriation and allocation of funds and other limitations on expenditures or obligations under District and federal law. This Agreement shall not constitute an obligation of the District until funds are duly appropriated and allocated and semi-annual payments become due pursuant to Section 3(b) of this Agreement.

SEC. 3. DEDICATED FUNDING GRANT: AMOUNT, TIMING, INVOICING, NOTICE

- (a) Amount. Pursuant to D.C. Official Code § 1-325.401 and this Agreement the District will provide WMATA a Dedicated Funding Grant in the amount of \$178.5 Million in each of District Fiscal Years 2021 2022, 2023, 2024, 2025, and 2026, unless a lesser amount is prescribed by District or federal law or authorized by this section. The District will increase its Dedicated Funding Grant by up to 3% in each year of this Agreement in direct proportion to any increase above the respective minimum Other Dedicated Funding provided by both Maryland and Virginia, unless a lesser amount is prescribed by District or federal law or authorized by this section. The parties acknowledge that at this time neither Maryland nor Virginia have passed legislation authorizing the 3% increase contemplated above and found in the District legislation. Until such time as WMATA provides the District notice that both Maryland and Virginia have agreed to an increase in the amount of their Other Dedicated Funding, the District shall have no obligation to increase the amount of this Dedicated Funding Grant beyond the base year amount specified in the District's legislation.
- (b) If Maryland or Virginia does not pay, in full or in part, the amount of Other Dedicated Funding for a WMATA Fiscal Year, or if WMATA receives notice that Maryland or Virginia will not pay, in full or in part, such amount, WMATA shall notify the District of any such failure or expected failure within five (5) business days after the failure or within five (5) business days after the date it becomes aware of the expected failure, whichever is applicable. The District may, in its sole discretion, reduce its Dedicated Funding Grant in that WMATA Fiscal Year by a proportional amount of any Maryland or Virginia reduction of their respective Other Dedicated Funding for a WMATA Fiscal Year or incremental payment. In the event that the District has already made its semi-annual payments described in subsection (b) of this section prior to receiving notice that either Maryland or Virginia did not pay its full amount of Other Dedicated Funding, then the District may direct WMATA to not use a proportional amount of Dedicated Funding Grant in that WMATA Fiscal Year and credit an equal amount to

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the required District payment under this Agreement, or any successor agreement, for the next WMATA Fiscal Year.

- (c) Semi-annual Payments. The District shall pay the Dedicated Funding Grant to WMATA on a semi-annual basis, with one payment due October 1 and one payment due April 1, and each payment being made in response to an invoice provided by WMATA pursuant to subsection (c) below.
- (c) Invoices.
 - (i) WMATA shall submit an invoice, separate from the invoices that WMATA issues that are applicable to the Capital Funding Agreement, to the District for each semi-annual payment under this Agreement at least forty-five (45) days prior to the date the payment is due. Thus, for example, for the October through March semi-annual period, WMATA will include the amount in the Capital Budget as approved or adjusted for October through March and send the District an invoice for its Dedicated Funding Grant payment no later than the immediately preceding August 15.
 - (ii) The amount invoiced by WMATA shall be the amount set forth in subsection (a) of this section, subject to any adjustment made by the District, in its sole discretion, to reflect underpayments by other jurisdictions in the current or prior WMATA Fiscal Year.
 - (iii) Any debt service included in the invoice shall be separately identified by issuance on the invoice.
 - (iv) The amount invoiced by WMATA for any District Fiscal Year shall not exceed the amount specified above in Section 3(a) for each District Fiscal Year.
- (d) Annual Notice. The District shall annually provide WMATA with written notice that funds have been, are intended to be, or will not be appropriated to cover the Dedicated Funding Grant for the upcoming WMATA Fiscal Year. If the District's appropriations process is not completed by July 1, the District shall provide to WMATA:
 - (i) a written explanation why funds have not been appropriated and confirmation that an amount equal to the Dedicated Funding Grant has been or will be included in the next District Fiscal Year budget that the Mayor of the District of Columbia forwards to the Council of the District of Columbia; and
 - (ii) written assurance that all reasonable efforts will be undertaken to secure the ultimate appropriation of funds in a prompt and timely fashion.

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If the District becomes aware that funds will not be appropriated in full for the Dedicated Funding Grant, then the District shall notify WMATA within five business days of the action taken by the Council.

