
Red and Purple Lines Update

**Presentation to the
Senate Budget and Taxation and
House Appropriations Committees**

**Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland**

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Governor's June 25, 2015 Press Conference

- Governor Hogan announced:
 - Cancellation of the Red Line;
and
 - Conditional approval of the
Purple Line.

Red Line Cancellation

- Stated reasons for cancellation:
 - Current project is not a design that meets the needs of Baltimore City;
 - Requires construction of a \$1 billion tunnel through the heart of the city; and
 - At \$3 billion, current design fails to integrate effectively with Baltimore City's existing infrastructure.

Red Line

Major Closeout Activities

- Issue Stop Work Order for ongoing contract tasks.
- Take down website.
- Assemble and archive project documents in electronic and hard formats per the Maryland Transit Administration (MTA) and federal requirements:
 - Drawing sets
 - Specifications
 - Procurement documents
 - Safety sensitive information
 - Design criteria
 - Calculations
 - Management plans
 - Standard operating procedures
 - Technical memos
 - Incomplete plans, logs, and memos
- Cancel right-of-way option contracts; notify owners of property that acquisition activities will cease; and negotiate claims.
- Terminate executed stakeholder agreements.
- Notify additional stakeholders (government agencies, utilities, railroads, and hospitals) that agreement preparation is discontinued.

Red Line

Major Closeout Activities (cont.)

- Withdraw request for federal funding.
- Abandon and decommission 150 monitoring wells per the Maryland Department of the Environment's regulations.
- Confirm and document disposal of hazardous materials.
- Complete existing contract for environmental mitigation (tree planting).
- Provide staffing for duration of Summer High School Internship Program.
- Dispose of project assets (servers, computers, furniture, phones, and copiers).
- Notify the Citizens Advisory Council that staffing is discontinued.
- Notify the Safety and Security Working Group that staffing is discontinued.

Red Line Funding

- As of June 24, 2015, capital expenditures on the Red Line totaled \$288,202,246.04. MTA assumes federal funds expended on the Red Line will not need to be repaid.
- Language added to the fiscal 2016 budget bill prohibits expenditure of the \$46.4 million included for the Red Line for any other purpose. This appropriation will cancel at the end of the fiscal year and the funds will be available for other uses in fiscal 2017 and beyond.
- Cancellation of the Red Line frees up \$736 million in State funding programmed in the current *Consolidated Transportation Program* (CTP) for fiscal 2016 through 2020. This funding will be reprogrammed in the draft CTP to be released in September 2015.

Red Line Alternatives

- Cancellation of the Red Line light rail project raises the questions of how, when, or if the transit needs of the Baltimore region will be addressed:
 - The Administration has not articulated plans for an alternative method for addressing transit needs in this region; and
 - Alternatives involving construction of major transit system are likely years if not decades away from completion, particularly if federal funding is to be part of the funding package.

Purple Line

- The Governor announced that building the Purple Line was conditioned on:
 - Availability of \$900 million in federal funding;
 - Increased funding from Montgomery and Prince George's counties;
 - State construction funding reduced to \$168 million; and
 - Private sector partners delivering proposals meeting the Administration's new vision of the project (reduced construction cost, and increased private financing).

Purple Line

Reducing State Construction Costs

- Reducing State funding for construction to \$168 million is accomplished through:
 - requiring a larger contribution from Montgomery and Prince George’s counties;
 - making scope changes intended to reduce the construction cost for the project; and
 - increasing the amount of private financing to be used.
- Larger local contribution:
 - The Administration has declined to indicate the size of the additional contribution it is seeking; and
 - Media reports have indicated an additional \$50 million each is being sought from Montgomery and Prince George’s counties.

Purple Line

Reducing State Construction Costs (cont.)

- Scope changes expected to result in construction savings of at least \$215 million:
 - Largest savings to be realized is a reduction in the number of train cars to be purchased, made possible by the decision to run fewer trains during peak hours (7 ½ minutes between trains rather than the 6 minutes previously planned for initial service). Counter to initial reports, there will still be two maintenance/storage yard facilities;
 - Many changes reduce the quality of the finishes and aesthetic components of the project;
 - Some changes defer potential costs (*e.g.*, expansion of the rail fleet storage yard) or effectively prohibit a future road project (*e.g.*, elimination of the requirement that light rail overhead structures be constructed to allow future widening of Kenilworth Avenue);
 - Other changes will impact customer experience (elimination of one of two elevators at three stations) and aesthetics (requirement for "Green Track" eliminated); and
 - Full list of scope changes included as Appendix 1.

Purple Line

Reducing State Construction Costs (cont.)

- Increasing the amount of private financing:
 - Construction progress payment maximum reduced by \$154 million (from \$1,014 million to \$860 million);
 - Allowable debt service component of Availability Payments is being increased:
 - Average annual debt service allowed increased to \$60 million (from \$50 million previously); and
 - Maximum debt service in any particular year increased to \$70 million (from \$60 million previously);
 - Increased private financing is not a cost savings to the State – it results in higher payments to the Concessionaire over the life of the contract.

