

T&E COMMITTEE #1
March 19, 2013

MEMORANDUM

March 15, 2013

TO: Transportation, Infrastructure, Energy and Environment Committee

FROM: ^{lyo} Glenn Orlin, Deputy Council Staff Director

SUBJECT: Supplemental appropriation and CIP amendment— \$7,500,000 for the Silver Spring Transit Center project

The Paul Sarbanes Transit Center project replaces the existing 30-year-old transit facility with a new three-story, multi-modal transit center, a pedestrian friendly complex supporting rail (Metrorail and MARC), bus (Metrobus, Ride On, intercity bus and various shuttle bus operations), taxis, and kiss-and-ride drop-offs. The project provides for future Transit Oriented Development opportunities, the Gene Lynch Urban Park, the Metropolitan Branch Trail and the future alignment of the MTA Purple Line. The total cost of the project to date is \$109,457,000; Federal aid provided 49% of the funding, State aid about 13%, and various County sources have covered the 38% balance.

The first phase—the relocation of the MARC station to be adjacent to the Metro station—was completed several years ago. The second (and much larger) phase proceeded to construction in the fall of 2008. By late 2011 the project was about 90% finished. However, a major problem was reported with the concrete poured on the reinforcing bars (rebars) on the middle and top floors of the transit center. Subsequently the County decided to hire KCE Structural Engineers to perform a comprehensive review of the design, construction, and inspection of the entire structure. KCE's report is scheduled to be released on March 19.

The County Executive is recommending a supplemental appropriation and CIP amendment that would add \$7.5 million (6.9%) to the project's cost. Approximately \$2.2 million of the cost is for additional legal fees, engineering consultant fees, and County staff charges associated with the construction delays over the last year; the Executive states that he will attempt to recoup these costs from the contractors. The \$5.3 million balance of the request is for cost increases and change orders not directly associated with the delay.

This request is the last in a series of costs that have accrued to this project over the past five years:

Date	Total Cost	Increase & Reason(s)
July 2008	\$90,713,000	+\$18,651,000: Materials cost increases and many scope changes.
May 2010	\$95,596,000	+\$4,883,000: Additional stormwater management facility, hazardous materials found at the site, Interim Operating Site (IOS) construction requirements, additional construction management services due to complexities of the project, additional inspection and testing needs due to DPS's statement of special inspections program, additional construction contingencies, and increased administrative costs for the IOS and the transit center due to the extension of the construction contract.
May 2011	\$98,846,000	+\$3,050,000: Permitting and utility approval delays in relocating major utility lines including WSSC pipes and an existing PEPCO duct bank. In addition, the contractors experienced extreme difficulty with the installation of foundation caissons in rock, which added to the delays. The project schedule delay required an additional 6 months funding for contract administration, architecture/engineer fees, office rental, Van-Go costs, and maintenance of the IOS. +\$200,000: buildout of the Transit Commuter store not previously included.
May 2012	\$109,457,000	+\$7,405,000: Different soil and utility conditions discovered at the site, and scope changes, including unanticipated changes to meet WMATA requirements; +\$3,206,000: delay costs, providing 9 months of contractor construction management, County and architecture/engineer construction administration, inspections, office rental, Van-Go costs, and maintenance of the IOS.
January 2013	\$116,957,000	+\$7,500,000: Increased cost of site improvements, utilities, and construction costs as well as significant project delay costs.

The Department of General Services (DGS) reports that the project is still on schedule for completion in the late summer or early fall of this year. DGS staff will be present at the worksession to address any questions.

Council staff recommendation: Concur with the Executive's request.



OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

January 15, 2013

TO: Nancy Navarro, President, County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Amendment to the FY13-18 Capital Improvements Program and Supplemental Appropriation #17-S13-CMCG-9 to the FY13 Capital Budget
Montgomery County Government
Department of General Services
Silver Spring Transit Center (No. 509974), \$7,500,000

I am recommending a supplemental appropriation to the FY13 Capital Budget and amendment to the FY13-18 Capital Improvements Program in the amount of \$7,500,000 for Silver Spring Transit Center (No. 509974). Appropriation for this project will fund increased costs for the project.

This supplemental appropriation is needed due to cost increases related to site improvements, utilities, and construction costs as well as significant project delay costs. The County intends to seek reimbursement for those project delay costs to the maximum extent allowed under law. The recommended amendment is consistent with the criteria for amending the CIP.