SEC. 4. USE OF DEDICATED FUNDING GRANT BY WMATA

- (a) Use Purposes. The Dedicated Funding Grant may be expended by WMATA only for State of Good Repair Capital Projects in the CIP. The Dedicated Funding Grant may not be used for purposes of system expansion or for WMATA operating expenses.
- (b) Conformity with Agreement. WMATA shall use the Dedicated Funding Grants only for capital expenditures or for debt service on WMATA borrowings for State of Good Repair Capital Projects consistent with the CIP and this Agreement.
- (c) Inclusion in Capital Improvement Program and Capital Budget. The Dedicated Funding Grant may be expended by WMATA only for State of Good Repair Capital Projects that are included in the then-current approved CIP and Capital Budget as those documents may be amended by the WMATA Board subject to the coordination required pursuant to the CFA.
- (d) Types of Financing. The Dedicated Funding Grant may be used by WMATA to pay for debt service payments on borrowings or designed to address WMATA's SGR or critical funding needs for pay-as-you-go (paygo) cash funding for State of Good Repair Capital Projects that are identified in the Capital Budget or CIP.

SEC. 5. CAPITAL IMPROVEMENT PROGRAM

- (a) Adoption of Capital Improvement Program. Pursuant to and in compliance with the review and approval processes established in the CFA the WMATA Board has adopted the CIP for the period of July 1, 2020 through June 30, 2026 (the "WMATA FY2021-FY2026 CIP"), which is attached as **Attachment 1**, and incorporated as a material part of this Agreement by reference as if fully stated herein.
- (b) Incorporation of CFA Requirements. The Parties incorporate the CFA by reference as if fully stated herein so as to apply those terms and conditions to the actions of the Parties with regard to the Dedicated Funding Grant, except to the extent that this Agreement creates a conflict with the CFA, then this Agreement shall control only for Dedicated Funding Grants provided by the District of Columbia.
- (c) Cost. The estimated program cost of the WMATA FY2021-FY2026 CIP over its six-year period is approximately \$10,396,000,000 in year-of-expenditure dollars inclusive of projects to be funded with Dedicated Funding Grants.

(d) Schedule. Implementation of the WMATA FY2021-FY2026 CIP will be over the period beginning in WMATA Fiscal Year 2021 and ending in WMATA Fiscal Year 2026.

(e) No Personal Interest. No director, officer, or employee of WMATA or the District who exercises any functions or responsibilities over any procurement contract in connection with the CIP shall have any personal or financial interest or benefit derived from any activity in connection with any procurement contract or have an interest in any contract, subcontract, or agreement with respect thereto during the term of this Agreement.

(f) Annual Changes to the CIP. The Parties agree that WMATA will adjust the Capital Projects included in the CIP, according to the process referenced in the CFA, each year within the term of this Agreement on a rolling basis, as required to meet WMATA's ongoing and updated CIP and other capital needs, and for planning WMATA's ongoing and updated CIP and other capital needs for years beyond the term of this Agreement, subject to the availability of funding.

SEC. 6. DEDICATED FUNDING GRANT REQUIREMENTS NOT ADDRESSED IN CFA

(a) Eligible CIP Projects. The Dedicated Funding Grant from the District may only be used for State of Good Repair Capital Projects as defined in this Agreement.

(b) Rollover of Unexpended Funds. If there are unexpended Dedicated Funding Grant funds in the Capital Budget at the end of any WMATA Fiscal Year, the unexpended funds shall be "rolled over" to the succeeding WMATA Fiscal Year for programming by the WMATA Board through the CFA process as part of the funding for State of Good Repair Capital Projects shown in the Capital Budget. The unexpended funds shall not reduce funding requirements for the succeeding year's Dedicated Funding Grant to the Capital Budget, subject to the provisions of Section 5. The provision of this Section 6(b) shall not apply to any funding reduced or carried-forward at the District's direction pursuant to Section 3(a) above.

SEC. 7. CAPITAL BUDGETS

(a) Capital Budget Requirement. WMATA shall, as a part of its annual budget process each year, develop a Capital Budget pursuant to the terms and conditions of the Capital Funding Agreement, in accordance with applicable laws and WMATA Board policies.

(b) Contents of the Capital Budget. For purposes of compliance with this Agreement, WMATA shall apply the budgeting and project identification requirements of the Capital Funding Agreement to the District's Dedicated Funding Grant and state in the Capital Budget how the Dedicated Funding Grant is proposed to be utilized based on a schedule of projected quarterly cash needs, including an identification of what portion (if any) of the Dedicated Funding Grant is a direct capital contribution (or paygo), and what portion (if any) is to be budgeted by WMATA to pay debt service on Dedicated Funding Debt (to be stated separately in the Capital Budget) for the

current year and each year in the current CIP period. In addition, WMATA must identify the primary purpose of each Capital Project.

SEC. 8. IMPLEMENTATION OF CIP AND CAPITAL BUDGET

WMATA will administer the CIP and Capital Budget and carry out all necessary procurement actions, reporting requirements, and management oversight. All procurement actions will be undertaken in accordance with WMATA procurement policies and applicable law. WMATA agrees to comply with all final safety directives issued by the entity providing state safety oversight per 49 C.F.R. pt. 639 and its successor regulation, 49 C.F.R pt. 674.

