



ARLINGTON COUNTY, VIRGINIA

County Board Agenda Item Meeting of October 20, 2012

DATE: October 12, 2012

SUBJECT: Approval of Four Project Agreements (“Agreements”) Between Arlington County, Virginia (“Grantee”) and the Virginia Department of Rail and Public Transportation (“DRPT”) For Use of Commonwealth Transportation Funds

C. M. RECOMMENDATION:

Approve four project agreements (WMATA Capital, Local Capital, WMATA / Local Operating, NVTC administrative funds) for use of Commonwealth Transportation Funds between DRPT and the Grantee (Arlington County), in the substantially final forms attached hereto, and authorize the County Manager to execute the Agreements, subject to approval of the Agreements as to form by the County Attorney, and authorize the County Manager to execute a letter to DRPT providing the details of the grant administration responsibilities the County will assign to the Northern Virginia Transportation Commission (“NVTC”) as the County’s grant agent for purposes of the aforesaid project agreements.

ISSUES: State transit funding from DRPT is contingent upon the County executing the attached project agreements on an annual basis, and providing a letter to DRPT detailing the grant administration responsibilities the County will assign to NVTC.

BACKGROUND: In order to receive funding in FY2013, DRPT is requiring that individual localities that are members of NVTC, which includes the County, enter into separate project agreements for use of Commonwealth Transportation Funds. On May 19, 2012, the County Board approved the current Master Agreement dated May 30, 2012.

In previous years, NVTC was designated as the County’s agent as permitted under the Transportation District Act of 1964 (“Act”), State Code section § 15.2-4518(5). As the County’s agent, NVTC applied and entered into all agreements with DRPT for Commonwealth Transportation Funds on behalf of all participating jurisdictions (Arlington County, Alexandria City, Fairfax County, City of Falls Church and Fairfax City). NVTC has served as the agent for all participating local jurisdictions since the Commonwealth first provided funding for WMATA transit service in 1975.

County Manager:

County Attorney:

Staff: Jason Friess, DMF

18.

On May 15, 2012, DRPT notified the local jurisdictions and NVTC that the individual jurisdictions must enter into project agreements directly with DRPT. Thereafter, on July 8, 2012, the Commonwealth Transportation Board adopted a resolution reallocating funding from NVTC to the individual member jurisdictions on the condition that Compact member jurisdictions must record the allocated funding in accordance with Generally Accepted Government Accounting Principles and with the intended purpose of providing for the jurisdiction's local and WMATA transit service. Until the new Agreements are signed, funding will not be disbursed to the County.

DISCUSSION: The attached Agreements define the scope of work, term and budget for the individual projects included for funding in the FY2013 – FY2018 Six Year Improvement Program (“SYIP”) to provide capital and operating assistance for the County’s local and WMATA transit services. The four attached Agreements are for 1) local transit capital, 2) WMATA capital, 3) WMATA and local transit operations, and 4) a supplemental grant for NVTC operations. The fourth project agreement for NVTC operations includes a supplemental grant being provided by DRPT due to its omission from the original SYIP. Authorization for the County Manager to execute these agreements is subject to County Attorney review of the final agreements which are anticipated to be in substantially the same form as those attached to this Report.

FISCAL IMPACT: The level of funding to be received from DRPT as outlined in the FY 2013 – FY 2018 Six Year Improvement Plan will remain unchanged based on these new agreements.

- Local Capital - \$2,407,260
- WMATA Capital - \$8,982,942
- Local & WMATA Operating -\$21,036,616

Funding received from DRPT will continue to allocated to NVTC jurisdictions per State Code section 58.1-638.A.5. As the County’s designated agent, NVTC will continue to perform, among other functions, administrative duties related to the collection, receipt and disbursement of the County’s State transit aid.

**Project Agreement for Use Of
Commonwealth Transportation Funds
Fiscal Year 2013
Six Year Improvement Program Approved Projects
Grant Numbers 73113-28 thru 73113-33, 71213-02**

This Project Agreement (“Agreement”) is entered into this ____ day of _____, 20____ by and between the Commonwealth of Virginia (“Commonwealth”), Department of Rail and Public Transportation (“Department”), and the County Board of Arlington County, Virginia (“Grantee”), for the provision of funding for approved Capital Projects.

WHEREAS, the Northern Virginia Transportation Commission, on behalf of the Grantee, submitted an application to the Department for funding in the Fiscal Year 2013 – Fiscal Year 2018 Six Year Improvement Program (SYIP) for capital assistance to support the Grantee’s locally provided transit service; and

WHEREAS, on May 15, 2012, the DRPT Director notified the Grantee that SYIP funds distributed as state transit assistance would be provided directly to each jurisdiction beginning in FY2013, and by letter dated June 8, 2012, the Grantee accepted the NVTC application funding on its behalf and notified DRPT of its acceptance; and

WHEREAS, the Department approved the application for funding for capital assistance and made recommendation for approval to the Commonwealth Transportation Board; and

WHEREAS, on June 20, 2012, the Commonwealth Transportation Board (“CTB”) allocated funding for capital assistance, but delayed distribution of funds allocated to the Northern Virginia jurisdictions; and

WHEREAS, on July 18, 2012, the CTB directed the distribution of SYIP funds to support the Northern Virginia transit services provided by the Grantee to be made by the Department directly to the Grantee with the intended purpose of providing for Grantee’s locally provided transit service; and

WHEREAS, the Grantee understands and acknowledges the Special Capital Provisions of the Master Agreement, and the Work produced pursuant to Article 1 of this Agreement will comply with these provisions; and