I recommend that the County Council approve this supplemental appropriation and amendment to the FY13-18 Capital Improvements Program in the amount of \$7,500,000 and specify the source of funds as GO Bonds.

I appreciate your prompt consideration of this action.

IL:brg

Attachment: Amendment to the FY13-18 Capital Improvements Program and Supplemental Appropriation #17-S13-CMCG-9

cc: David Dise, Director, Department of General Services
Jennifer Hughes, Director, Office of Management and Budget

Resolution: _____
Introduced: _____
Adopted: _____

COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND

By: Council President at the Request of the County Executive

SUBJECT: Amendment to the FY13-18 Capital Improvements Program and
Supplemental Appropriation #17-S13-CMCG-9 to the FY13 Capital Budget
Montgomery County Government
Department of General Services
Silver Spring Transit Center (No. 509974), \$7,500,000

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Councilmembers. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Councilmembers. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may reapprove the appropriation, as if it were an item in the annual budget.
2. Section 302 of the Montgomery County Charter provides that the Council may amend an approved capital improvements program at any time by an affirmative vote of no fewer than six members of the Council.
3. The County Executive recommends the following capital project appropriation increases:

Project Name	Project Number	Cost Element	Amount	Source of Funds
Silver Spring Transit Center	509974	PDS	\$3,534,000	GO Bonds
		<u>Construction</u>	<u>\$3,966,000</u>	
		TOTAL	\$7,500,000	

4. This supplemental appropriation is needed due to cost increases related to site improvements, utilities, and construction costs as well as significant project delay costs. The County intends to seek reimbursement for those project delay costs to the maximum extent allowed under law. The recommended amendment is consistent with the criteria for amending the CIP.
5. The County Executive recommends an amendment to the FY13-18 Capital Improvements Program and a supplemental appropriation in the amount of \$7,500,000 for Silver Spring Transit Center (No. 509974), and specifies that the source of funds will be GO Bonds.
6. Notice of public hearing was given and a public hearing was held.

Action

The County Council for Montgomery County, Maryland, approves the following action:

The FY13-18 Capital Improvements Program of the Montgomery County Government is amended as reflected on the attached project description form and a supplemental appropriation is approved as follows:

<u>Project Name</u>	<u>Project Number</u>	<u>Cost Element</u>	<u>Amount</u>	<u>Source of Funds</u>
Silver Spring Transit Center	509974	PDS	\$3,534,000	GO Bonds
		<u>Construction</u>	<u>\$3,966,000</u>	
		<u>TOTAL</u>	<u>\$7,500,000</u>	

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Silver Spring Transit Center (P509974)

Category	Transportation	Date Last Modified	1/9/13
Sub Category	Mass Transit	Required Adequate Public Facility	No
Administering Agency	General Services (AAGE29)	Relocation Impact	None
Planning Area	Silver Spring	Status	Under Construction

	Total	Thru FY12	Rem FY12	Total 6 Years	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	Beyond 6 Yrs
EXPENDITURE SCHEDULE (\$000s)											
Planning, Design and Supervision	23,571	13,558	4,879	5,134	4,934	200	0	0	0	0	0
Land	309	275	34	0	0	0	0	0	0	0	0
Site Improvements and Utilities	11,531	217	11,314	0	0	0	0	0	0	0	0
Construction	74,261	79,843	-13,254	7,672	6,372	1,300	0	0	0	0	0
Other	7,285	625	6,660	0	0	0	0	0	0	0	0
Total	116,957	94,518	9,633	12,806	11,306	1,500	0	0	0	0	0

	Total	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	Beyond 6 Yrs
FUNDING SCHEDULE (\$000s)									
Contributions	868	0	0	868	868	0	0	0	0
Federal Aid	53,556	53,556	0	0	0	0	0	0	0
G.O. Bonds	38,745	26,231	4,566	7,948	6,448	1,500	0	0	0
Impact Tax	5,067	0	5,067	0	0	0	0	0	0
Land Sale	4,339	4,339	0	0	0	0	0	0	0
Mass Transit Fund	93	93	0	0	0	0	0	0	0
State Aid	14,289	10,299	0	3,990	3,990	0	0	0	0
Total	116,957	94,518	9,633	12,806	11,306	1,500	0	0	0

APPROPRIATION AND EXPENDITURE DATA (000s)