SEC. 9. QUARTERLY PROGRESS REPORTS

Within forty-five (45) days after the end of each quarter, WMATA shall prepare and submit to the District a Capital Budget/CIP progress report (referred to herein as the “Quarterly Progress Report”). Each Quarterly Progress Report shall contain, with respect to each SGR Capital Project, funded by this Agreement and included in the Capital Budget, (a) the status of the project; (b) a review of the project’s scope and schedule changes; (c) the status of acquisition and construction contracts necessary for the implementation of the project; (d) the status of year-to-date expenditures for each project relative to Capital Budget; (e) the status of all cash and debt sources relative to Capital Budget, including a break out of District Dedicated Funding; (f) updated project cash flow projections and program cash requirements; and (g) a comparison of the billed amount to amounts actually expended for the preceding quarter. Each report shall be provided in a quarterly financial report in the same form and with the same level of detail that is required by the CFA.

SEC. 10. FINANCIAL REPORTING AND AUDIT PROVISIONS

WMATA shall adhere to the annual budget reconciliation process required by the Capital Funding Agreement or any successor agreement, other applicable law and any other corresponding procedures.

(a) Financial Records.

(i) Maintenance of Records. WMATA shall maintain separate and complete accounting records that are consistent with generally accepted governmental accounting principles that accurately reflect all income and expenditures of funds provided by the District under this Agreement. WMATA shall retain all records, financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this Agreement, for three (3) years, or for the same period that records are required to be kept for the Federal Transit Administration or other federal grants, as applicable, whichever is longer; unless there is litigation based on the terms of this Agreement or an outstanding District or Federal financial or audit question that is not

resolved by the District or Federal government, in which case the records shall be maintained until three (3) years after the final resolution of the audit finding or any litigation which is based on the terms of this Agreement, whichever is later. The records of WMATA must be in sufficient detail to determine the character and timing of transactions authorized by this Agreement.

(ii) Annual Reporting Requirement for Capital Expenditures, Indirect and Overhead Costs

Each year WMATA shall have an Indirect Cost Rate Proposal (ICRP) prepared by an independent consultant with expertise in ICRP preparation, that establishes the Indirect Cost Rates that WMATA proposes to apply to capital expenditures. WMATA shall submit each prepared ICRP to the Federal Transit Administration (FTA) for review and approval, and forward courtesy copies of the documentation provided to the FTA to each of the contributing jurisdictions. WMATA will only propose use of Indirect Cost Rates that have received FTA approval to the WMATA Board of Directors for review during the annual budget process. As part of its annual budget process, the WMATA Board of Directors shall review the most recent FTA-approved ICRP to determine if those Indirect Cost Rates are appropriate to be applied to the portion of the capital program funded by the contributing jurisdictions for the upcoming year (Plan). WMATA shall provide supporting documentation to the WMATA Board of Directors for its review during the annual budget process that (a) identifies the Indirect Cost Rates being proposed in the budget for the upcoming fiscal year, (b) quantifies the dollar amount of indirect costs that is budgeted to be charged to the capital program, and (c) shows that the indirect costs budgeted to be charged to the capital program also reduce the budgeted operating subsidy by an equal amount. By June 30 each year, WMATA shall provide to the District a full copy of the approved ICRP to be applied to the relevant portion of capital expenditures for the fiscal year beginning July 1, along with documentation of FTA's approval of the ICRP. The District may audit this Plan at any time for the duration of the period that the Plan is in use.

Within forty-five (45) days after the completion of its annual financial audit, WMATA shall provide a report (Indirect/Overhead Audit Report) to the District that demonstrates that all indirect and overhead costs that WMATA actually recovered from the overall Capital Budget for the recently completed fiscal year were subtracted from the calculation of the overall actual operating subsidy for that year. The Indirect/Overhead Audit Report will use information from WMATA's financial system that shows (a) the amount of Indirect Costs charged to each project during the fiscal year, and the aggregate of all projects, and (b) the aggregate amount by which the operating subsidy was reduced for the Indirect Costs charged to the capital program. Indirect costs shall be budgeted and assessed only on the portion of a capital project attributable to WMATA direct labor costs.

(ii) Audits.

(A) Timing for Performance. The District or its agent may perform an audit or other review of WMATA's expenditures of funds provided by this Agreement for up to three fiscal years prior to the date of the request. The District will assume all financial responsibility for any costs associated with the performance of such audits exclusive of WMATA internal costs. If the District and any party providing Other Dedicated Funding initiates an audit under this requirement or similar requirements in other agreements, the audits shall be consolidated into a single audit for the applicable fiscal years, subject to the agreement of the entities providing Other Dedicated Funding. WMATA agrees to cooperate fully with the District or its authorized agent or designee in the conduct of any audit carried out in accordance with this paragraph.