WHEREAS, it is desired by the Parties hereto to define the extent of the Projects addressed herein, the responsibilities of each party, the manner of performing the necessary Work, the method and time of payment, and to set out additional conditions associated with the Projects; and

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth, it is agreed and bound between the Parties hereto as follows:

ARTICLE 1. SCOPE OF WORK, TERM AND BUDGET

1. The Work under the terms of this Agreement is as follows:
 - a. rehabilitation of two heavy-duty, low floor CNG buses to extend the life to sixteen years, and
 - b. renovation of the new ART operations and administration office and demolition of current ART building to accommodate parking for buses, and
 - c. replacement, installation, or improvement of bus shelters throughout Arlington County, as determined by the Bus Stop Study, current bus route strategies in the Transit Development Plan, and citizen input, plus transit stop improvements to be completed as part of the “Decal Fee” improvements, and
 - d. conduct preliminary engineering and design of Columbia Pike Streetcar project, and
 - e. purchase ITS hardware and software to improve use of technology to solve street bus safety issues, provide accurate and timely bus arrival information, and establish a wireless network among buses, and
 - f. design and construction around the existing Crystal City Metro Station to become more multimodal in nature, including bike racks, bus stop signs, expanded pedestrian plaza, landscaping, and providing more bus and metro information to passengers, and
 - g. hire a transit intern.

2. The Grantee may designate the Northern Virginia Transportation Commission (“NVTC”) or any other entity as their authorized agent to perform administrative activities. In order to do so, the Grantee must notify the Department in writing using a letter in the format of the letter hereto attached and marked as Appendix 8. If the Grantee designates an entity other than NVTC, they must request the Department's approval in advance, in accordance with the terms of the Master Funding Agreement. If the Grantee designates NVTC as their authorized agent, they must follow these conditions:
 - a. In the event that the Grantee designates NVTC as their authorized agent pursuant to §15.2-4518 Section 5 of the Code of Virginia to perform administrative activities as required by this Agreement, the Grantee is required to notify the Department of such duties and activities with NVTC (the “NVTC Agent Letter”). The Grantee must provide the Department such NVTC Agent Letter specifying the terms, powers, and duties of NVTC in this relationship for review and concurrence before the Department can take the appropriate actions to establish the financial relationship and controls with NVTC as the Grantee’s authorized agent. This NVTC Agent Letter

must provide that NVTC will follow the terms of this Agreement, and that no modification or change to the terms and conditions contained in the NVTC Agent Letter can be made without the prior written notification to the Department by the Grantee and concurrence by the Department.

- b. In the event that an agent is designated as the grantee's authorized agent to perform administrative activities as required by this Agreement, the Grantee remains responsible to the Department for the Work and terms of this Agreement.
- c. In the event that the Grantee designates NVTC as their authorized agent to perform administrative activities as required by this Agreement, and the Department concurs with the terms, powers, and duties of NVTC in this relationship, and the Grantee joins the other WMATA service jurisdictions within NVTC to pool state transit funding provided for the provision of local transit operations and/or to also pool its state transit funding provided as the payment of state contribution subsidy to WMATA for transit services provided to the WMATA Compact member jurisdictions to meet the WMATA service jurisdictions' obligations of the WMATA Compact, the Grantee must ensure that NVTC provides a statement letter showing the net impact of the reallocation of the State assistance by NVTC's Subsidy Allocation Model ("SAM") between the WMATA Compact jurisdictions, and send such letter to both the Grantee's Governing Board and its individual membership and the Department within 120 days after the end of the Fiscal Year 2013. If an audit of NVTC or its member jurisdictions reveals that the net impact of reallocation is changed, an adjusted letter showing the net impact must be submitted to the Department and the Grantee's Governing Board by December 31 of each year.
- d. Regardless of whether or not NVTC is designated as the Grantee's agent, the Grantee is responsible to the Department for the full value allocation, distribution, terms, and recording of allocated funding made by the Department pursuant to the terms of this Agreement.

3. The Department agrees to provide funding as detailed below:

- a. State grant funding for rehabilitation of two heavy-duty, low floor CNG buses to extend the life to sixteen years, in the amount of \$275,000 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 1, which is hereto attached and made a part of this Agreement.
- b. State grant funding for demolition of ART House building, to accommodate parking for buses, in the amount of \$82,500 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 2, which is hereto attached and made a part of this Agreement.

- c. State grant funding for replacement, installation, or improvement of bus shelters throughout Arlington County, as determined by the Bus Stop Study, current bus route strategies in the Transit Development Plan, and citizen input, plus transit stop improvements to be completed as part of the “Decal Fee” improvements, in the amount of \$110,000 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 3, which is hereto attached and made a part of this Agreement.
 - d. State grant funding for preliminary engineering and design phase of Columbia Pike Streetcar project in the amount of \$1,755,000 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 4, which is hereto attached and made a part of this Agreement.
 - e. State grant funding for improved use of technology to solve on street bus safety issues, provide accurate and timely bus arrival information, and establish a wireless network among buses, in the amount of \$71,500 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 5, which is hereto attached and made a part of this Agreement.
 - f. State grant funding for design and construction around the existing Crystal City Metro Station to become fore multi modal in nature, including bike racks, bus stop signs, expanded pedestrian plaza, landscaping, and providing more bus and metro information to passengers, in the amount of \$93,500 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 6, which is hereto attached and made a part of this Agreement.
 - g. State grant funding to hire a transit intern, in the amount of \$19,760 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 7, which is hereto attached and made a part of this Agreement.
4. The Grantee hereby acknowledges that state grant funding for these grants cannot exceed the amount allocated by the Commonwealth Transportation Board (“CTB”) and that state grant funding is contingent upon appropriation by the General Assembly of Virginia.

