



January 17, 2018

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Katherine A. Mattice

Mr. Paul Wiedefeld
General Manager and Chief Executive Officer
Washington Metropolitan Area Transit Authority (WMATA)
600 Fifth Street, NW
Washington, D.C. 20001

Re: Proposed Fiscal Year 2019 Budget

Dear Mr. Wiedefeld:

On behalf of the Northern Virginia Transportation Commission (NVTC), I write to convey comments and concerns regarding WMATA's proposed FY2019 budget. Overall, NVTC supports the budget's focus on continuing to improve WMATA's operations to better serve its customers and manage operating costs. However, we share your concern regarding the rate of increase in jurisdictional subsidies projected after FY2019, which takes the region down a path that is unsustainable.

A safe and reliable Metrorail system is vital to the Northern Virginia economy, as it provides hundreds of thousands of our constituents with access to jobs every day. It is in the interest of both of our agencies to ensure that Metrorail continues to provide service that allows businesses to thrive, as the tax revenues they generate support our jurisdiction's Metrorail subsidies.

General Comments

NVTC concurs with the budget's focus on ridership recovery, capital investments to preserve the system, and continued management improvements. We believe that the proposed budget's emphasis on safety, reliability and service builds on the recent successes of SafeTrack and the Back2Good program and will restore public and rider confidence in the system.

However, the increase in jurisdictional subsidies that you have outlined for the out years exceed the ability of our local governments to pay. In Northern Virginia's localities, WMATA operating and capital funding directly competes with parks, schools, public safety, and other municipal priorities. A continued increase in jurisdictional capital subsidies of this magnitude presents tremendous fiscal challenges to our local jurisdictions.

The comments provided below focus on the operating and capital budgets, as these budget discussions are the most developed.

Proposed FY2018 Operating Budget

NVTC appreciates that the operating budget avoids service cuts and fare increases, reduces costs through management actions and competitive contracting, increases revenues through advertising and parking initiatives, and caps the region's jurisdictional subsidy increase at 3 percent. We recognize that there is some uncertainty to the proposed operating budget and that not all initiatives are funded within the 3 percent increase.

Proposed FY2019 Capital Budget and Capital Improvement Program

Given limited revenue sources and competing budget priorities, Northern Virginia is troubled by the rate of increase in jurisdictional subsidies after FY2019 in the proposed capital budget. We agree with your observation that, absent the reauthorization of the Passenger Rail Investment and Improvement Act (PRIIA) and the implementation of dedicated capital funding, the projected increase in jurisdictional capital subsidies is unsustainable. Given those challenges, we encourage continued advocacy for both the renewal of federal funding under the PRIIA and dedicated and sustainable state and regional revenue sources that will allow WMATA to address state of good repair needs.

NVTC and its jurisdictions are invested in WMATA's success. As such, we must continue to ensure that the WMATA budget reflects and supports the priorities of safety, reliability and service. We look forward to working with you and WMATA's other funding jurisdictions to balance needs and resources as part of the FY19 budget process and through efforts to implement the components of your plan, "Keeping Metro Safe, Reliable, and Affordable."

Sincerely,



Katherine A. Mattice