

Washington Metropolitan Area Transit Authority
Board Action/Information Summary

<input checked="" type="radio"/> Action <input type="radio"/> Information	MEAD Number: 100203	Resolution: <input type="radio"/> Yes <input checked="" type="radio"/> No
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TITLE:

7K Series Railcar Procurement

PURPOSE:

To obtain the Board’s approval to add to the Phase 1 Dulles Corridor Metrorail Project procurement of 64 railcars, (a) an option for the Dulles Phase 2 railcar requirements of 64 cars and (b) options for up to 620 railcars to renew the oldest portion of the WMATA fleet, to rehabilitate the 100 Breda 4000 series railcars and satisfy future Metro ridership projections.

DESCRIPTION:

The Metropolitan Washington Airports Authority (MWAA) has requested 128 railcars for the Dulles Corridor Metrorail Project but has only provided Phase 1 funding for 64 railcars. The 300 original railcars in the 1000 Series need to be replaced at the end of their 40-year life. The 100 railcars in the 4000 Series require mid-life rehabilitation. An additional 130 railcars are necessary to provide for 75% peak-period 8-car train capability and meet the demands of ridership growth and 90 additional railcars are needed to extend that capability to 100%.

The timing of these needs has provided a unique opportunity that permits delivery of 748 railcars within a five year window and a better means for spending our resources wisely. The consolidated procurement is intended to take advantage of economies of scale, to standardize design over a major portion of the fleet, improve quality control and reduce acquisition time and costs.

The contract is structured with a base order of 64 railcars for Dulles Phase 1. All remaining railcars will be options subject to Board approval and availability of funds. The program will have approximately 24 months after contract award in which to exercise the first option. Costs associated with the Dulles Corridor Metrorail Project are to be reimbursed under the existing agreement with MWAA.

A reimbursable Intergovernmental Agreement (IGA) between MWAA and WMATA was signed on September 14, 2007. It provides funding to WMATA for the design and procurement of 64 railcars and the continued technical assistance for Phase 1 which will extend Metrorail service from the current Orange Line through Tysons Corner to Wiehle

Avenue in Fairfax County, Virginia. Inclusion into the Adopted Regional System (ARS) is contingent upon the awarding of a full-funding grant agreement by the Federal Transit Administration to MWAA and other Board requirements. The Dulles project is part of the approved FY 2008-2013 Capital Improvement Program (CIP).

The following table shows the anticipated delivery schedule for the 7000 Series Railcar Procurement Program, if all options are exercised.

Requirements	Qty	Number of Cars Accepted				
		FY 13	FY 14	FY 15	FY 16	FY 17
Dulles	128	36	92			
Renewals	300		16	144	140	
Growth, 100% 8-car	220				40	180
4000 Series Rehab	100		4	32	48	16
	748	36	112	176	228	196

Sealed bid procedures are not appropriate since it is necessary to conduct discussions with offerors to confirm technical acceptability of each offer. The contract will be awarded under "Best Value" competitive negotiation procedures made on a combination of price and technical related factors.

FUNDING IMPACT:

Total program funding needs are \$2.064 billion, of which the Dulles component is fully reimbursable. Award of the Dulles Phase 1 railcar base contract is currently scheduled for October 2009.

The additional funding needed for the WMATA railcar program is not yet programmed and must be addressed prior to award of any options. Bidders will be requested to provide a private financing alternative. The Board of Directors will be kept informed of the status of the financing options and a final recommendation will be made when approval is sought for award.

	Capital - Reimbursable Capital Projects
	System Expansion Program
	Dulles Corridor Metrorail Project
	7000 Series Railcar Procurement Program
	FY 09 - FY 17
Budget:	\$0
This Action:	\$0
Prior Approval:	\$0
Remaining Budget:	\$0

Remarks: The design and procurement of the base contract of the 64 Dulles Corridor Phase 1 railcars is programmed within the approved FY 2008-2013 Capital Improvement Program budget as a reimbursable project. Action to initiate the base contract requires no additional budget authorization. However, funding for the option(s) of up to 584 railcars, including the Dulles Corridor Metrorail Project Phase 2, the additional growth railcars, the replacement of the 1000 Series railcars, and the 4000 Series Rehab is subject to Board approval and the availability of funding and capital program prioritization. It will be included in the program for a total of \$1,881,126,230.

Operating Budget Impact: Annual Expense:
FY09 - \$0
FY10-22 - \$630.2 million

As approved by Resolution 2007-27, adopted on June 28, 2007.

The table, in Attachment 1, shows the projected costs (in millions) for the 7000 Series Railcar Procurement Program, if all options are exercised.

RECOMMENDATION:

WMATA Board of Directors authorize the addition to the previously approved Dulles Corridor Metrorail Project Phase 1 railcar procurement, as options subject to Board approval, availability of funds and recommendation in the capital prioritization process and the addition of options for the acquisition or rehabilitation of up to 684 railcars:

- 64 - Dulles Phase 2 (option #1);
- 130 - Growth for 75% peak-period 8-car trains (option #2);
- 100 - Mid-life rehabilitation of the 4000 Series (option #3);
- 300 - Fleet renewal of the 1000 Series (option #4); and
- 90 - Growth for 100% peak-period 8-car trains (option #5);

The above actions are subject to Board approval, the availability of funding and review in the capital prioritization process.

**BOARD ACTION/INFORMATION SUMMARY
7K SERIES RAILCAR PROCUREMENT
ATTACHMENT 1 - PROJECTED COSTS**

Projected Costs (in millions)	FY07	FY08	FY09	FY10	FY11	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	Total
				9.000	51.000												60.000
Dulles	0.483	0.829	9.401	37.890	60.949	72.570	143.973	30.368	10.804	5.760	2.791	4.092	5.802				385.712
75% 8-car							39.619	242.714	38.360	9.443	6.589	0.881	4.721	9.842			352.169
Renewals								67.748	339.326	336.227	34.095	19.932	6.887	6.796	10.669	19.521	841.201
100% 8-car										134.768	102.319	2.050	10.367	0.873	0.654	10.149	261.180
4000 Series Rehab				0.948	5.076	8.844	14.836	19.446	51.783	47.260	5.848	4.399	3.655	1.894			163.989
Total	0.483	0.829	9.401	47.838	117.025	81.414	198.428	360.276	440.273	533.458	151.642	31.354	31.432	19.405	11.323	29.670	2,064.251