ARTICLE 2. INCORPORATION OF MASTER AGREEMENT FOR USE OF COMMONWEALTH FUNDS

The parties hereby agree to incorporate the Master Agreement for Use of Commonwealth Transportation Funds, dated May 30, 2012, as if set out in full herein.

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IN WITNESS WHEREOF, the Department and the Grantee execute this Project Agreement for the Use of Commonwealth Transportation Funds on the date first written above.

DEPARTMENT OF RAIL AND
PUBLIC TRANSPORTATION

WITNESS:

By: _____

Thelma Drake
Director

Date: _____

COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

WITNESS:

By: _____

Name: _____

Date: _____

Title: _____

Appendix 1

**Grantee: County Board of Arlington County, VA
Capital Project Agreement**

**Project: Rehabilitate/Rebuild Two 2007 NABI Buses to
Extend Life to 16 Years**

Project Number: 73113-28

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2014

EIN: 546001123-00

Fund Code		Item Amount
478	Grant Amount (State share of project cost 55%)	\$275,000
1400	Local share of project cost (45%)	\$225,000
	Total Project Expense	\$500,000

In no event shall this grant exceed \$275,000.

Appendix 2

Grant Recipient: County Board of Arlington County, VA

Project: Rehabilitation and Renovation of New Operations and Administration Facility, and Demolition of Old Facility

Project Number: 73113-29

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2014

EIN: 546001123-00

Fund Code		Item Amount
478	Grant Funding (State share of project cost 55%)	\$ 82,500
1400	Local share of project cost (45%)	\$ 67,500
	Total Project Expense	\$150,000

In no event shall this grant exceed \$82,500.

Appendix 3

**Grantee: County Board of Arlington County, VA
Capital Project Agreement**

Project: Purchase New and Replacement Bus Shelters

Project Number: 73113-30

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2014

EIN: 546001123-00

Fund Code		Item Amount
478	Grant Amount (State share of project cost 55%)	\$110,000
1400	Local share of project cost (45%)	\$ 90,000
	Total Project Expense	\$200,000

In no event shall this grant exceed \$110,000.

Appendix 4

Grantee: County Board of Arlington County, VA
Capital Project Agreement Summary

**Project: Preliminary Engineering and Design for
Columbia Pike Streetcar Project**

Project Number: 73113-31
Project Start Date: July 1, 2012
Project Expiration Date: June 30, 2014
EIN: 546001123-00

Fund Code		Item Amount
478	Grant Amount (State share of project cost 39%)	\$1,755,000
1400	Local share of project cost (61%)	\$2,745,000
	Total Project Expense	\$4,500,000

In no event shall this grant exceed \$1,755,000.

Appendix 5

**Grantee: County Board of Arlington County, VA
Capital Project Agreement**

**Project: Purchase Transit ITS Program
Hardware and Software**

**Project Number: 73113-32
Project Start Date: July 1, 2012
Project Expiration Date: June 30, 2014
EIN: 546001123-00**

Fund Code		Item Amount
478	Grant Amount (State share of project cost 55%)	\$ 71,500
1400	Local share of project cost (45%)	\$ 58,500
	Total Project Expense	\$130,000

In no event shall this grant exceed \$71,500.

Appendix 6

**Grantee: County Board of Arlington County, VA
Capital Project Agreement**

**Project: Design & Construction - Crystal City
Multimodal Station**

Project Number: 73113-33

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2014

EIN: 546001123-00

Fund Code		Item Amount
478	Grant Amount (State share of project cost 55%)	\$ 93,500
1400	Local share of project cost (45%)	\$ 76,500
	Total Project Expense	\$170,000

In no event shall this grant exceed \$93,500.

Appendix 7

Grantee: County Board of Arlington County, VA

**Funding for Transit Intern
Special Intern Grant**

Project Number: 71213-02

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2014

EIN: 546001123-00

Fund Code		Item Amount
477	Grant Amount (State share of project cost 95%)	\$19,760
1400	Local share of project cost (5%)	\$ 1,040
	Total Project Expense	\$20,800

In no event shall this grant exceed \$19,760.



Appendix 8
Agent Authorization Letter

Dear Director Drake:

As the duly authorized representative of Arlington County, I am writing to notify the Department that Arlington County designates the Northern Virginia Transportation Commission (NVTC) as its agent, pursuant to §15.2-4518 Section 5 of the Code of Virginia, in matters pertaining to the financial grants administration of the following Project Agreement(s) for the Use of Commonwealth Transportation Funds for Fiscal Year 2013, which are a part of the Six Year Improvement Program approved Projects, in accordance with the provisions of Section 2 of the Project Agreement(s) for the Use of Commonwealth Transportation Funds for Fiscal Year 2013:

Project Number	Project Name	Amount
73113-28	Rehabilitate/Rebuild Two 2007 NABI Buses to Extend Life to 16 Years	275,000
73113-29	Rehabilitation and Renovation of New Operations and Administration Facility, and Demolition of Old Facility	82,500
73113-30	Purchase New and Replacement Bus Shelters	110,000
73113-31	Preliminary Engineering and Design for Columbia Pike Streetcar Project	1,755,000
73113-32	Purchase Transit ITS Program Hardware and Software	71,500
73113-33	Design & Construction - Crystal City Multimodal Station	93,500
73113-34	Funding for Transit Intern	19,760
Total		2,407,260

By this letter of agent authorization, Arlington County grants the authority to NVTC to act as its agent and apply on its behalf for Fiscal Year 2014 State Transit Assistance in the DRPT On-Line Grant Administration (OLGA) system and perform other grant administrative activities with DRPT as required under the terms and conditions of the Fiscal Year 2013 Master and Project Grant Agreement(s). This grant of authority is contingent upon concurrence with the terms, powers, and duties of NVTC in this relationship specified above, and shall become effective immediately upon execution of Agreements by the Department.