(B) Survival of Audit Rights. The audit rights provided under this paragraph shall survive the termination date of this Agreement for three years. The audit rights provided herein shall not limit any other rights of the District under this Agreement.

SEC. 11. MISCELLANEOUS PROVISIONS: INTEREST ON PAYMENTS, SECURITY INTERESTS, RISK MITIGATION, AND NOTIFICATION OF LACK OF DEDICATED FUNDING

(a) Interest on Payments. WMATA may invest unexpended proceeds from the Dedicated Funding Grant in a manner consistent with WMATA's investment policies until such funds are needed for capital expenditures. WMATA may retain and spend the interest earned on any such investments for capital expenditures only.

(b) Security Interests. WMATA may create security interests in its rights and interests in amounts paid or received from the District under this Agreement as such amounts shall become available and are paid to or for the account of WMATA under the terms of this Agreement. Such amounts may be pledged as security for debt incurred for capital expenditures. WMATA shall not create any security interest in the Dedicated Funding Grant for the purpose of meeting WMATA's operating cash flow needs. Nothing in this subsection shall be construed as requiring the District to make any payment under this Agreement to anyone other than WMATA.

(c) WMATA Risk Mitigation. Section 22 of the WMATA Compact prohibits WMATA from making any commitment or incurring any obligations with respect to the construction or acquisition of any transit facilities "until funds are available therefor." See D.C. Code § 9-1107.01. The Parties acknowledge that the commitments of the District under this Agreement are intended to satisfy the requirements of Section 22 of the WMATA Compact under an expenditure-based

budget. In order to address the risk of non-appropriation or late payment of funds by a Contributing Jurisdiction, or insufficient funding by the Federal Government, and to assure compliance with Section 22 of the WMATA Compact, WMATA intends to continue to maintain a risk mitigation credit facility using one or more of the following: a line of credit, letter of credit, commercial paper program, or other credit facility determined by WMATA in its discretion to be appropriate and feasible. Such risk mitigation credit facility shall be in addition to any other credit facility which may be put in place as a working capital or other cash flow aid. Pursuant to Section 20(f) of this Agreement, any debt issued by WMATA, the debt service of which is at least partially secured by amounts received from the District pursuant to this Agreement, shall not constitute an indebtedness of the District.

(d) Notification of Lack of Appropriation of Other Dedicated Funding. WMATA will notify the District within five (5) business days if it receives notification from either Maryland or Virginia that Maryland or Virginia does not intend to appropriate or pay, in full or in part, the amount of its share of Other Dedicated Funding or if either Maryland or Virginia fails to appropriate or pay, in full or in part, the amount of its Other Dedicated Funding at any time during the fiscal year. WMATA will also notify the District within five (5) business days following the close of the WMATA Fiscal Year of the amount of Other Dedicated Funding that Maryland and Virginia paid for the WMATA Fiscal Year, and whether it satisfies their respective share.

SEC. 12. DISPUTES

(a) Informal Resolution. The Parties agree to use all reasonable efforts to resolve any disputes that arise under or otherwise relate to this Agreement. If the Parties, at staff level, cannot resolve such a dispute through initial discussions within 30 days after the date it first arises, then the Party seeking a resolution shall provide written notice of the nature of the dispute and the issues involved to the other Party. The other Party shall respond within 30 days, stating its position in writing on the issue presented and its proposal for resolution. The Parties shall then meet within the next 30 days in an attempt to resolve the dispute.

(b) Alternative Resolution. If a dispute arising under this Agreement is not resolved pursuant to subsection (a) of this Section, the Parties may agree to pursue a mutually acceptable alternative dispute resolution procedure. If such a procedure is not utilized or does not result in a final and binding resolution of the dispute, either Party may pursue a civil action for appropriate relief in a court of competent jurisdiction in the District of Columbia.

SEC. 13. REPRESENTATIONS AND WARRANTIES

(a) By WMATA. WMATA makes the following representations as of the Effective Date of this Agreement as a basis for the undertakings pursuant to this Agreement:

