



Finance, Administration and Oversight Committee

Action Item III-K

February 14, 2008

**Reprogramming of Funds for the Reallocation
of Southeast Buses**

**Washington Metropolitan Area Transportation Authority
Board Action/Information Summary**

Action
 Information

MEAD Number:

Resolution:
 Yes No

PURPOSE

To obtain Board of Directors approval to reprogram \$1.39 million from the Capital Improvement Program to an established account for the purposes of funding the re-deployment of Metrobuses from the Southeastern Bus facility to other Metro facilities prior to the start of the Washington Nationals baseball season.

This account would also be used to receive future funds from the District of Columbia to fund the additional redeployment costs until the Southeastern property is sold, a new site is owned by Metro, and a new bus facility is constructed.

DESCRIPTION

On October 19, 2006, the Board of Directors approved the sale of a Metrobus employee parking lot adjacent to the Navy Yard Station for \$6,860,000 and authorized the net proceeds of the sale of the lot to be applied to the cost of the replacement of the Southeastern Bus Garage.

On September, 27, 2007, the Board of Directors approved the sale of the Southeastern Bus Garage for \$69,250,000 and allocated \$9,250,000 and its interest for the temporary leaseback, deadhead and interim costs until a replacement facility is operational.

On December 13, 2007, the Board of Directors approved the establishment of an operating reserve account for the \$9,250,000.

The Southeastern property has yet to be sold to generate funds for the increased operating expense and the District of Columbia desires for the bus service to be reallocated to other Metro facilities prior to the start of the 2008 baseball season. The District of Columbia requests the reprogramming of \$1,390,000 from the

initial account created to fund design work to cover initial costs of bus reallocation.

With this approval, the District of Columbia has committed to funding the reallocation expenses until such time as the Southeastern property is sold, a replacement site is owned by Metro and a new garage is built.

The alternative is to continue operations from the Southeastern Bus Garage and attempt to operate service on baseball game days in a safe and reliable manner.

FUNDING IMPACT

The Capital Improvement Program would be reduced by \$1,390,000 with this same amount being transferred to an account to pay for operating expenses during the time of redeployment of buses.

RECOMMENDATION

Recommend Board approval to reprogram funds for the redeployment of Metrobus facilities.

PRESENTED AND ADOPTED:

SUBJECT: APPROVAL OF REPROGRAMMING OF FUNDS FOR THE REALLOCATION OF
SOUTHEASTERN BUSES

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

WHEREAS, On October 19, 2006, the Board of Directors approved the sale of a Metrobus employee parking lot adjacent to the Navy Yard Metrorail Station and authorized the net proceeds of the sale of the lot to be applied to the cost of the replacement of the Southeastern Bus Garage; and

WHEREAS, On January 25, 2007, the Board of Directors amended the Capital Improvement Program by \$500,000 to fund a feasibility study and early actions for a replacement facility for the Southeastern Bus Garage; and

WHEREAS, On April 26, 2007, the Board of Directors amended and increased the Capital Improvement Program by \$6,359,764 from the sale of the Metrobus employee parking lot to fund studies, project development, real estate negotiations, design, advertisement and any early actions for the replacement facility; and

WHEREAS, On December 13, 2007, the Board of Directors approved the establishment of an operating reserve account for the operating costs of providing bus service following the reallocation of Southeastern buses to other facilities using funds from the pending sale of the Southeastern Bus Garage; and

WHEREAS, The sale of the Southeastern Bus Garage has not been completed and the District of Columbia desires that the buses be reallocated to other Metrobus garages prior to the start of the Washington Nationals Baseball season; and

WHEREAS, The District of Columbia is requesting that \$1,390,000 in uncommitted funds from the Capital Improvement Program identified for the Southeastern replacement facility be used for initial reallocation operating costs; and

WHEREAS, The District of Columbia has committed (*see* attached letter) to fund the additional reallocation operating costs until the Southeastern Bus Garage is sold and a replacement garage site is acquired; now, therefore be it

RESOLVED, That the Board of Directors approves the transfer of \$1,390,000 from the Capital Improvement Program to the operating reserve account for the specific purpose of funding increased operating costs generated by the reallocation of Southeastern buses to other Metrobus garages; and be it further

RESOLVED, That once these funds are expended, the District of Columbia will fund these additional operating expenses until the Southeastern Bus Garage is sold and a replacement Metrobus garage site is acquired; and be it finally

RESOLVED, That this Resolution shall be effective immediately.