Sincerely,

Barbara M. Donnellan
County Manager
Arlington County, Virginia

**Project Agreement for Use Of
Commonwealth Transportation Funds
Fiscal Year 2013
Six Year Improvement Program Approved Projects
Grant Numbers 73113-62 thru 73113-66**

This Project Agreement (“Agreement”) is entered into this ____ day of _____, 20____ by and between the Commonwealth of Virginia (“Commonwealth”), Department of Rail and Public Transportation (“Department”), and the County Board of Arlington County, Virginia (“Grantee”), for the provision of funding for Fiscal Year 2013 capital assistance.

WHEREAS, the Northern Virginia Transportation Commission, on behalf of the Grantee, submitted application to the Department for funding in the Fiscal Year 2013 – Fiscal Year 2018 Six Year Improvement Program (SYIP) for operating and capital assistance to support Washington Metropolitan Area Transportation Authority (WMATA) as a state contribution distribution to each local WMATA service area jurisdiction’s obligation to provide funding subsidy to WMATA and for operating and capital assistance to support the Grantee’s locally provided transit service; and

WHEREAS, on May 15, 2012, the DRPT Director notified the Grantee that SYIP funds distributed as state transit assistance would be provided directly to each jurisdiction beginning in FY2013, and by letter dated June 8, 2012, the Grantee accepted the NVTC application funding on its behalf and notified DRPT of its acceptance; and

WHEREAS, the Department approved the application for funding for the operating and capital assistance and made recommendation for approval to the Commonwealth Transportation Board; and

WHEREAS, on June 20, 2012, the Commonwealth Transportation Board (“CTB”) allocated funding for operating and capital assistance, but delayed distribution of funds allocated to the Northern Virginia jurisdictions and WMATA; and

WHEREAS, on July 18, 2012, the CTB directed the distribution of SYIP funds to support the Northern Virginia transit services provided by the Grantee to be made by the Department directly to the Grantee conditioned upon the Grantee recording the allocated funding in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing for Grantee’s locally provided transit service; and

WHEREAS, on July 18, 2012, the CTB approved a revision to the SYIP to reallocate operating and capital assistance funding, previously allocated in the SYIP to the Washington Metropolitan Area Transit Authority (“WMATA”), to the Grantee, as included in the WMATA jurisdictions, based on the individual jurisdiction’s proportionate subsidy share as identified by WMATA, conditioned that the WMATA Compact member jurisdictions must record the allocated funding in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing funding to offset the jurisdiction’s obligation to provide subsidy

funding for WMATA service within its jurisdiction; and

WHEREAS, it is desired by the Parties hereto to define the extent of the Projects addressed herein, the responsibilities of each party, the manner of performing the necessary Work, the method and time of payment, and to set out additional conditions associated with the Projects; and

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth, it is agreed and bound between the Parties hereto as follows:

ARTICLE 1. SCOPE OF WORK, TERM AND BUDGET

1. The Work under the terms of this Agreement is as follows:
 - a. Payment of state contribution subsidy to WMATA for the Grantee's share as of the debt service on the Gross Revenue Transit Refunding Bonds, Series 2003 maturing in Fiscal Year 2014 for the construction of the original rail system operated by WMATA. The Grantee must record the state contribution subsidy funding provided by the Department to the Grantee as allocated in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing funding to offset the jurisdiction's obligation to provide subsidy funding for WMATA service within its jurisdiction.
 - b. Payment of state contribution subsidy for the Grantee's share of the debt service incurred during Fiscal Year 2013 on the amount of funding used by the WMATA Compact member jurisdiction to opt out of the Metro Matters bond issue in June of 2009. The Grantee must record the state contribution subsidy funding provided by the Department to the Grantee as allocated in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing funding to offset the jurisdiction's obligation to provide subsidy funding for WMATA service within its jurisdiction.
 - c. Payment of state contribution subsidy to WMATA for the Grantee's share of project development costs incurred by WMATA. The Grantee must record the state contribution subsidy funding provided by the Department to the Grantee as allocated in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing funding to offset the jurisdiction's obligation to provide subsidy funding for WMATA service within its jurisdiction.
 - d. Payment of state contribution subsidy to WMATA for the Grantee's share of other asset and credit facility expenses included in WMATA's Fiscal Year 2013 Annual Work Plan. The Grantee must record the state contribution subsidy funding provided by the Department to the Grantee as allocated in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing funding to offset the jurisdiction's obligation to provide subsidy funding for WMATA service within its jurisdiction.

e. Payment of state contribution subsidy to WMATA for the Grantee's share of replacement rolling stock expenses included in WMATA's Fiscal Year 2013 Annual Work Plan. The Grantee must record the state contribution subsidy funding provided by the Department to the Grantee as allocated in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing funding to offset the jurisdiction's obligation to provide subsidy funding for WMATA service within its jurisdiction.