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- (i) WMATA has full power and authority to enter into this Agreement and to carry out its obligations hereunder;
 - (ii) WMATA has duly authorized the execution and delivery of this Agreement;
 - (iii) When executed and delivered by the District and by WMATA, this Agreement will constitute the legal, valid and binding obligation of WMATA enforceable in accordance with its terms, except as such enforceability is limited by annual appropriations, bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally; and
 - (iv) No director, officer, or employee of WMATA who exercises or has exercised any functions or responsibilities over any procurement contract in connection with the Capital Improvement Program has any personal or financial interest or benefit derived from any activity in connection with any procurement contract or has an interest in any contract, subcontract, or agreement with respect thereto during the term of this Agreement.
- (b) By the District. The District makes the following representations as of the Effective Date of this Agreement as a basis for the undertakings pursuant to this Agreement:
- (i) The District has all necessary power and authority to enter into this Agreement and to carry out its individual obligations hereunder;
 - (ii) The District has duly authorized the execution and delivery of this Agreement;
 - (iii) When executed and delivered by the District and by WMATA, this Agreement will constitute the legal, valid and binding obligation of the District enforceable in accordance with its terms, except as such enforceability is limited by annual appropriations, allocations, bankruptcy, reorganization, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally; and
 - (iv) No officer or employee of the District who exercises or has exercised any functions or responsibilities over a procurement contract in connection with the Capital Improvement Program has a personal or financial interest or benefit from any activity in connection with the procurement contract or has an interest in any contract, subcontract, or agreement with respect therewith during the term of this Agreement.

SEC. 14. EFFECTIVE DATE AND TERM OF AGREEMENT

- (a) Effective Date. This Agreement shall take effect on the later of October 1, 2020, or the date the last party executes this Agreement.

(b) Term.

(i) The term of this Agreement shall begin October 1, 2020 and shall terminate on September 30, 2026.

(ii) The District may, if legally permitted, exercise options to renew this Agreement no more than six (6) times, each for a six (6) year period (each a “Successive Term”), or any fraction of a Successive Term, which taken together with any additional fractions equaling a six (6) year period shall constitute one Successive Term, by written notice to WMATA before expiration of the Agreement, provided that the District shall give WMATA preliminary written notice of its intent to renew at least thirty (30) days before the Agreement expires. The preliminary notice does not commit the District to exercise any option to renew. Any renewal of this Agreement shall be effective upon the District providing written notice to WMATA of the exercise of the option and WMATA countersigning such notice and agreeing to continue to be bound by the terms and conditions expressed herein.

(iii) WMATA may waive the thirty (30) days’ notice requirement by providing a written notice to the District prior to the expiration of the Agreement.

(iv) If the District exercises an option to renew, the Agreement as renewed shall be considered to include this option provision.

(v) Any renewal of this Agreement for a Successive Term, or any increase in dedicated grant funding for the CIP, shall be subject to the availability and application of appropriations for that purpose.

(c) Future Negotiations. No later than March 30, 2026, the District and WMATA agree to commence discussions to determine if the District will renew this Agreement for a Successive Term.

(d) Termination of Agreement for Cause. Upon sixty (60) calendar days’ notice to WMATA, the District may terminate, in whole or in part, this Agreement if WMATA fails to apply provided funds as intended under this Agreement or if WMATA spends funds provided under this Agreement in a manner or for a purpose not authorized by this Agreement. The District shall notify WMATA promptly in writing of such a determination, the proposed cure and the effective date of the termination. WMATA may request reconsideration and an opportunity to cure by notifying the District within thirty (30) calendar days after the date of the District's notification. The District shall not terminate this Agreement until after WMATA’s reconsideration request has been considered but may withhold funds in the interim. The District’s decision upon reconsideration, if requested, will be final.

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(e) Termination of Agreement for Change in Law. The District shall provide WMATA notice as soon as possible of any proposed change in law that would render the funding contemplated in this Agreement impossible.

SEC. 15. NO THIRD PARTY BENEFICIARIES

The Parties to this Agreement do not intend any non-signatory to this Agreement or any other third party to be a beneficiary to this Agreement, nor do the Parties intend for any such third party to have any rights or benefits under this Agreement or to have standing to bring an action or claim in any court or other forum to enforce any provision of this Agreement.

SEC. 16. AMENDMENTS

This Agreement may be amended or modified only by written agreement duly executed by both Parties.

SEC. 17. NOTICES

All notices under this Agreement shall be in writing and shall be deemed to have been sufficiently given or served when presented by a Party personally, electronically, or sent by the U.S. Postal Service or by a courier service or national overnight delivery service, to the other Party as follows:

To the District of Columbia:

Director
District Department of Transportation
55 M Street, S.E., Suite 400
Washington, D.C. 20003

Chief Financial Officer for the District of Columbia
John A. Wilson Building, Room 203
1350 Pennsylvania Avenue, N.W.
Washington, DC 20004

Attorney General for the District of Columbia
John A. Wilson Building, Room 409
1350 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

To the Washington Metropolitan Area Transit Authority:

General Manager
Washington Metropolitan Area Transit Authority

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600 Fifth Street, N.W.
Washington, D.C. 20001

General Counsel
Washington Metropolitan Area Transit Authority
600 Fifth Street, N.W., Second Floor
Washington, D.C. 20001

Executive Vice President
Strategy, Planning, and Program Management
Washington Metropolitan Area Transit Authority
600 Fifth Street, N.W., Second Floor
Washington, D.C. 20001

Chief Financial Officer
Washington Metropolitan Area Transit Authority
600 Fifth Street, N.W., Sixth Floor
Washington, D.C. 20001

SEC. 18. SUCCESSORS

This Agreement shall be binding on the successors of the District and WMATA.