Reviewed as to form and legal sufficiency,



Carol B. O'Keeffe
General Counsel

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF TRANSPORTATION



OFFICE OF THE DIRECTOR

January 25, 2008

Mr. John Catoe
General Manager
Washington Metropolitan Area Transit Authority
600 Fifth Street, NW
Washington, DC 20001

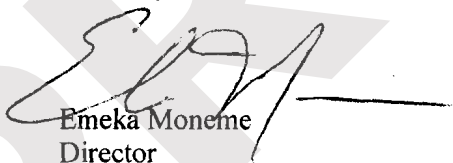
Dear Mr. Catoe:

As the District moves forward with the plans to redevelop the new Ballpark District, I would like to reiterate our desire to continue to work with WMATA on the next steps of a dispersal strategy for the buses currently operating out of the Southeast Bus Garage. It has come to my attention from WMATA staff that \$3.7 million dollars is available in the Southeast Bus Garage account that could be utilized to pay for the net increase due to the reallocation of the buses, recently estimated to cost \$3.2 million dollars per fiscal year. The FY08 projected impact would be \$800,000. On behalf of the District, I am requesting that WMATA moves forward in utilizing these funds to cover the additional operating costs of the dispersal strategy for the buses, in light of the safety concerns of the Authority will have once the new Nationals Baseball Park opens.

In addition, I am requesting that WMATA prepare a resolution for Board approval that authorizes this action, with the contingency that the District will cover these costs until the sale of the Southeast Bus Garage is complete and funds are available from the sale. As we move forward my hope is that we will continue to work together to build a facility that is not only responsive to the current service needs of our riders, but one that will also accommodate the future needs of the District and the region. I appreciate your prompt attention to this matter.

Please don't hesitate to contact me or Freddie Fuller, Associate Director of Mass Transit, at 202-673-1735 in regards to anything related to this project.

Sincerely,



Emeka Moneme
Director

cc: Jim Graham, Councilmember
Freddie Fuller, Associate Director, MTA

Reprogramming of Funds for the Reallocation of Southeast Buses

Presented to the Board of Directors:

Finance and Administration Committee

February 14, 2008





Purpose

To obtain Committee and Board approval to reprogram \$1.39 million from the Capital Improvement Program to an established account for the purposes of funding the re-deployment of Metrobuses from the Southeastern Bus Garage to other Metro facilities prior to the start of the Washington Nationals baseball season

This account would also be used to receive future funds from the District of Columbia to fund the additional redeployment costs until the Southeast property is sold, a new site is owned by Metro and a new bus facility is constructed