2. The Grantee may designate the Northern Virginia Transportation Commission ("NVTC") or any other entity as their authorized agent to perform administrative activities. In order to do so, the Grantee must notify the Department in writing using a letter in the format of the letter hereto attached and marked as Appendix 6. If the Grantee designates an entity other than NVTC, they must request the Department's approval in advance, in accordance with the terms of the Master Funding Agreement. If the Grantee designates NVTC as their authorized agent, they must follow these conditions:

a. In the event that the Grantee designates NVTC as their authorized agent pursuant to §15.2-4518 Section 5 of the Code of Virginia to perform administrative activities as required by this Agreement, the Grantee is required to notify the Department of such duties and activities with NVTC (the "NVTC Agent Letter"). The Grantee must provide the Department such NVTC Agent Letter specifying the terms, powers, and duties of NVTC in this relationship for review and concurrence before the Department can take the appropriate actions to establish the financial relationship and controls with NVTC as the Grantee's authorized agent. This NVTC Agent Letter must provide that NVTC will follow the terms of this Agreement, and that no modification or change to the terms and conditions contained in the NVTC Agent Letter can be made without the prior written notification to the Department by the Grantee and concurrence by the Department.

b. In the event that an agent is designated as the grantee's authorized agent to perform administrative activities as required by this Agreement, the Grantee remains responsible to the Department for the Work and terms of this Agreement.

c. In the event that the Grantee designates NVTC as their authorized agent to perform administrative activities as required by this Agreement, and the Department concurs with the terms, powers, and duties of NVTC in this relationship, and the Grantee joins the other WMATA service jurisdictions within NVTC to pool state transit funding provided for the provision of local transit operations and/or to also pool its state transit funding provided as the payment of state contribution subsidy to WMATA for transit services provided to the WMATA Compact member jurisdictions to meet the WMATA service jurisdictions' obligations of the WMATA Compact, the Grantee must ensure that NVTC provides a statement letter showing the net impact of the reallocation of the State assistance by NVTC's Subsidy Allocation Model ("SAM") between the WMATA Compact jurisdictions, and send such letter to both the Grantee's Governing Board and its individual membership and the

Department within 120 days after the end of the Fiscal Year 2013. If an audit of NVTC or its member jurisdictions reveals that the net impact of reallocation is changed, an adjusted letter showing the net impact must be submitted to the Department and the Grantee's Governing Board by December 31 of each year.

- d. Regardless of whether or not NVTC is designated as the Grantee's agent, the Grantee is responsible to the Department for the full value allocation, distribution, terms, and recording of allocated funding made by the Department pursuant to the terms of this Agreement.

3. The Department agrees to provide funding as detailed below:

- a. State grant funding for Grantee's share of WMATA's debt service on the Gross Revenue Transit Refunding Bonds, Series 2003 maturing in Fiscal Year 2014 for the construction of the original rail system operated by WMATA in the amount of \$888,219 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 1, which is hereto attached and made a part of this Agreement.
- b. State grant funding for Grantee's share of the debt service incurred during Fiscal Year 2013 on the amount of funding used by each WMATA Compact member jurisdiction to opt out of the Metro Matters bond issue in June of 2009 in the amount of \$882,368 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 2, which is hereto attached and made a part of this Agreement.
- c. State grant funding for state contribution subsidy to WMATA for the Grantee's share of project development costs incurred by WMATA in the amount of \$143,550 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 3, which is hereto attached and made a part of this Agreement.
- d. State grant funding for state contribution subsidy to WMATA for the Grantee's share of other asset and credit facility expenses included in WMATA's Fiscal Year 2013 Annual Work Plan in the amount of \$5,799,502 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 4, which is hereto attached and made a part of this Agreement.
- e. State grant funding for state contribution subsidy to WMATA for the Grantee's share of replacement rolling stock expenses included in WMATA's Fiscal Year 2013 Annual Work Plan in the amount of \$1,269,303 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 5, which is hereto attached and made a part of this Agreement.

4. The Grantee hereby acknowledges that state grant funding for this grant cannot exceed the amount allocated by the Commonwealth Transportation Board (“CTB”) and that state grant funding is contingent upon appropriation by the General Assembly of Virginia.

**ARTICLE 2. INCORPORATION OF MASTER AGREEMENT
FOR USE OF COMMONWEALTH FUNDS**

The parties hereby agree to incorporate the Master Agreement for Use of Commonwealth Transportation Funds, dated May 30, 2012, as if set out in full herein.

This space intentionally left blank

IN WITNESS WHEREOF, the Department and the Grantee execute this Project Agreement for the Use of Commonwealth Transportation Funds on the date first written above.

DEPARTMENT OF RAIL AND
PUBLIC TRANSPORTATION

WITNESS:

By: _____

Thelma Drake
Director

Date: _____

COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

WITNESS:

By: _____

Name: _____

Date: _____

Title: _____

Appendix 1

Grantee: Arlington County

**Funding for WMATA Debt Service
Capital Project Agreement**

Project Number: 73113-62

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2013

EIN: 546001123

Fund Code		Item Amount
477	State share of project cost (55%)	\$ 888,219
1400	Local share of project cost (45%)	\$ 726,726
	Total Project Expense	\$1,614,945

In no event shall this grant exceed \$888,219.

Appendix 2

Grantee: Arlington County

**Funding for WMATA Metro Matters - Jurisdiction Debt Service
Capital Project Agreement**

Project Number: 73113-63

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2013

EIN: 546001123

Fund Code		Item Amount
477	State share of project cost (55%)	\$ 882,368
1400	Local share of project cost (45%)	\$ 721,939
	Total Project Expense	\$1,604,307

In no event shall this grant exceed \$882,368.

Appendix 3

Grantee: Arlington County

**Funding for WMATA Project Development
Capital Project Agreement**

Project Number: 73113-64

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2013

EIN: 546001123

Fund Code		Item Amount
477	State share of project cost (55%)	\$143,550
1400	Local share of project cost (45%)	\$117,450
	Total Project Expense	\$261,000

In no event shall this grant exceed \$143,550.