SEC. 19. NO DEBT GUARANTEES

The District does not guarantee the debt of WMATA, the Commonwealth of Virginia, or the State of Maryland or any obligation of WMATA, the Commonwealth of Virginia, or the State of Maryland.

SEC. 20. REQUIREMENT FOR ANNUAL APPROPRIATIONS

(a) Notwithstanding any other provisions of this Agreement, all obligations of the District are subject to discretionary annual appropriation and allocation of funds by the governing bodies of the District and shall be consistent with and subject to the anti-deficiency laws applicable to the District.

(b) In no circumstance shall the District be responsible under this Agreement for the dedicated funding commitments or other obligations of the Commonwealth of Virginia or the State of Maryland. If there is a failure to appropriate and allocate the full annual Dedicated Funding Grant, that portion of the Capital Budget attributable to the Dedicated Funding Grant shall be revised to conform to the available funds and be submitted to the WMATA Board of Directors.

(c) Pursuant to the provisions of (i) the federal Anti-Deficiency Act, 31 U.S.C. §§ 1341, 1342, 1349-1351 1511-1519 (2008), and D.C. Official Code §§ 1-206.03(e) and 47-105; (ii) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 – 355.08 ((i) and (ii) collectively, as amended from time to time, the “Anti-Deficiency Acts”); and (iii) Section 446 of the District of Columbia Home Rule Act, D.C. Official Code § 1-204.46, the District cannot obligate itself to any financial commitment in any present or future year unless the necessary funds to pay that commitment have been appropriated and are lawfully available for the purpose committed. Thus, pursuant to the Anti-Deficiency Acts, nothing in this Agreement creates an obligation of the District in anticipation of an appropriation for such purpose, and the District’s legal liability for the payment of any amount under this Agreement does not and may not arise or obtain in advance of the lawful availability of appropriated funds for the applicable fiscal year.

(d) During the term of this Agreement, the Mayor of the District of Columbia or other appropriate official shall, for each fiscal period, include in the budget proposal submitted to the Council of the District of Columbia the amount necessary to fund the District’s known potential financial obligations under this Agreement for such fiscal period. In the event that a request for such appropriations is excluded from the budget approved by the Council and submitted to Congress for the applicable fiscal year or if no appropriation is made by Congress to pay any amount under this Agreement for any period after the fiscal year for which appropriations have been made, and in the event appropriated funds for such purposes are not otherwise lawfully available, the District will not be liable to make any payment under this Agreement upon the expiration of any then-existing appropriation.

(e) Notwithstanding the foregoing, no officer, employee, director, member or other natural person or agent of the District shall have any personal liability in connection with the breach of the provisions of this Section or in the event of a default by the District under this Agreement.

(f) This Agreement shall not constitute an indebtedness of the District nor shall it constitute an obligation for which the District is obligated to levy or pledge any form of taxation or for which the District has levied or pledged any form of taxation. No District official or employee is authorized to obligate or expend any amount under this Agreement unless such amount has been appropriated by Act of Congress and is lawfully available.

(g) IN ACCORDANCE WITH § 446 OF THE HOME RULE ACT, D.C. OFFICIAL CODE § 1-204.46, NO DISTRICT OFFICIAL IS AUTHORIZED TO OBLIGATE OR EXPEND ANY AMOUNT UNDER THIS AGREEMENT UNLESS SUCH AMOUNT HAS BEEN APPROPRIATED.

SEC. 21 INDEMNIFICATION AND INSURANCE

(a) WMATA shall indemnify, defend, and hold harmless the District, and its directors, officers, agents, and employees, from and against all claims, suits, judgments, actions, losses, damages, liabilities, costs and expenses of every name and description, including but not limited to reasonable attorney’s fees and costs, brought by any third party arising out of,

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resulting from, or in connection with any negligent act or omission by WMATA, its contractors, subcontractors, agents, or employees, or anyone directly or indirectly employed by them, or anyone for whose acts they may be liable, relating to any CIP work covered by this Agreement.