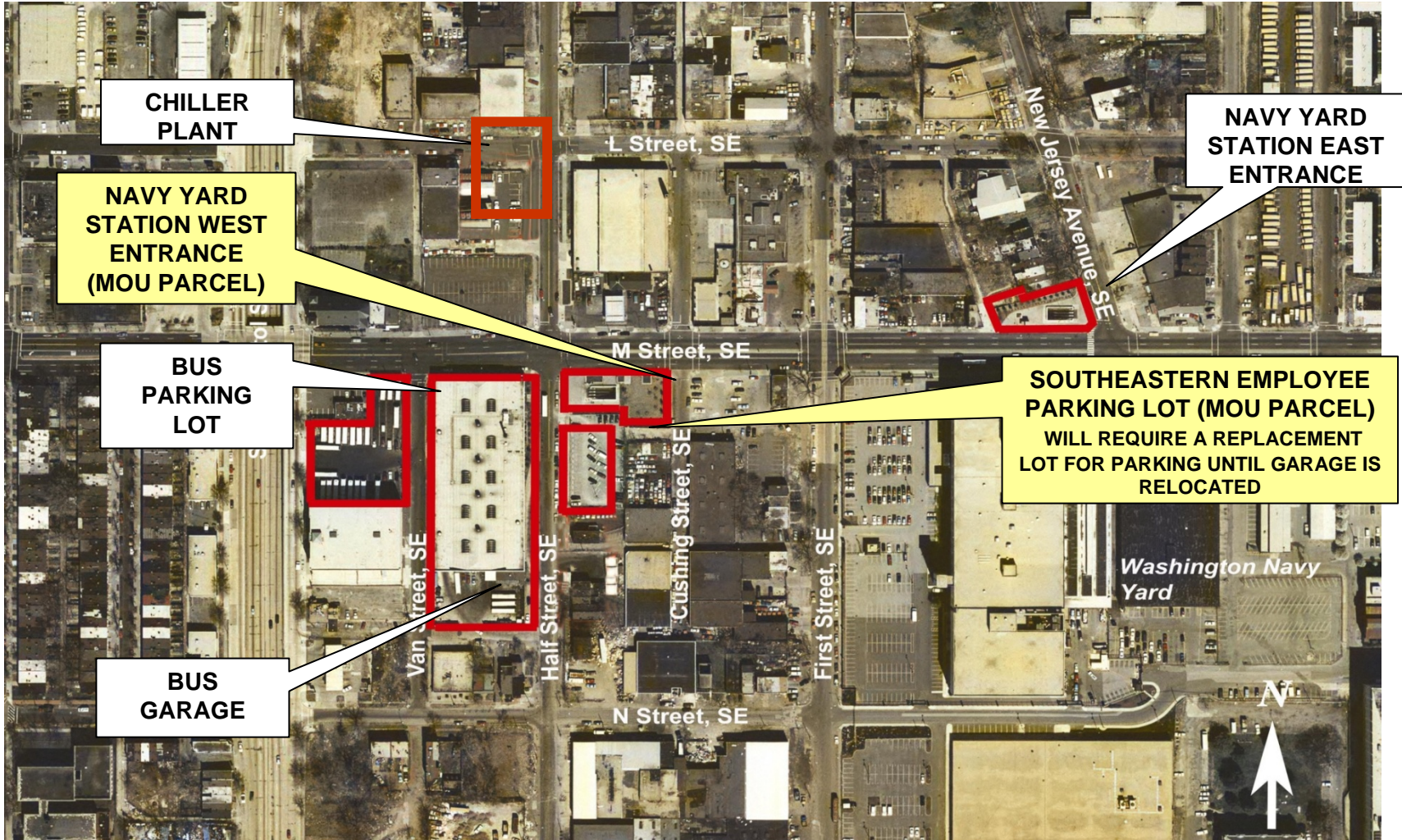
Background

On October 19, 2006, the Board approved the sale of a Metrobus employee parking lot adjacent to the Navy Yard Station for \$6,860,000 and authorized the net proceeds of the sale of the lot to be applied to the cost of the replacement of the Southeastern Bus Garage

On September 27, 2007, the Board of Directors approved the sale of the Southeastern Bus Garage for \$69,250,000 and allocated \$9,250,000 and its interest for the temporary leaseback, deadhead and interim costs until a replacement facility is operational

On December 13, 2007, the Board of Directors approved the establishment of an operating reserve account for the \$9,250,000

NAVY YARD METRORAIL STATION



AERIAL PHOTOGRAPH INDICATING WMATA OWNED PARCELS



WASHINGTON NATIONALS BASEBALL STADIUM



October 10, 2007



District Proposal

The Southeastern property has yet to be sold to generate funds for the increased operating expense and the District of Columbia desires for the bus service to be reallocated to other WMATA facilities prior to the start of the 2008 baseball season. The District of Columbia requests the reprogramming of \$1,390,000 from the initial account created to fund design work to cover initial costs of bus reallocation.

With this approval, the District of Columbia has committed to funding the reallocation expenses until such time as the Southeastern property is sold, a replacement site is owned by Metro and a new garage is built.



Funding Impact

The Capital Improvement Program would be reduced by \$1,390,000 with this same amount being transferred to an account to pay for operating expenses during the time of redeployment of buses



Recommendation

Reallocation of Metrobuses before the start of the 2008 baseball season is critical to continued safe and reliable service. Therefore, staff recommends Board of Directors approval of the reprogramming.