Appendix 4

Grantee: Arlington County

**Funding for WMATA Capital Improvement Program
Other Assets and Credit Facility
Capital Project Agreement**

Project Number: 73113-65

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2013

EIN: 546001123

Fund Code		Item Amount
477	State share of project cost (51%)	\$ 5,354,902
478	State share of project cost (4%)	\$ 444,600
1400	Local share of project cost (45%)	\$ 4,745,047
	Total Project Expense	\$10,544,549

In no event shall this grant exceed \$5,799,502.

Appendix 5

Grantee: Arlington County

**Funding for WMATA Capital Improvement Program
Replacement Rolling Stock
Capital Project Agreement**

Project Number: 73113-66

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2013

EIN: 546001123

Fund Code		Item Amount
478	State share of project cost (80%)	\$1,269,303
1400	Local share of project cost (20%)	\$ 317,326
	Total Project Expense	\$1,586,629

In no event shall this grant exceed \$1,269,303.



Appendix 6
Agent Authorization Letter

Dear Director Drake:

As the duly authorized representative of Arlington County, I am writing to notify the Department that Arlington County designates the Northern Virginia Transportation Commission (NVTC) as its agent, pursuant to §15.2-4518 Section 5 of the Code of Virginia, in matters pertaining to the financial grants administration of the following Project Agreement(s) for the Use of Commonwealth Transportation Funds for Fiscal Year 2013, which are a part of the Six Year Improvement Program approved Projects, in accordance with the provisions of Section 2 of the Project Agreement(s) for the Use of Commonwealth Transportation Funds for Fiscal Year 2013:

Project Number	Project Name	Amount
73113-62	Funding for WMATA Debt Service	888,219
73113-63	Funding for WMATA Metro Matters – Jurisdiction Debt Service	882,368
73113-64	Funding for WMATA Project Development	143,550
73113-65	Funding for WMATA CIP Other Assets and Credit Facility	5,799,502
73113-66	Funding for WMATA CIP Replacement Rolling Stock	1,269,303
	Total	8,982,942

By this letter of agent authorization, Arlington County grants the authority to NVTC to act as its agent and apply on its behalf for Fiscal Year 2014 State Transit Assistance in the DRPT On-Line Grant Administration (OLGA) system and perform other grant administrative activities with DRPT as required under the terms and conditions of the Fiscal Year 2013 Master and Project Grant Agreement(s). This grant of authority is contingent upon concurrence with the terms, powers, and duties of NVTC in this relationship specified above, and shall become effective immediately upon execution of Agreements by the Department.

Sincerely,

Barbara M. Donnellan
County Manager
Arlington County, Virginia

**Project Agreement for Use Of
Commonwealth Transportation Funds
Fiscal Year 2013
Six Year Improvement Program Approved Projects
Grant Numbers 72013-29 and 72013-57**

This Project Agreement (“Agreement”) is entered into this ____day of _____, 20____ by and between the Commonwealth of Virginia (“Commonwealth”), Department of Rail and Public Transportation (“Department”), and the County Board of Arlington County, Virginia (“Grantee”), for the provision of funding for Fiscal Year 2013 operating assistance.

WHEREAS, the Northern Virginia Transportation Commission, on behalf of the Grantee, submitted application to the Department for funding in the Fiscal Year 2013 – Fiscal Year 2018 Six Year Improvement Program (SYIP) for operating assistance to support Washington Metropolitan Area Transportation Authority (WMATA) as a state contribution distribution to each local WMATA service area jurisdiction’s obligation to provide funding subsidy to WMATA and for operating and capital assistance to support the Grantee’s locally provided transit service; and

WHEREAS, on May 15, 2012, the DRPT Director notified the Grantee that SYIP funds distributed as state transit assistance would be provided directly to each jurisdiction beginning in FY2013, and by letter dated June 8, 2012, the Grantee accepted the NVTC application funding on its behalf and notified DRPT of its acceptance; and

WHEREAS, the Department approved the application for funding for the operating assistance and made recommendation for approval to the Commonwealth Transportation Board; and

WHEREAS, on June 20, 2012, the Commonwealth Transportation Board (“CTB”) allocated funding for operating assistance, but delayed distribution of funds allocated to the Northern Virginia jurisdictions and WMATA; and

WHEREAS, on July 18, 2012, the CTB directed the distribution of SYIP funds to support the Northern Virginia transit services provided by the Grantee to be made by the Department directly to the Grantee conditioned upon the Grantee recording the allocated funding in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing for Grantee’s locally provided transit service; and

WHEREAS, on July 18, 2012, the CTB approved a revision to the SYIP to reallocate operating assistance funding, previously allocated in the SYIP to the Washington Metropolitan Area Transit Authority (“WMATA”), to the Grantee, as included in the WMATA jurisdictions, based on the individual jurisdiction’s proportionate subsidy share as identified by WMATA, conditioned that the WMATA Compact member jurisdictions must record the allocated funding in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing funding to offset the jurisdiction’s obligation to provide subsidy funding for WMATA

service within its jurisdiction; and

WHEREAS, it is desired by the Parties hereto to define the extent of the Projects addressed herein, the responsibilities of each party, the manner of performing the necessary Work, the method and time of payment, and to set out additional conditions associated with the Projects; and

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth, it is agreed and bound between the Parties hereto as follows:

ARTICLE 1. SCOPE OF WORK, TERM AND BUDGET

1. The Work under the terms of this Agreement is as follows:
 - a. Operation of Arlington County's transit service. In providing this service, the Grantee must record the allocated funds provided by this Agreement in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing for Grantee's locally provided transit service.
 - b. Payment of state contribution subsidy to WMATA for transit services provided to the WMATA Compact member jurisdictions based on the Grantee's proportionate subsidy share as identified by WMATA. In providing for this service obligation, the Grantee must record the state contribution subsidy funding provided by the Department to the Grantee as allocated in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing funding to offset the jurisdiction's obligation to provide subsidy funding for WMATA service within its jurisdiction.
2. The Grantee may designate the Northern Virginia Transportation Commission ("NVTC") or any other entity as their authorized agent to perform administrative activities. In order to do so, the Grantee must notify the Department in writing using a letter in the format of the letter hereto attached and marked as Appendix 3. If the Grantee designates an entity other than NVTC, they must request the Department's approval in advance, in accordance with the terms of the Master Funding Agreement. If the Grantee designates NVTC as their authorized agent, they must follow these conditions:
 - a. In the event that the Grantee designates NVTC as their authorized agent pursuant to §15.2-4518 Section 5 of the Code of Virginia to perform administrative activities as required by this Agreement, the Grantee is required to notify the Department of such duties and activities with NVTC (the "NVTC Agent Letter"). The Grantee must provide the Department such NVTC Agent Letter specifying the terms, powers, and duties of NVTC in this relationship for review and concurrence before the Department can take the appropriate actions to establish the financial relationship and controls with NVTC as the Grantee's authorized agent. This NVTC Agent Letter must provide that NVTC will follow the terms of this Agreement, and that no

modification or change to the terms and conditions contained in the NVTC Agent Letter can be made without the prior written notification to the Department by the Grantee and concurrence by the Department.

- b. In the event that an agent is designated as the grantee's authorized agent to perform administrative activities as required by this Agreement, the Grantee remains responsible to the Department for the Work and terms of this Agreement.
 - c. In the event that the Grantee designates NVTC as their authorized agent to perform administrative activities as required by this Agreement, and the Department concurs with the terms, powers, and duties of NVTC in this relationship, and the Grantee joins the other WMATA service jurisdictions within NVTC to pool state transit funding provided for the provision of local transit operations and/or to also pool its state transit funding provided as the payment of state contribution subsidy to WMATA for transit services provided to the WMATA Compact member jurisdictions to meet the WMATA service jurisdictions' obligations of the WMATA Compact, the Grantee must ensure that NVTC provides a statement letter showing the net impact of the reallocation of the State assistance by NVTC's Subsidy Allocation Model ("SAM") between the WMATA Compact jurisdictions, and send such letter to both the Grantee's Governing Board and its individual membership and the Department within 120 days after the end of the Fiscal Year 2013. If an audit of NVTC or its member jurisdictions reveals that the net impact of reallocation is changed, an adjusted letter showing the net impact must be submitted to the Department and the Grantee's Governing Board by December 31 of each year.
 - d. Regardless of whether or not NVTC is designated as the Grantee's agent, the Grantee is responsible to the Department for the full value allocation, distribution, terms, and recording of allocated funding made by the Department pursuant to the terms of this Agreement.
3. The Department agrees to provide funding as detailed below:
- a. State grant funding for Fiscal Year 2013 transit operating assistance for Arlington County's transit service in the amount of \$1,941,147 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 1, which is hereto attached and made a part of this Agreement.
 - b. State grant funding for Arlington County's state contribution subsidy owed to WMATA for transit services provided to the WMATA Compact member jurisdictions in the amount of \$19,095,469 approved in the Fiscal Year 2013 Six Year Improvement Program. Details concerning this funding are contained in Appendix 2, which is hereto attached and made a part of this Agreement.
4. The Grantee hereby acknowledges that state grant funding for this grant cannot exceed the amount allocated by the Commonwealth Transportation Board ("CTB") and that state

grant funding is contingent upon appropriation by the General Assembly of Virginia.

**ARTICLE 2. INCORPORATION OF MASTER AGREEMENT
FOR USE OF COMMONWEALTH FUNDS**

The parties hereby agree to incorporate the Master Agreement for Use of Commonwealth Transportation Funds, dated May 30, 2012, as if set out in full herein.

This space intentionally left blank

IN WITNESS WHEREOF, the Department and the Grantee execute this Project Agreement for the Use of Commonwealth Transportation Funds on the date first written above.

DEPARTMENT OF RAIL AND
PUBLIC TRANSPORTATION

WITNESS:

By: _____

Thelma Drake
Director

Date: _____

COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

WITNESS:

By: _____

Name: _____

Date: _____

Title: _____

Appendix 1

Grantee: County Board of Arlington County, VA

Project Number: 72013-29

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2013

EIN: 546001123

Operating Assistance Payment Schedule

Payment No.	Estimated Payment Date	Payment Amount
1	August 15, 2012	\$ 436,757
2	October 15, 2012	\$ 436,757
3	January 15, 2013	\$ 436,757
4	April 15, 2013	\$ 436,757
5	Final Payment *	\$ 194,119
TOTAL GRANT AMOUNT		\$1,941,147

* Final Payment will be processed when a properly completed and signed copy of the Final Eligibility Report is received by the Department. The Final Eligibility Report must be submitted to the Department no later than September 30, 2013, as described in the Grantee Handbook.

Appendix 2

Grantee: County Board of Arlington County, Virginia
WMATA Operating Costs - Arlington County Obligation - State
Contribution Subsidy

Project Number: 72013-57
Project Start Date: July 1, 2012
Project Expiration Date: June 30, 2013
EIN: 546001123

WMATA Operating Assistance Payment Schedule

Payment No.	Estimated Payment Date	Payment Amount
1	July 15, 2012	\$ 1,591,289
2	August 15, 2012	\$ 1,591,289
3	September 15, 2012	\$ 1,591,289
4	October 15, 2012	\$ 1,591,289
5	November 15, 2012	\$ 1,591,289
6	December 15, 2012	\$ 1,591,289
7	January 15, 2013	\$ 1,591,289
8	February 15, 2013	\$ 1,591,289
9	March 15, 2013	\$ 1,591,289
10	April 15, 2013	\$ 1,591,289
11	May 15, 2013	\$ 1,591,289
12	Final Payment *	\$ 1,591,290
TOTAL GRANT AMOUNT		\$19,095,469

* Final Payment will be processed when a properly completed and signed copy of the Final Eligibility Report is received by the Department. The Final Eligibility Report must be submitted to the Department no later than September 30, 2013, as described in the Grantee Handbook.