(b) WMATA shall either be sufficiently self-insured or carry insurance to cover the risks for WMATA, its employees, agents, contractors and subcontractors, anyone directly or indirectly employed by them, or anyone for whose acts they may be liable related to any CIP work covered by this Agreement. WMATA shall require all commercial insurance policies obtained by WMATA to satisfy its obligations under this section to list the District, and its respective officers, agents, and employees as Additional Insureds. WMATA certifies that as of the Effective Date of this Agreement, all commercial insurance and self-insurance lists the District and its respective officers, agents and employees as Additional Insureds. WMATA shall not remove the District, or its respective officers, agents, and employees as Additional Insureds for any self-insurance without the written consent of the District.

(c) In the event WMATA receives notice from an insurer that any insurance policy is going to be, or has been, subject to cancellation, nonrenewal, or material adverse changes to the insurance contract, WMATA shall provide the District with prompt notice. WMATA shall provide 30-days advance written notice to the District of any cancellation or material adverse change to any self-insurance.

(d) For commercial insurance, WMATA shall provide Certificates of Insurance listing the District, and its respective officers, agents, and employees, as Additional Insureds. WMATA shall provide a self-insurance letter indicating the extent of WMATA's self-insurance.

(e) In lieu of carrying insurance for its agents, contractors or subcontractors, WMATA may require all its agents, contractors or subcontractors who perform any CIP work or activity of any type to carry insurance sufficient to cover the risks for all damage to persons and property due to CIP work under this Agreement. However, such insurance does not relieve WMATA of the burden of being self-insured and/or carrying insurance to cover the actions of its employees. WMATA shall require of its agents, contractors, and subcontractors that the District, and its respective officers, agents, and employees, are identified as Additional Insureds on all such insurance policies obtained in lieu of WMATA providing such insurance for its agents, contractors or subcontractors, and WMATA shall require that its agents, contractors, and subcontractors provide Certificates of Insurance listing the District and its respective officers, agents, and employees as Additional Insureds for any such insurance policies.

(f) Payment of any funds by or through the District shall not waive any of the rights of the District contained in this section nor release WMATA from any responsibilities or duties contained in this Agreement.

(g) The obligations of this section shall survive the termination of this Agreement for the life of the assets purchased with the funding provided or for 20 years after termination, whichever is longer.

Final for Execution

SEC. 22. COUNTERPARTS

This Agreement may be executed in identical counterparts, each of which shall constitute an original and all of which shall constitute, collectively, one agreement. The counterpart with the most recent date shall determine the date of entry by the Parties to this Agreement.

IN WITNESS WHEREOF, WMATA and the District have executed this Agreement on this
22 day of October, 2020.

WASHINGTON METROPOLITAN AREA
TRANSIT AUTHORITY

Attest:

Marc Biondi Date: 2020.10.08
E007371 WMATA 16:26:26 -04'00'

Witness

By:

**Thomas J
Webster**

Digitally signed by Thomas J
Webster
Date: 2020.10.08 13:24:37 -04'00'

Executive Vice President
Strategy, Planning & Program Management

Dated: _____

[signatures continued on following page]

DISTRICT OF COLUMBIA

Attest:

Kimberly Bassett
Witness

By: Philip Bowser
Mayor

Approved as to Form and Legal Sufficiency:

By: Karl A. Racine/by JD
Attorney General

Dated: October 22, 2020

Financial Plan by Investment Category

Capital Investment Categories (\$M)	FY2021 Budget	FY2022 Plan	FY2023 Plan	FY2024 Plan	FY2025 Plan	FY2026 Plan	6 Year Total
Railcar	\$280	\$257	\$333	\$347	\$454	\$565	\$2,236
Rail Systems	\$165	\$131	\$163	\$153	\$147	\$132	\$891
Track and Structure Rehabilitation	\$148	\$176	\$166	\$193	\$161	\$170	\$1,014
Stations and Passenger Facilities	\$546	\$526	\$391	\$252	\$192	\$179	\$2,085
Bus and Paratransit	\$208	\$225	\$293	\$313	\$284	\$216	\$1,539
Business Support	\$475	\$550	\$218	\$236	\$243	\$227	\$1,949
Total Capital Investments	\$1,821	\$1,865	\$1,563	\$1,493	\$1,481	\$1,490	\$9,714
Revenue Loss from Capital Projects	\$23	\$24	\$25	\$25	\$26	\$27	\$149
Debt Service - Dedicated Funding	\$31	\$52	\$84	\$104	\$121	\$140	\$533
Total Capital Program Cost	\$1,875	\$1,941	\$1,672	\$1,623	\$1,628	\$1,657	\$10,396