Purple Line

Public-private Partnership Procurement Changes

- The fourth Addendum to the Request for Proposal (RFP) was posted July 15, 2015, and includes the scope changes discussed earlier.
- New due date for RFP responses from the four bidder teams is November 17, 2015.
- Selection of a preferred proposer is expected in early 2016.
- The General Assembly's 30-day review period for the final agreement will likely fall within the 2016 legislative session.
- The commercial close is anticipated in early spring 2016 and the financial close is anticipated in late spring 2016.
- Five-year construction period anticipated would result in service beginning in 2021.

Purple Line Scope Changes*June 29, 2015*Architecture and Aesthetic Treatments:

1. Requirements for retaining wall finishes reduced to allow for standard architectural finishes.
2. Landscaping at stations is reduced where not required for stormwater management or wayfinding.
3. Additional flexibility is provided for architectural treatments of stations. Changes include:
 1. Allowing transparent non-glass materials in lieu of glass in station canopies.
 2. Allowing framed glazing in lieu of point-supported glass.
 3. Allowing flat panels in lieu of curved/arched glazing in station canopies.
 4. Allowing concrete walls in lieu of metal panels in some locations.
 5. Allowing painted utility cabinets in lieu of stainless steel.
 6. Allowing a reduced amount of glass at elevator enclosures.
4. Framed glazing rather than point-supported glazing is allowed for the Bethesda vent structure façade.
5. The Chevy Chase Lake Station egress stairway can be open-air instead of enclosed.
6. Requirement for a fully enclosed platform at Riverdale Park and Silver Spring is eliminated; standard station canopy is provided.
7. Additional flexibility is provided for the design of catenary poles in a limited number of locations.
8. Additional flexibility is provided for the façade architecture at the Lyttonsville facility.

Art:

9. The project art allowance is reduced by 50%.

Light Rail Vehicle (LRV) Fleet:

10. The initial LRV fleet will be for 7.5-minute peak period service instead of 6-minute peak period service.

Maintenance of Traffic during Construction:

11. Extended work hours and additional temporary lane closures will be permitted for Maryland State Highway Administrations roadways.
12. Extended work hours, additional lane closures, and potential bridge closures will be permitted for certain county roadways and bridges.
13. University of Maryland will provide additional flexibility for long-term lane closures during construction on the campus.
14. Montgomery County will take on a greater role in providing the alternate interim Capital Crescent Trail.

Platform lengths:

15. Station platforms must be designed to a 200-foot length but can be constructed to a lesser length as long as they serve the Concessionaire's longest train.

Project Management and Construction Office Requirements:

16. One MTA field office (instead of three) is required.
17. Requirement for the project office to be located east of New Hampshire Avenue is eliminated.

Roadways:

18. Shared lanes will not require full width pavement replacement; limits of full depth pavement replacement will not extend to cover utility patches.

Structures:

19. Light rail and Capital Crescent trail bridges over the developer road at the Chevy Chase Lake Station are reduced from 60' to 40'.
20. Standard bridge over Rock Creek is permitted (rather than a parabolic steel box girder bridge). The Concessionaire must obtain necessary approvals from Maryland-National Capital Park and Planning Commission and National Capital Planning Commission for bridge design.
21. Retained fill walls are permitted at Riverdale Park Station. If the Concessionaire elects to construct the Station with retained fill, an at-grade pedestrian walkway at least 10 feet wide must be provided beneath the station, directly connecting the East-West Highway with 57th Avenue.
22. Requirements for the light rail overhead structure to accommodate future widening of Kenilworth Avenue and East-West Highway is eliminated.
23. Retaining wall deformation (surface settlement) requirements are modified to permit an additional 1" of settlement.
24. SHA painting standards can be applied to Montgomery County bridges.

Systems:

25. One of two elevators is eliminated at each of the following stations: Chevy Chase Lake, Silver Spring Transit Center, and Manchester Place.
26. Functional requirements for the Backup Operations Control Center are reduced.
27. Call boxes and other security features at University of Maryland stations will be provided by others.
28. Portable or temporarily installed equipment for rider comfort measurement is permitted in lieu of a permanently installed event recorder system.
29. Requirement for pre-wiring of roof mounted LRV cameras is modified.
30. Standards for LRV door obstruction detection are clarified.

Track:

31. Ballasted track may be used in locations where Green Track was previously required.
32. Design must accommodate a future pocket track at Riggs Road but construction of the pocket track is optional.

Transportation Utility Conduits and Fiber Optic Cables:

33. Requirement for a backup fiber optic cable is eliminated.
34. Redundant fiber optic connection to the MDOT network at Bethesda is eliminated.
35. Spare conduits reduced to three.
36. Fiber-reinforced epoxy conduit in lieu of rigid conduit at all bridges and overpasses within State's/Concessionaire's control is permitted.

Utilities:

37. Vertical clearances for power and communications utilities are reduced to 2'6".
38. MTA will provide the Concessionaire with a pre-construction CCTV survey of WSSC sewer lines.

Yards and Shops:

39. Maintenance shop need only be fitted out with equipment needed to service the initial vehicle fleet.
40. LRV yard storage tracks still need to be designed for a fleet that provides up to 5-minute train service, but the initial construction need only be built out for the initial vehicle fleet.
41. Compliance with the LEED Silver standard is optional.