Appendix 3
Agent Authorization Letter

Dear Director Drake:

As the duly authorized representative of Arlington County, I am writing to notify the Department that Arlington County designates the Northern Virginia Transportation Commission (NVTC) as its agent, pursuant to §15.2-4518 Section 5 of the Code of Virginia, in matters pertaining to the financial grants administration of the following Project Agreement(s) for the Use of Commonwealth Transportation Funds for Fiscal Year 2013, which are a part of the Six Year Improvement Program approved Projects, in accordance with the provisions of Section 2 of the Project Agreement(s) for the Use of Commonwealth Transportation Funds for Fiscal Year 2013:

Project Number	Project Name	Amount
72013-29	Operating Assistance Payment Schedule	1,941,147
72013-30	WMATA Operating Costs - Arlington County Obligation - State Contribution Subsidy	19,095,469
Total		21,036,616

By this letter of agent authorization, Arlington County grants the authority to NVTC to act as its agent and apply on its behalf for Fiscal Year 2014 State Transit Assistance in the DRPT On-Line Grant Administration (OLGA) system and perform other grant administrative activities with DRPT as required under the terms and conditions of the Fiscal Year 2013 Master and Project Grant Agreement(s). This grant of authority is contingent upon concurrence with the terms, powers, and duties of NVTC in this relationship specified above, and shall become effective immediately upon execution of Agreements by the Department.

Sincerely,

Barbara M. Donnellan
County Manager
Arlington County, Virginia

**Project Agreement for Use Of
Commonwealth Transportation Funds
Fiscal Year 2013
Six Year Improvement Program Approved Projects
Grant Number 72013-62**

This Project Agreement (“Agreement”) is entered into this ____ day of _____, 20____ by and between the Commonwealth of Virginia (“Commonwealth”), Department of Rail and Public Transportation (“Department”), and the County Board of Arlington County, Virginia (“Grantee”), for the provision of funding for Fiscal Year 2013 supplemental operating assistance.

WHEREAS, the Northern Virginia Transportation Commission (“NVTC”) submitted an application to the Department for funding in the Fiscal Year 2013 – Fiscal Year 2018 Six Year Improvement Program (“SYIP”) for operating assistance to offset NVTC’s costs to provide administrative services to the Grantee; and

WHEREAS, the Department removed operating assistance to NVTC and redistributed the funding, and made recommendations for approval to the Commonwealth Transportation Board; and

WHEREAS, on July 18, 2012, the CTB directed the distribution of SYIP funds to support the Northern Virginia transit services provided by the Grantee to be made by the Department conditioned upon the Grantee recording the allocated funding in accordance with Governmental Generally Accepted Accounting Principles and with the intended purpose of providing for Grantee’s locally provided transit service; and

WHEREAS, on August 30, 2012, the Department agreed to provide supplemental funds to the Grantee to offset administrative expenses of NVTC; and

WHEREAS, the Grantee has notified the Department through an “NVTC Agent Letter” dated _____, 2012 that NVTC will be providing administrative duties for the Grantee for Department funded projects identified; and

WHEREAS, it is desired by the Parties hereto to define the extent of the Projects addressed herein, the responsibilities of each party, the manner of performing the necessary Work, the method and time of payment, and to set out additional conditions associated with the Projects; and

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth, it is agreed and bound between the Parties hereto as follows:

ARTICLE 1. SCOPE OF WORK, TERM AND BUDGET

1. The Work under the terms of this Agreement is as follows:
 - a. Supplemental operating assistance to fund administrative expenses of NVTC.
2. The Department agrees to provide funding as detailed below:
 - a. State grant funding for Fiscal Year 2013 supplemental operating assistance for the administration expenses incurred by NVTC in the amount of \$16,702. Details concerning this funding are contained in Appendix 1, which is hereto attached and made a part of this Agreement.
3. The Grantee hereby acknowledges that state grant funding for this grant cannot exceed the amount allocated by the Commonwealth Transportation Board (“CTB”) and that state grant funding is contingent upon appropriation by the General Assembly of Virginia.

**ARTICLE 2. INCORPORATION OF MASTER AGREEMENT
FOR USE OF COMMONWEALTH FUNDS**

The parties hereby agree to incorporate the Master Agreement for Use of Commonwealth Transportation Funds, dated May 30, 2012, as if set out in full herein.

This space intentionally left blank

IN WITNESS WHEREOF, the Department and the Grantee execute this Project Agreement for the Use of Commonwealth Transportation Funds on the date first written above.

DEPARTMENT OF RAIL AND
PUBLIC TRANSPORTATION

WITNESS:

By: _____

Thelma Drake
Director

Date: _____

COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

WITNESS:

By: _____

Name: _____

Date: _____

Title: _____

Appendix 1

**Grantee: County Board of Arlington County,
Virginia**

Project Agreement

Project: Supplemental Operating Assistance

Project Number: 72013-62

Project Start Date: July 1, 2012

Project Expiration Date: June 30, 2013

EIN: 546001123-00

Fund Code		Item Amount
477	Grant Amount (State share of project cost 100%)	\$16,702
	Total Project Expense	\$16,702

In no event shall this grant exceed \$16,702.