Financial Plan - Allocation of State & Local Contributions

	FY2021 Budget	FY2022 Plan	FY2023 Plan	FY2024 Plan	FY2025 Plan	FY2026 Plan	6 Year Total
Federal Funding							
Federal Formula Programs	\$321,106,774	\$321,106,774	\$321,106,774	\$321,106,774	\$321,106,774	\$321,106,774	\$1,926,640,644
Federal PRIIA	\$148,500,000	\$0	\$0	\$0	\$0	\$0	\$148,500,000
Other Federal Grants	\$19,964,914	\$4,428,532	\$2,800,000	\$2,960,000	\$2,840,000	\$2,840,000	\$35,833,446
Total - Federal Grants	\$489,571,688	\$325,535,306	\$323,906,774	\$324,066,774	\$323,946,774	\$323,946,774	\$2,110,974,090
State & Local Funding Contributions							
District of Columbia							
Formula Match & System Performance	\$95,116,884	\$99,240,193	\$101,357,944	\$105,205,060	\$107,436,033	\$108,760,022	\$617,116,136
PRIIA	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$297,000,000
Dedicated Funding	\$178,500,000	\$178,500,000	\$178,500,000	\$178,500,000	\$178,500,000	\$178,500,000	\$1,071,000,000
Subtotal - District of Columbia	\$323,116,884	\$327,240,193	\$329,357,944	\$333,205,060	\$335,436,033	\$336,760,022	\$1,985,116,136
State of Maryland							
Montgomery County	\$45,005,174	\$45,864,257	\$47,564,988	\$48,676,827	\$50,496,360	\$52,746,682	\$290,354,288
Prince George's County	\$45,181,684	\$46,915,584	\$48,154,482	\$49,877,126	\$51,081,137	\$52,036,091	\$293,246,104
MD PRIIA	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$297,000,000
MD Dedicated Funding	\$167,000,000	\$167,000,000	\$167,000,000	\$167,000,000	\$167,000,000	\$167,000,000	\$1,002,000,000
Subtotal - Maryland	\$306,686,858	\$309,279,841	\$312,219,470	\$315,053,953	\$318,077,497	\$321,282,773	\$1,882,600,392
Commonwealth of Virginia							
City of Alexandria	\$12,401,646	\$12,773,528	\$13,146,057	\$13,535,690	\$13,943,924	\$14,363,906	\$80,164,751
Arlington County	\$22,641,546	\$23,012,708	\$23,880,758	\$24,388,260	\$25,350,214	\$26,575,529	\$145,849,016
City of Fairfax	\$715,612	\$717,184	\$751,711	\$761,431	\$798,856	\$852,639	\$4,597,433
Fairfax County	\$40,760,743	\$41,487,654	\$43,046,454	\$44,013,681	\$45,699,476	\$47,814,951	\$262,822,959
City of Falls Church	\$757,037	\$792,724	\$807,605	\$840,022	\$855,791	\$862,074	\$4,915,253
Loudoun County (1)	\$5,797,066	\$5,624,882	\$6,011,578	\$5,965,127	\$6,399,330	\$7,111,061	\$36,909,044
VA PRIIA	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$49,500,000	\$297,000,000
VA Dedicated Funding	\$154,500,000	\$154,500,000	\$154,500,000	\$154,500,000	\$154,500,000	\$154,500,000	\$927,000,000
CMAQ	\$877,153	\$903,467	\$930,571	\$958,488	\$987,243	\$1,016,860	\$5,673,783
Subtotal - Virginia	\$287,950,804	\$289,312,148	\$292,574,734	\$294,462,699	\$298,034,834	\$302,597,020	\$1,764,932,238
Jurisdiction Planning Projects	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$18,000,000
Silver Line (MWAA)	\$26,556,000	\$17,747,000	\$0	\$0	\$0	\$0	\$44,303,000
Potomac Yard (Alexandria)	\$59,050,000	\$88,900,000	\$33,870,000	\$38,580,000	\$0	\$0	\$220,400,000
Purple Line (MDOT)	\$89,000	\$194,000	\$0	\$0	\$0	\$0	\$283,000
Subtotal - Jurisdictional Reimbursable	\$88,695,000	\$109,841,000	\$36,870,000	\$41,580,000	\$3,000,000	\$3,000,000	\$282,986,000
Total - State & Local	\$1,006,449,546	\$1,035,673,182	\$971,022,148	\$984,301,712	\$954,548,364	\$963,639,814	\$5,915,634,766
Debt	\$379,346,720	\$580,141,220	\$376,817,384	\$314,501,416	\$349,140,047	\$368,938,324	\$2,368,885,110
Grand Total Funding (2)	\$1,875,367,954	\$1,941,349,709	\$1,671,746,306	\$1,622,869,901	\$1,627,635,184	\$1,656,524,913	\$10,395,493,966

- (1) The jurisdictional shares of Formula Match and System Performance contributions are calculated using the original methodology which fully includes Loudoun County, rather than the prorated method used for the FY2021 Operating Subsidy calculation
- (2) Total funding requirement includes capital program expenditures, debt service, and estimated revenue loss from major shutdowns Note: Does not assume reauthorization of Federal PRIIA.