Appropriation Request	FY 14	0
Supplemental Appropriation Request		7,500 +
Transfer		0
Cumulative Appropriation		109,457
Expenditure / Encumbrances		96,749
Unencumbered Balance		12,708

Date First Appropriation	FY 99
First Cost Estimate	
Current Scope	FY 12 109,457
Last FY's Cost Estimate	109,457

Description

This project replaces the existing 30 year old Silver Spring transit facility with a new 3-story, multi-modal transit center that serves as a vital part of the Silver Spring revitalization initiative. Phase I of this project, completed by the State, relocated the MARC facility near the transit center. In Phase II, the eight acre site will be jointly developed to accommodate a transit center and an urban park. Phase III includes coordinated and integrated transit-oriented private development adjacent to the transit center by WMATA. The transit center consists of a pedestrian friendly complex supporting rail (Metrorail and MARC), bus traffic (Ride On and Metrobus, inter-city and various shuttles), and automobile traffic (taxis and kiss-and-ride). Major features include increasing bus capacity by approximately 50 percent (from 23 bus bays to 32), a 3,500 square foot inter-city bus facility, extensive provisions for safe pedestrian and vehicle movement in a weather protected structure. The project also includes a realignment of Colesville Road, a new traffic light at the transit center entrance, connections to MARC platforms, and enhancement of hiker/biker trails. The design allows sufficient space for the future Purple Line transit system and for an interim hiker/biker trail that will be reconstructed as a permanent hiker/biker trail when the Purple Line transit facility is built in the reserved area. The transit center will be accessible from all sides and on all three levels. The project includes Intelligent Transportation System (ITS) improvements including new signage and infrastructure to accommodate future Automatic Vehicle Locator (AVL) systems, real time bus schedule information, centralized bus dispatch, operational controls, and centralized traffic controls. The project will be constructed in two stages: stage one, started Fall 2006, included road work and relocation of bus stops; stage two is the construction of the new transit center and began Fall 2008.

Estimated Schedule

The project is under construction and has had complications in the installation which has required the County to hire a third party consultant. The findings of the third party consultant will be used to make any needed modifications. It is projected that the facility will be opened in Fall 2013. The Gene Lynch Park and the de-commissioning of the Interim Operations site will occur in FY14 and FY15.

Cost Change

Cost change of \$7,500,000 reflects increases due to site improvements, utilities, and constructions costs as well as significant project delay costs. The County intends to seek reimbursement for those project delay costs to the maximum extent allowed under law.

Justification

Silver Spring Transit Center (P509974)

With over 1,250 bus movements per day, the Silver Spring transit center has the highest bus volume in the Washington metro system. The Silver Spring transit center is a major contributor to the vitality of Silver Spring. There are various existing transit modes at this location although they are poorly organized. Patrons are exposed to inclement weather conditions and interconnectivity between various modes of transportation is poor. There is no provision for future growth and future transit modes. The current facility accommodates approximately 57,000 patrons daily, which is expected to increase by 70 percent to 97,000 by year 2024. The project enhancements will be an urban park and connections to hiker/biker trails. The benefits will be improved pedestrian circulation and safety in a covered facility, and reduced pedestrian conflicts with vehicle movements. All associated trails will be enhanced and new signage will be installed. This project will complement the completed facility of the relocated MARC station and the bridge over CSX and Metro track.

Fiscal Note

The full cost of this project has increased to \$112,049,000 - which includes Federal and State aid in the amount of \$2,592,000 for State of Maryland expenses for planning and supervision (that funding is not reflected in the expenditure and funding schedules of the PDF). Based on agreements with WMATA, Montgomery County will ultimately receive a share of land sale or lease proceeds and 50 percent reimbursement for sewer and water line relocations related to anticipated nearby private development. The amount and timing of these payments is not certain or known at this time and has not been included in the funding schedule. If developer contributions are received after this project is closed, they will be allocated to other capital projects. Project budget reflects an FY12 supplemental and transfers from various transportation projects.

Disclosures

A pedestrian impact analysis has been completed for this project.

The Executive asserts that this project conforms to the requirements of relevant local plans, as required by the Maryland Economic Growth, Resource Protection and Planning Act.

Coordination

CSX Railroad, Federal Transit Administration, Maryland Transit Administration, State Highway Administration, Maryland-National Capital Park and Planning Commission, Department of Permitting Services, WMATA, Department of Transportation, Department of General Services, Department of Technology Services, Silver Spring Regional Services Center, Department of Police, WSSC, PEPCO